

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, AUGUST 6, 2025- 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM - CITY HALL
1801 9th Ave. N.
Texas City, TX 77590

PLEASE NOTE: Public comments are limited to posted agenda items only and are generally limited to 3 minutes in length. If you would like to request to speak, please do so in advance of the meeting by filling out a Request To Address Commission form. All in attendance are required to remove hats and/or sunglasses (dark glasses) during meetings and to also silence all cell phones and electronic devices.

- (1) ROLL CALL
- (2) INVOCATION
- (3) PLEDGE OF ALLEGIANCE
- (4) REPORTS
 - (a) Engineering, Transportation, and Planning Department Annual Report (City Engineer)
 - (b) Ambulance Fleet Status Report. (Fire)
- (5) PUBLIC HEARING
 - (a) To consider and approve the Community Development Block Grant (CDBG) 2025 Consolidated Plan and Annual Action Plan -2nd Public Hearing
 - (b) Public Hearing to receive comments regarding amending the Code of Ordinances Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects.
 - (c) Public Hearing for comments on the zoning change of 38.653 acres from District H Heavy Industry to District SP Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation

(6) PRELIMINARY ZONING APPROVAL

- (a) Consider and take action on Preliminary Zoning Approval for Red Egret, LLC for a zoning change of 38.653 acres from District "H" Heavy Industry to District "SP" Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation.
- (b) Consider and take action on request for an extension of time to Preliminary Zoning Approval for Lakeside Bayou Subdivision.
- (c) Request for Extension of Time to Preliminary Zoning Approval for Alpha Omega Power, LLC to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) for development of a BESS project to be located at 701 Hwy 146 N.

(7) PUBLIC COMMENTS

(8) CONSENT AGENDA

- (a) Approve City Commission Minutes for July 16, 2025 meeting. (City Secretary)
- (b) Consider and take action on Resolution No. 2025-077, consenting to annexing 17.968 acres of Section 5 Marlow Lake North Subdivision into GCMUD 79. (Engineering)
- (c) Consider and take action on Resolution No. 2025-078, approving the Second Amendment to the Utility Services Agreement with Lakeside Bayou, LLC and GCMUD 53. (Engineering)
- (d) Consider and take action on Resolution No. 2025-079, approving a Development Agreement with Red Egret LLC. (Engineering)
- (e) Consider and take action on Resolution No. 2025-080, adoption and submission of the CDBG 2025-2029 Consolidated Plan and Annual Action Plan. (Community Development)
- (f) Consider and take action on Resolution No. 2025-081, approving and awarding Commission Grant funds in the amount of \$1,500 to the Texas City Foursquare Church. (Commissioner DeAndre Knoxson)

(9) REGULAR ITEMS

- (a) Consider and take action on the third and final reading of Ordinance No. 2025-06, amending the Texas City Code of Ordinances by creating Chapter 162 entitled "Battery Energy Storage Systems" and Amending Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects. (City Engineer)
- (b) Consider and take action on Ordinance No. 2025-14, establishing the Commission Rules of Procedure/Order of Business. (Management Services)
- (c) Consider and take action on proposed ad valorem tax rate (Fiscal Year 2026 – October 1, 2025, to September 30, 2026) by record vote and schedule public hearings, if necessary. (Finance)
- (d) Consider and take action on Ordinance No. 2025-15, amending the Code of Ordinance, City of Texas City, Texas, Title III "Administration", Chapter 32 "Law Enforcement and Fire Department", Section 32.009 "Fire Department; Class of Positions", to reflect one (1) fewer position in the classification of Captain and one (1) additional position in the classification of Firefighter; the total number of authorized Fire Department personnel will remain unchanged. (Fire)

(10) COMMISSIONERS' COMMENTS

(11) MAYOR'S COMMENTS

(12) ADJOURNMENT

NOTICE OF ANY SUBJECT APPEARING ON THIS AGENDA REGARDLESS OF HOW THE MATTER IS STATED MAY BE ACTED UPON BY THE CITY COMMISSION.

NOTICE: The City of Texas City will furnish free transportation to handicapped individuals via a 4-door sedan for anyone wishing to attend the City Commission meetings. Call 948-3111, City Secretary's Office before noon on Monday preceding the meeting to make arrangements.

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT CITY HALL, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON JULY 31, 2025, PRIOR TO 5:00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

RHOMARI LEIGH
CITY SECRETARY

CITY COMMISSION REGULAR MTG

(4) (a)

Meeting Date: 08/06/2025

Engineering, Transportation and Planning Department Report (City Engineer)

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Transportation and Planning Department Report (City Engineer)

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

Eng & Planning Annual Report 2025

Regional Transportation Plan 2050

Developing across...

TEXAS CITY

Where **COMMUNITY** matters

Engineering & Planning
2025



Texas City
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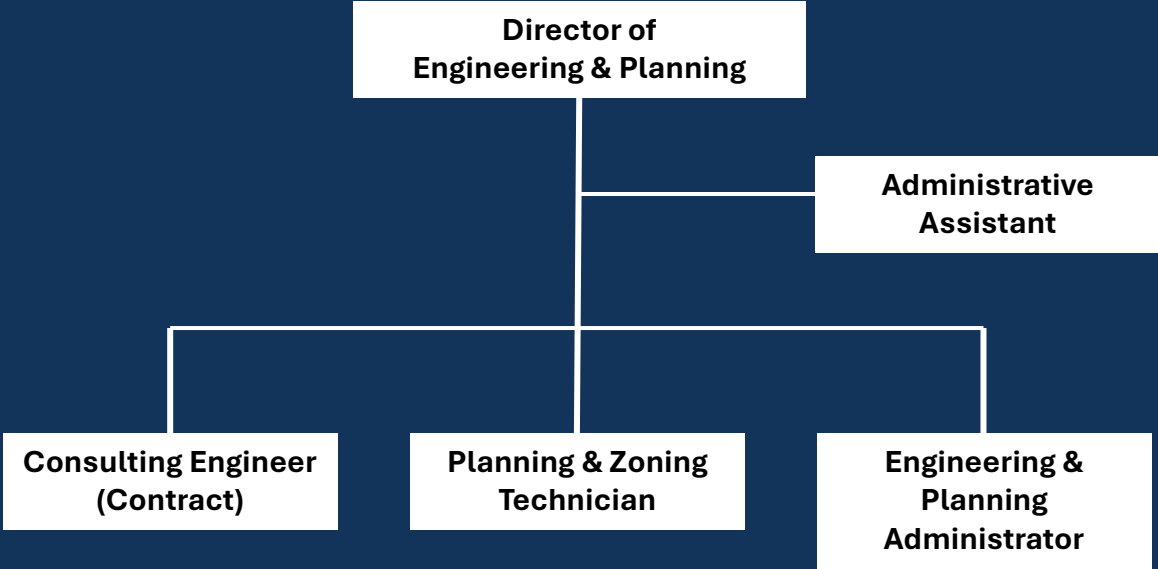
ENGINEERING & PLANNING BUILDING & INSPECTIONS

7800 Emmett F. Lowry Expy
Texas City, TX 77591



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ENGINEERING & PLANNING STAFFING



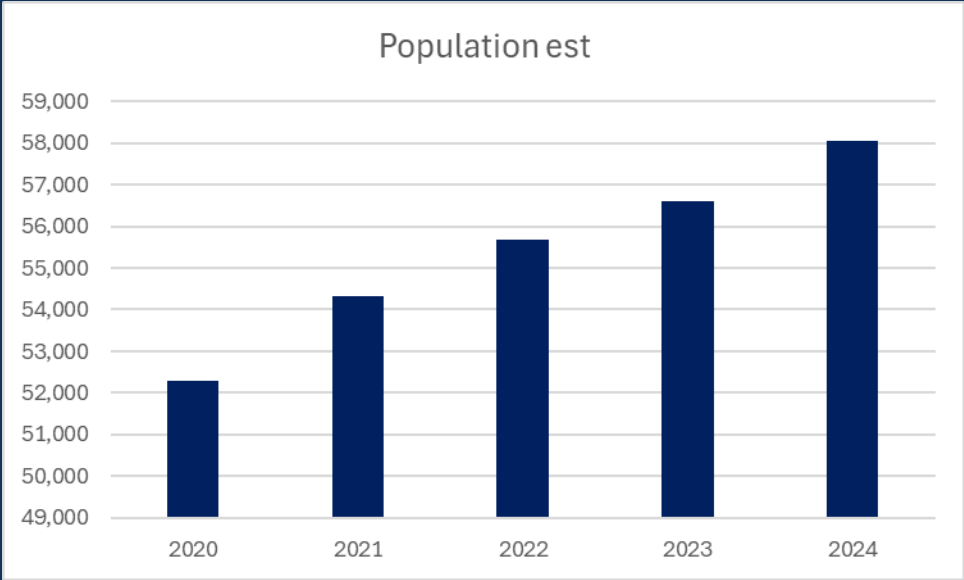
ENGINEERING & PLANNING HIGHLIGHTS

- Administered continued balanced growth of the City
 - Planning Board
 - Zoning Commission
 - Board of Adjustments
- Promoted public facing GIS based Zoning Search Tool
- Established kiosk sign program to remove bandit signs in the rights of way



ESTIMATED POPULATION AS OF JULY 1

2020
52,287



2024
58,049

11.02% increase since 2020
2.54% annually



ENGINEERING & PLANNING

Performance Measures

Indicator	2023 Actuals	2024 Actuals	2025 YTD
Master Plans Approved	0	Memorial Village – 99 Willow Wood - 213	Lago Mar East – 1,973
Total Preliminary Plat Approved (Lots)	816	411	417
Total Final Plats Approved (Lots)	804	297	604
Total Acres Subdivided – Master Plans	0	112	1,229.9
Total Acres Subdivided - Preliminary	266.596	141.1251	208.2242
Total Acres Subdivided - Final	277.699	109.2521	214.614
Development Plan – Applications Received	33	25	18
Development Plan – Applications Approved	19	23	9
Final Plats Recorded	20	16	10



THE SINGLE-FAMILY DEVELOPMENT PIPELINE

Construction or Shovel-Ready

965 Lots
306.10 acres

Brookwater Section 1
Central Park Section 3
Lago Mar Pod 9 and Pod 10
Heron's Landing Section 4
Lakeside Bayou
Steed Landing
Sunrise Cove Sections 1 & 2
Vida Costera Section 3

In Platting (Master Plan Approved)

1,045 Lots
359.45 acres

Cobblestone Sections 3 & 4
Heron's Landing Section 5
Marlow Lake Section 5
Memorial Village
Pearlbrook Section 10
Lago Mar East Phase I
Willow Wood Sections 1 & 2
Grand Cay Harbour Section 4A

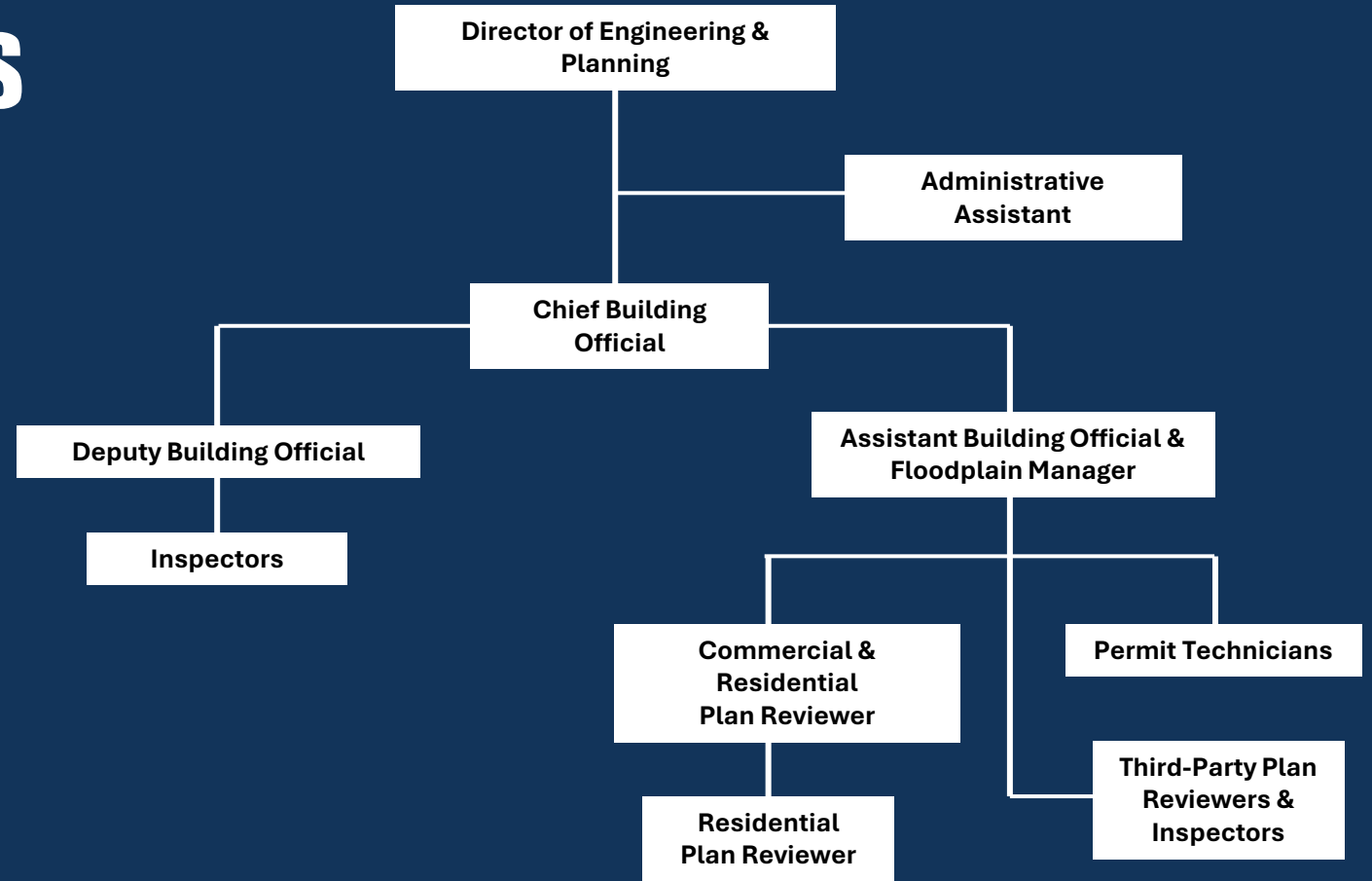
In Planning & Pre-Development

1,924 Lots
654 acres

Bay Street
Grand Cay Harbour
MHI Tract
Padgett Tract



BUILDING & INSPECTIONS STAFFING



BUILDING & INSPECTIONS

Highlights

- **Administered the issuance of 48 permit types**
 - **Conducted 119 types of inspections**
- **Certificates of Occupancy – new residential and commercial**
 - **Abatement of substandard structures through remodels**
- **Assisted Community Development new construction projects**
 - **Achieved the certification of 2 Plumbing Inspectors**
 - **Maintained the qualifications of 6 Combination Inspectors**



BUILDING & INSPECTIONS

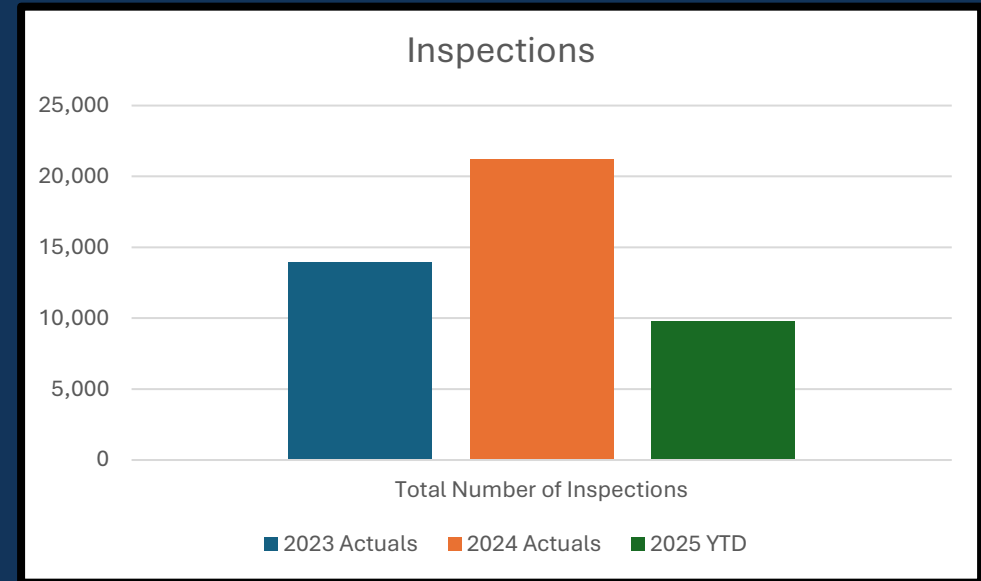
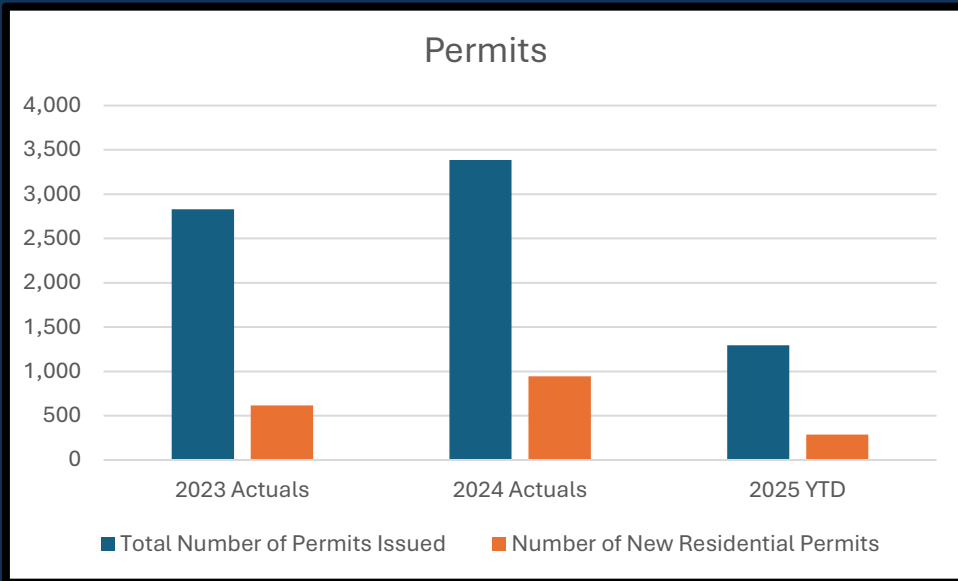
Performance Measures

Indicator	2023 Actuals	2024 Actuals	2025 YTD
Total Number of Permits Issued	2,829	3,387	1,293
Number of New Residential Permits	615	944	286
Number of Commercial Certificates of Occupancy	64	57	85
Total Number of Inspections	13,959	21,195	9,746
Number of substandard structures abated through forbearance agreements	11	1	0



BUILDING & INSPECTIONS

Performance Measures



NEW COMMERCIAL DEVELOPMENTS

2020 - 2025

Restaurants (24)

Pit Stop BBQ

Gus'

Starbucks

MOD Pizza

Hoppe's Bar & Grill

Hoppe's Cantina

Johnae's

Brick and Spoon

Kung Fu Tea

Fat & Juicy BBQ

Scooter's Coffee

Texas Roadhouse

Bag O' Crab

Peking Duck

Jay's Café

Waffle House

Lercy's Diner

Blue Lagoon Bar & Grill

Café Petra

Time Out No. 5

Grazia Italian Restaurant

Whiskey Bay

Mr. Taco

Dunkin' Donuts*

* Not Complete



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NEW COMMERCIAL DEVELOPMENTS 2020 - 2025

Retail/General Business (33)

Victoria's Secret
Smart Living Apts
Sally Beauty Supply
Rich's Car Wash
T-Mobile
Bell Zion Church
Fuel Depot
Five Below
Brazos Urethane
Houston Painting
Frost Bank

Lagoon Fest Pool
Take 5 Oil Change
Lia's Jewelry
Timewise C-Store
Fuel Plus #8
Sports Clips
Oakley
Twice the Ice
SBA Alliance C-Store
Hey Dudes
King Nail Spa

Tractor Supply
Brad's Boat Storage
O'Reilly Auto Parts
Roadster Gas Station
Always Market C-Store
Fuel Plus C-Store
Hernandez Retail Center
Texas City Hair Salon
Shoe Palace
Burlington Coat Factory*
Quick Quack Car Wash*

* Not Complete



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NEW COMMERCIAL DEVELOPMENTS 2020 - 2025

INDUSTRY	MEDICAL	PUBLIC <small>(Institution/Education/Government)</small>
<p>Industrial Specialist Gulf Coast Water Authority Broad Reach Power (BESS) Eastman Chemical Office Topaz Generating LLC</p>	<p>Aspen Dental Newcor Medical Partners Select Physical Therapy Crisis Center Little Stars Pediatric Center</p>	<p>Texas City Fire Training Center TC Fire Station #4 TC Community Plaza* TCISD Stem Center TCISD Calvin Vincent Learning Center LMISD Middle School DISD Elementary School* DISD Middle School COM New Industrial Careers Center* COM Cosmetology School* COM Public Safety Careers Center* COM Continuing & Corporate Education Center* COM Library & Classroom Building* Galveston County Clerk's Office Annex</p>

* Not Complete



BUILDING & INSPECTIONS

Upgraded Web-based Permitting System

- Integrated with GIS
- Configured with Munis to eliminate double entry of receipts
- Electronic Plan Review
- Enhanced Customer Service
- MGO Go Live – June 4, 2025
- MyGov Migration – September 2025



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**LAGO MAR
TAX INCREMENT
REINVESTMENT ZONE
(TIRZ)**



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LAGO MAR TIRZ

Property Value Increase (2006 – 2024)

- Year 17 of its 30-year life
- 2,687 completed homes as of 12/31/2024

Increase in Tax Base Market Value by Year

	Commercial	Residential	Totals
2006 Base Value	\$82,650	\$321,530	\$404,180
2022 Value	\$176,695,679	\$476,164,818	\$652,861,497
2023 Value	\$201,833,329	\$624,276,018	\$826,109,347
2024 Value	\$228,774,944	\$889,838,573	\$1,118,613,517
Increment	\$228,692,294	\$889,517,043	\$1,118,209,337



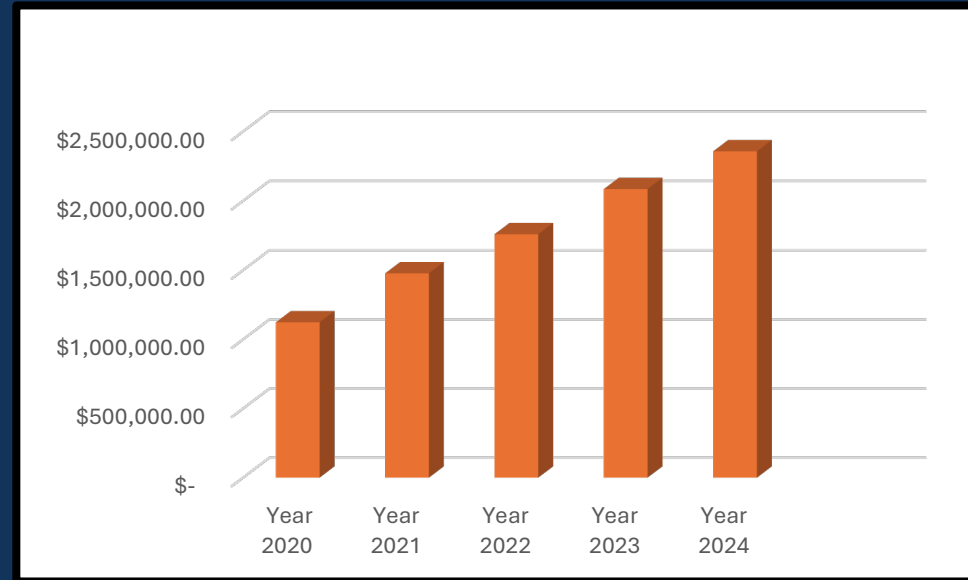
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LAGO MAR TIRZ

2024 Tax Increment

\$2,356,934

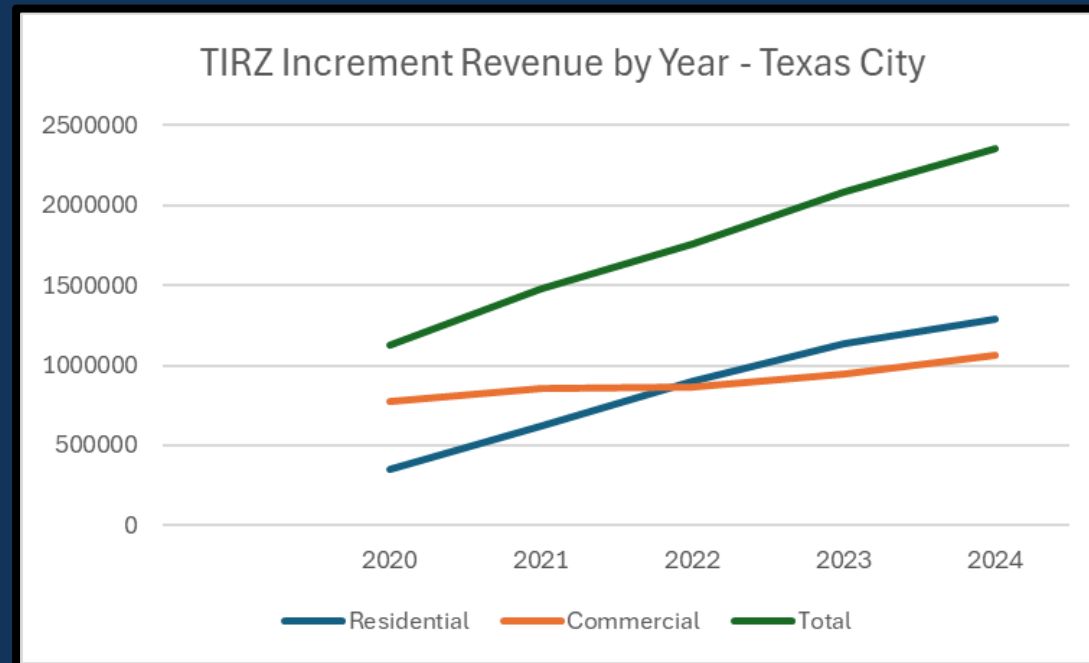
Tax increment revenue
to TIRZ fund from Texas
City share of tax
revenue



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LAGO MAR TIRZ

2024 Tax Increment





2026 – 2027

- Electronic Plan Review
- Web-based Portal for Planning & Zoning
 - Master Parks Plan
 - Perform the CIP for W & S
- Building Renovations & Expansion
 - Traffic Signal Projects



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TRAFFIC SIGNAL PROJECTS

Construction beginning Summer 2025

LAGO MAR



Lago Crossing & Hughes Road

Lago Mar Blvd & Crystal View Blvd

Lago Mar Blvd & Lago Crossing

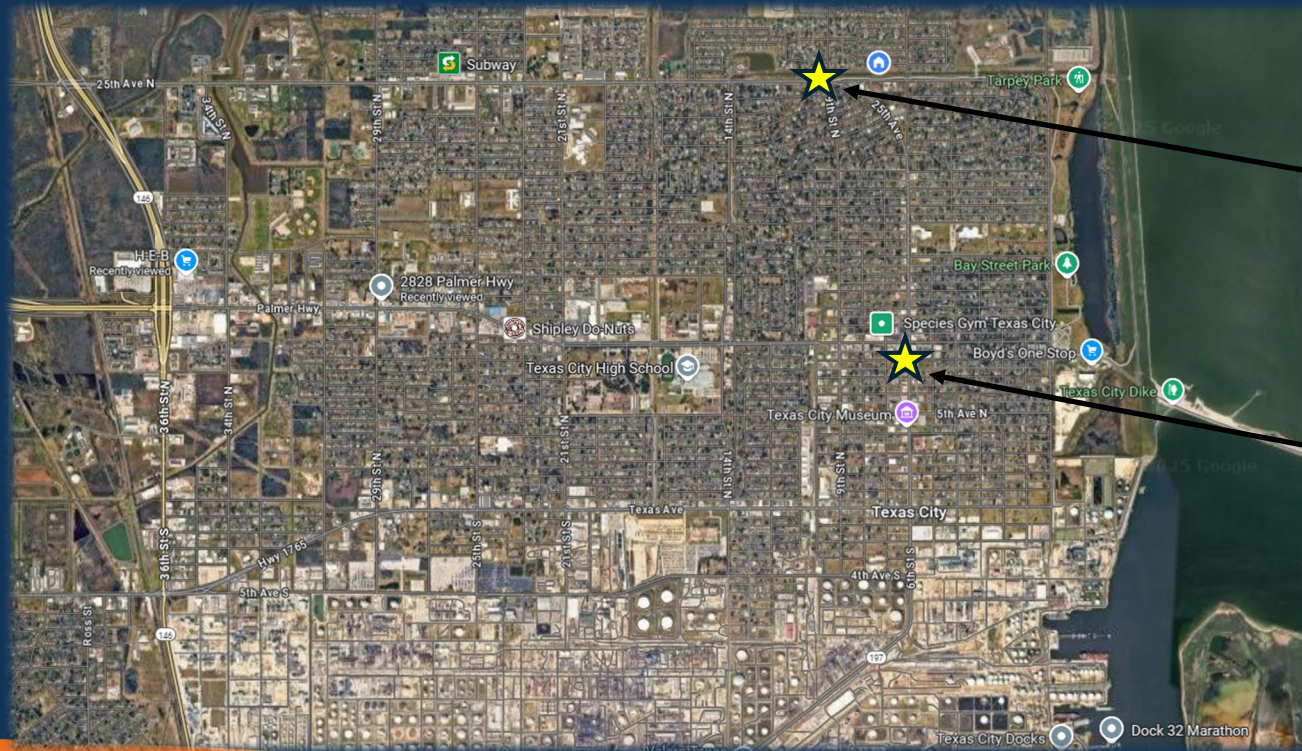


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TRAFFIC SIGNAL PROJECTS

In Design, Construction - Budget Year 2025 - 2026

**DOWNTOWN
TEXAS CITY**



**25th Avenue North
(aka Loop 197)
& 9th Street North**

**9th Avenue North
& 6th Street North**



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REGIONAL TRANSPORTATION PLAN 2050



My Plan, Your Plan, Our Plan



Visit **RTP2050.com**

Call **832-821-2050**

Email **RTP2050@h-gac.com**

Follow Us **@HouGalvAreaCog**



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QUESTIONS?



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REGIONAL TRANSPORTATION PLAN 2050



RTP2050 FACT SHEET

What is the Regional Transportation Plan 2050?

The Regional Transportation Plan 2050, or RTP, is a big-picture plan for how we will travel in the future. It looks ahead to the year 2050 and includes all the ways people move around—like highways, buses, trains, sidewalks, and bike lanes. The plan helps decide which projects to build and how to pay for them.

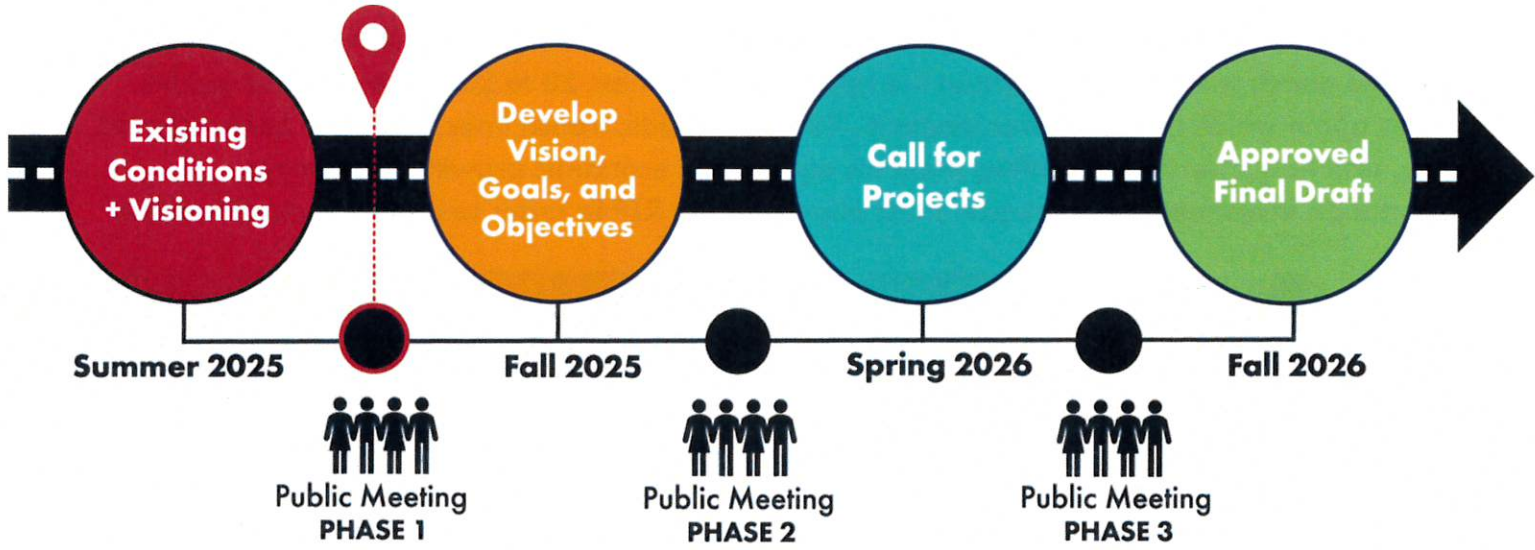
Why This Plan Matters

- A strong transportation plan can help:
- Make roads safer and reduce traffic.
 - Support job growth and new businesses.
 - Protect our air, water, and land.
 - Give people more travel options.
 - Connect communities to jobs, schools, and services.
 - Guide how local, state, and federal funds are spent.

What the Plan Covers

- Roads and highways.
- Public transportation (buses and rail).
- Sidewalks and bike paths.
- Freight and goods movement.
- Emergency routes and safety.
- Environmental impacts.
- Fair access to transportation.
- Tourism.
- How we'll track progress with goals and measures.

RTP 2050 Timeline



REGIONAL TRANSPORTATION PLAN 2050



RTP2050 FACT SHEET

Our Region, Our Plan, Our Voices

This plan includes ideas from:

- Local cities and counties.
- Transportation agencies.
- Businesses and workers.
- Community and neighborhood groups.
- People like you.

How You Can Help Shape the Plan

We want to hear from you!

- Take the survey.
- Attend a public meeting.
- Send us your ideas: RTP2050@h-gac.com.
- Sign up for updates at RTP2050.com.

Who We Are

The Houston-Galveston Area Council (H-GAC) is a group of local governments and leaders from 13 counties in the Texas Gulf Coast region. This area covers over 12,500 square miles and is home to more than 7 million people. H-GAC helps these communities work together on important regional issues, including transportation, emergency planning, housing, and economic development.

Since 1974, H-GAC has also served as the Metropolitan Planning Organization (MPO) for eight of those counties: Harris, Montgomery, Liberty, Chambers, Galveston, Brazoria, Fort Bend, and Waller. As the MPO, H-GAC is responsible for regional transportation planning and helps decide how federal transportation funds are spent.

The RTP is one of the most important responsibilities of the MPO. It lays out a shared vision for how people and goods will move throughout the region over the next 20 to 25 years. The RTP guides decisions about which transportation projects—like new roads, transit lines, and bike trails—should be built, and how they support safety, mobility, equity, and economic growth. Every major transportation investment in the region must align with the RTP in order to receive federal funding.



My Plan, Your Plan, Our Plan



Visit RTP2050.com
Call **832-821-2050**
Email RTP2050@h-gac.com
Follow Us [@HouGalvAreaCog](https://twitter.com/HouGalvAreaCog)



RTP2050 SURVEY

Existing Conditions and Visioning

Let's Hear From You!

Your voice matters! Help the Houston-Galveston Area Council (H-GAC) plan for the future of transportation in our region. The 2050 Regional Transportation Plan (RTP) will guide policies and development of transportation over the next 25 years.

Whether you bike, drive, take the bus, walk, or roll every experience counts. Help us create a Regional Transportation Plan that meets the needs of our community and enhances your daily commute.

Take a few moments to share more of your thoughts and ideas. Together, we can pave the way for a more connected, efficient, and sustainable transportation system. Let's hit the road to a brighter future!

Section 1

1. What are your greatest concerns when driving, riding, biking, or walking in the region? (Select all that apply)

- Traffic Congestion
- Safety
- Poor road conditions
- Comfort / Weather
- Delays or Reliability
- Other _____

2. How often do you use the following types of transportation per week?

Mode	Daily	2-3 times	Rarely (1 or less)	Never
Personal Car	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bus or Train	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bicycle	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Walking/Rolling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ride-share (e.g. Uber, lift)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carpool	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



RTP2050 SURVEY

Existing Conditions and Visioning

3. How long is your average one-way commute to work or school?
- Less than 15 minutes
 - 15–30 minutes
 - 31–60 minutes
 - More than 1 hour
 - I remote work / telecommute
4. How frequently have you or a member of your family delayed or cancelled going to the store, doctor, school, work, events/hobby, or anywhere due to a concern about transportation or the transportation system?
- Frequently - Daily
 - Often – 3 to 4 days per week
 - Sometimes – 1 to 2 times a month
 - Rarely – Every few months
 - Never

What are some of the reasons?

5. Are there any transportation issues that make it hard for you to travel safely or easily in the region? (Select all that apply)
- Roadway, biking, and walking/rolling facilities and connectivity
 - Areas of excess traffic congestion and delay
 - Public transit service availability
 - Transportation cost
 - Roadway safety
 - Limited travel options
 - None
 - Other _____

If yes, please describe issues or improvements needed and include specific locations if you can.



RTP2050 SURVEY

Existing Conditions and Visioning

6. How would you rate the condition of the following infrastructure in your area?

Infrastructure Type	Excellent	Good	Fair	Poor	N/A
Roads and Highways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Transit (Bus/Train)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sidewalks and crossings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bike lanes/trails	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. What transportation options in your area are accessible for people of all ages and abilities? (Select all that apply)

- Accessible sidewalks
- Bike Lanes
- Bus/Train
- Paratransit (Pickup transportation services for elderly and disabled)
- None
- Other _____

8. What should be the top goals for improving transportation in your area? (Select top three)

- Repair existing roads and facilities
- Add biking and walking/rolling options
- Add bus and rail options
- Add more vehicle lanes
- More educational programs and safety campaigns
- Transportation for the elderly and disabled

8. Describe your ideal transportation system by 2050. (Write response below)



RTP2050 SURVEY

Existing Conditions and Visioning

9. What factors did you consider when choosing where to live? (Select top two)
- Cost/Affordability
 - Travel time (Near work, shopping, good schools, and other daily needs)
 - Bigger house
 - Transportation options/services (buses, bike lanes, sidewalks)
 - Safety (Less crime, away from traffic)
 - Other _____

Section 2: About You.

1. Home Zip Code

2. What is the zip code of your place of employment? If unknown, what is the nearest intersection or landmark?

3. I am:

- A full-time student
- Employed full-time
- Employed part-time
- Unemployed
- Retired

4. What is your age range?

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65+
- Prefer not to say



Houston-Galveston
Area Council

RTP2050 SURVEY

Existing Conditions and Visioning

5. What is your gender?

- Male
- Female
- Other
- Prefer not to say

6. What best describes your race or ethnicity? (Select all that apply)

- Black or African American
- White
- Hispanic or Latino
- Asian or Pacific Islander
- Native American or Alaska Native
- Other: [Open text box]
- Prefer not to say

7. What is your income level?

- Below \$30,000
- \$30,000 - \$60,000
- \$60,000 - \$100,000
- Above \$100,000



RTP2050 SURVEY

Existing Conditions and Visioning

Section 3

1. Would you like to receive updates about the Regional Transportation Plan (RTP) and be entered to win a gift card?

Yes, please provide name, and email or phone number

No

2. Are you interested in participating in future workshops or focus groups?

Yes

No

Maybe

If yes or maybe, then provide name, email address, and/or phone number

3. What time of day are you most likely to attend a public meeting? (Select all that apply)

Mornings 8am- 12pm

Afternoons 12pm-3pm

Evenings 3pm-7pm

Night 8pm or later

4. Where did you hear about this survey?

Online search engines

H-GAC website

Public meeting

Billboard, radio, TV ad

Social media

Word of mouth

Flyer, newspaper or other print media

Thank you for your time. Please check the RTP2050.com for survey results and more information about how to get involved in the 2050 Regional Transportation Planning Process.

CITY COMMISSION REGULAR MTG

(4) (b)

Meeting Date: 08/06/2025

Ambulance Fleet Status Report

Submitted For: Dennis Harris, Fire Department

Submitted By: Dennis Harris, Fire Department

Department: Fire Department

Information

ACTION REQUEST

No commission action requested.

BACKGROUND (Brief Summary)

Emergency Medical Services Fleet Overview: Operational Challenges and Unit Losses.

RECOMMENDATION

No commission action requested. (Report Only)

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: No funds requested.

Source of Funds: No funds requested.

Account #: No funds requested.

Fiscal Impact:

Attachments

Staff Report



Texas City Fire Department

EMS Fleet Status Summary

EMS Unit Assignment and Status

- **Medic 11** (2021): Out of service – totaled in rear-end accident, not replaced yet.

- **Medic 10** (2023): Station 1 – Reserve/Backup Unit: **Medic 45**

- **Medic 15** (2012): Out of service – totaled in rear-end accident, not replaced yet.

- **Medic 20** (2016): Station 2 – Backup unit is **R13** (2007)

- **Medic 30** (2016): Station 3 – No reserve/Backup unit

- **Medic 40** (2022): Station 4 – No reserve/Backup unit

- **Medic 45** (2016): Reserve unit at Station 1

- **Rescue 13** (2007): Reserve/Backup unit Station 2. Unit is at the end of serviceable life, not recommended for remount

Maintenance & Operational Concerns

- Fleet aging significantly, especially units from 2012–2016
- Only two reserve ambulance units available citywide (Medic 45)
- Stations 3, and 4 lack backup EMS Unit reserves
- Major repairs including transmissions and engines reported recently
- Limited redundancy puts system at risk during emergencies



M20 – Recent Maintenance

\$5,522.03 22407068 FUEL PUMP, MANIFOLD, PUMP ASSEMBLY, GASKETS, ORINGS

\$1,999.97 22407561 REPLACE AND PROGRAM GLUCON PLUG MODULE, OIL TEMP SENSOR & PIC OIL PRESSURE SENSOR AND PIGTAIL, AC SWITCH

\$1,450.00 22406573 SUSPENSION COMPRESSOR

Total: \$8,972.00

M30 RECENT MAINT (2016)



\$5,583.49 – REMOVE AND REBUILD TRANSMISSION.



\$2,998.53 – REAR DIFFERENTIAL ASSEMBLY REPAIRS.



\$5,873.82 – LEFT FUEL RAIL, DEF INJECTOR & REGEN, HIGH PRESSURE FUEL PUMP.



\$10,740.86 – REPLACE DPF, EGT SENSORS, NOX SENSORS, REAR BRAKE PADS.



\$5,517.46 – TURBO REPLACE, ANTI FREEZE, THERMOSTAT REPLACE, OIL PRESSURE SWITCH.

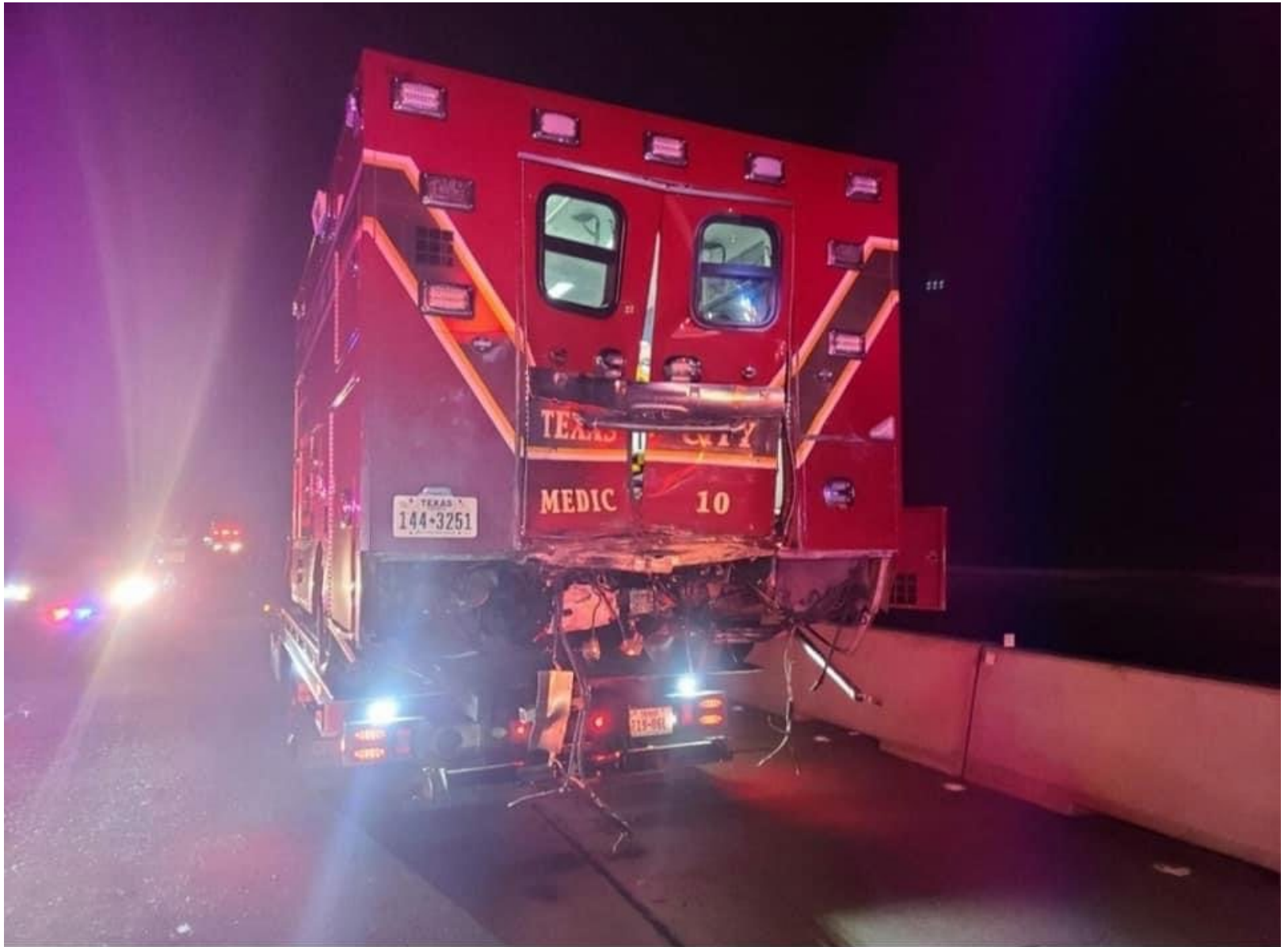


\$27,567.38 – TOW, MOTOR REPLACE, HP FUEL SYSTEM REPLACE



TOTAL: \$58,281.54

M11





M15



CITY COMMISSION REGULAR MTG

(5) (a)

Meeting Date: 08/06/2025

CDBG 2025 Consolidated Plan and Annual Action Plan -2nd Public Hearing

Submitted For: Titilayo Smith, Community Development/ Grant Admin

Submitted By: Patricia Mata, Community Development/ Grant Admin

Department: Community Development/ Grant Admin

Information

ACTION REQUEST

To consider and approve the Community Development Block Grant (CDBG) 2025 Consolidated Plan and Annual Action Plan -2nd Public Hearing

BACKGROUND (Brief Summary)

The 5-year Consolidated Plan is designed to assist states and local jurisdictions in assessing their affordable housing and community development needs, as well as market conditions, enabling them to make data-driven, place-based investment decisions. The consolidated planning process serves as a framework for a community-wide dialogue to identify housing and community development priorities that focus on funding from the CPD formula block grant programs. Implementation of the Consolidated Plan occurs through Annual Action Plans, which provide a concise summary of the actions, activities, and specific federal and non-federal resources utilized each year to address the priority needs and goals identified by the Consolidated Plan.

A minimum of two public hearings are required to meet the Citizens Participation Plan before finalizing the 2025 Consolidated Plan and Annual Action Plan draft after the 30-day comment period. The draft will be available from June 4, 2025, to July 20, 2025. Copies will be available at the Community Development Department at 928 5th Ave. N, Moore Public Library at 1701 9th Ave. N, and City Hall at 1801 9th Ave. N, Texas City. It will also be available via the City’s website at www.texascitytx.gov on the Community Development Department page.

RECOMMENDATION

The Director of Community Development & Grants Administrator recommends that the Commission hold a Public Hearing on August 6, 2025.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: N/A

Source of Funds: Entitlement

Account #: 601

Fiscal Impact:

There is no fiscal impact at the time, as the request is for a public hearing.

Attachments



CDBG 2025-2029 CONSOLIDATED PLAN, 2025 ACTION PLAN

2ND PUBLIC HEARING

AUGUST 6, 2025

CONSOLIDATED PLAN PROCESS/REQUIREMENTS

Consolidated Plan

- HUD entitlement grant programs are administered through the Consolidated Plan (Con Plan)
 - Managed through HUD's Integrated Disbursement and Information System (IDIS) Online
- Helps grantees to determine activities and organizations to fund in the coming years
- Describes community needs, resources, priorities, and proposed activities to be undertaken for the following five years

Action Plan

- The Annual Action Plan (AP) is submitted to HUD every year during the five-year Con Plan cycle.
- Describes specific planned usage for the CDBG Program funds.

CON PLAN- FIVE COMPONENTS

- Needs Assessment
- Housing Market Analysis
- 5-Year Strategic Plan
- Annual Action Plan
- Citizen Participation

HUD 2025 Fund Allocations

Source	Amount 2020
CDBG	\$432,691

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Flexible funding source that can be used for a variety of activities targeted towards low- to moderate-income individuals, households, and neighborhoods (80% Area Median Income and below).

Eligible uses include:

- Public Improvements (Streets, Sidewalks, Parks, Sewers, etc.)
- Public Facilities (Neighborhood Centers, Nonprofit Centers, Homeless Facilities)
- Rehabilitation of residential and non-residential buildings
- Acquisition of land or real property for eligible activities
- Economic Development activities
- Public Services including healthcare, homeless services, literacy, youth development, and senior services
- Planning and Administration



PRIORITY NEEDS & GOALS

Preserve Existing Housing Stock	Modernize/Repair Public Housing Buildings Housing Assistance
Public Services and Quality of Life Improvements	Provide Supportive Services for Youth Provide grant assistance to nonprofits
Improve Infrastructure and Neighborhood Conditions	Address and leverage funds in critical infrastructure: enhance sidewalks and drainage
Enhance Community Planning Capacity	Planning and Administration

ACTION PLAN PROJECTS

Project Name	Funding 2025
CDBG: Administration & Planning	\$86,538
CDBG: Public Services	\$146,153
CDBG: Housing Programs	\$200,000
Total:	\$432,691

NEXT STEPS

- Public Comment Period – June 6, 2025 – August 1, 2025
- 2nd Public Hearing – August 6, 2025
- Present to City Commission – August 6, 2025
- HUD Submission Date – August 15, 2025

CITY COMMISSION REGULAR MTG

(5) (b)

Meeting Date: 08/06/2025

Public Hearing for comments on Ord. 2025-06 Amending Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Public Hearing to receive comments regarding amending the Code of Ordinances Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects.

BACKGROUND (Brief Summary)

Battery Electrical Storage Systems (BESS) are installations of large containers of batteries which are usually located close to an electrical power substation. The batteries charge during periods of low demand and then supplement the electric grid during periods of high demand. Locations close to an existing substation are essential for most of the projects. Texas City has two existing BESS installations at 505 34th Street N and 430 SH 146 N, and a two approved sites on SH 146 (410 Hwy 146 N and 701 SH 146). All four locations are south of Palmer Hwy and in or near areas of existing industrial uses.

In 2020 and 2021 respectively, these installations were found most comparable to the District F-1 Outdoor Industrial zoning classification. Since 2022 and 2023 the applications have been processed for rezoning to District S-P as specific uses which are not normally found in zoning districts. Numerous pre-development inquiries have been received for sites located in various other zoning districts throughout the city, including several in close proximity to existing residential uses or zoning districts. Some of the proposed projects include energy generation as a component of the projects. During reviews of the various applications and presentations to the Planning Board and Zoning Commission, concerns have been expressed regarding risk of battery fire, contamination from site runoff, contamination of air and water byproducts of fire suppression in the event of catastrophic failure, and the ultimate cost of decommissioning.

The BESS installations are characterized by their developers as temporary installations. The review procedures of the District SP - Site Plan process were found to be the most thorough for evaluating the proposed projects in the various locations and zoning districts when presented. To provide for consistency and uniformity of review, the Zoning Commission is recommending District SP as the exclusive zoning classification for the BESS and similar projects.

Staff are also recommending the adoption of Chapter 162 Battery Energy Storage Systems to establish criteria for review of applications as well as requirements and limitations for screening, setbacks, landscaping, maximum impervious area, and other provisions etc.

Adoption of Chapter 162 will provide guidance for potential applicants and developers and assist the Planning Board members, Zoning Commissioners and staff with standards for the consistent administration and application of the zoning and land use regulations to BESS and similar projects.

RECOMMENDATION

On March 25, 2025, the Zoning Commission voted to recommend the amendment to Section 160.051 to designate District SP Site Plan as the zoning district for Battery Energy Storage Systems and similar projects.

Staff recommends approval of Ordinance 2025-06 to create Chapter 162 entitled "Battery Energy Storage Systems" and to amend the Zoning Ordinance Section 160.051 to designate District S-P Site Plan as the zoning district for Battery Energy Storage Systems and similar projects. The Texas City Fire Marshal, Emergency Manager, Chief Building Official and City Attorney have assisted with the drafting and review of Chapter 162 Battery Energy Storage Systems and offer no objection to its adoption.

Fiscal Impact

Attachments

Final Draft Ordinance - 6.25-2025

Minutes

ORDINANCE NO. 2025-06

AN ORDINANCE BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS, AMENDING THE TEXAS CITY CODE OF ORDINANCES BY CREATING CHAPTER 162 ENTITLED “BATTERY ENERGY STORAGE SYSTEMS” AND AMENDING THE CODE OF ORDINANCES TITLE XV ENTITLED “LAND USAGE”, CHAPTER 160 ENTITLED “ZONING” AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, the City of Texas City, Texas, is authorized to regulate ordinances pursuant to the Texas Local Government Code;

WHEREAS, the City Commission of the city of Texas City, Texas, needs to amend the Texas City Code of Ordinance Title XV Entitled “Land Usage,” to CREATE Chapter 162 entitled “Battery Energy Storage Systems” and to AMEND Chapter 160 – Zoning to add Battery Energy Storage Systems (BESS) and similar uses as a Use restricted to the District S-P Site Plan zoning classification;;

WHEREAS, pursuant to TEX. LOCAL GOV'T. CODE § 211.001 *et seq.*, the city of Texas City, Texas, is authorized to adopt zoning regulations for the purpose of promoting the public health, safety, morals, or general welfare and protecting and preserving places and areas of historical, cultural, or architectural importance and significance; and

WHEREAS, the City’s Zoning Commission have reviewed and recommended the amendment to Chapter 160 – Zoning to add Battery Energy Storage Systems (BESS) and similar uses as a Use restricted to the District S-P Site Plan zoning classification at a meeting held on March 25, 2025; and

WHEREAS, the City Commission determines that creating Title XV, Chapter 162 entitled “Battery Energy Storage Systems” and amending Title XV, Chapter 160, “Zoning” to restrict Battery Energy Storage Systems and similar uses to the District S-P Site Plan zoning classification will promote the health, safety and welfare of the City;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS, THAT:

Section 1. The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact. The City Commission hereby further finds and determines that this ordinance's rules, regulations, terms, conditions, provisions, and requirements are reasonable and necessary to protect public health, safety, and quality of life.

Section 2. That City of Texas City’s Code of Ordinances Chapter 162 – Entitled “ Battery Energy Storage Systems” is hereby created and established in Title XV Land Usage as indicated in Exhibit A, which is attached and incorporated into this ordinance.

Section 3. The City of Texas City’s Code of Ordinances, Chapter 160 - Entitled “Zoning,”

Sec. 160.051. District S-P, Site Plan is amended to add the following:

Sec. 160.051 District S-P, Site Plan

(C) Uses.

(1) Uses and reasons for classification. The following uses are included under District S-P due to the following reasons:

(b) Uses restricted to District S-P

(14) Battery energy storage systems (BESS) and similar projects.

a. Basic zoning district most closely comparable to this requested principal use is District F – Light Industrial. However, due to the unique characteristics of these projects, potential hazards, environmental concerns, changing technologies and long-term impacts, the site-specific review required for District SP is warranted and required in all districts, including District F. Planning Board and Zoning Commission and City Commission shall each have broad discretion to consider any and all aspects of the development and its intended use and operation in the interest of promoting the public health, safety, order, convenience, prosperity and general welfare; to protect and conserve the value of land and buildings in the area; and, to minimize conflicts among the uses of land and buildings.

b. Location in, near, or adjacent to existing residential uses or districts is not favored and shall be avoided.

c. BESS projects shall be located at least one half mile from any existing or planned use for vulnerable populations such as schools, daycare centers, assisted living and nursing homes, hospitals, elderly or supportive housing. This distance may be increased or reduced by the City Commission upon recommendation from the Planning Board and Zoning Commission.

d. Site Plans shall comply with the requirements of Chapter 162 Battery Energy Storage Systems.

Section 4. This ordinance shall be cumulative of all provisions of the City of Texas City, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event the more restrictive provision shall apply.

Section 5. It is hereby declared to be the intention of the City Commission of the City of Texas City that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction,

such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance, since the same would have been enacted by the City Commission without incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. All rights and privileges of the City of Texas City are expressly saved as to any and all violations of the provisions of any Ordinances affecting land use or development, which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

Section 7. That this Ordinance shall be read on three (3) separate days and shall become effective upon its final reading, passage, and adoption.

Section 8. That this Ordinance shall be finally passed upon the date of its introduction and shall become effective from and after its passage and adoption and publication by caption only in the official newspaper of the City of Texas City, Texas.

PASSED ON FIRST READING this 2nd day of July, 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

Rhomari D. Leigh
City Secretary

PASSED ON SECOND READING this 16th day of July 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

Rhomari D. Leigh
City Secretary

PASSED AND FINALLY ADOPTED this 6^h day of August 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

Exhibit A to Ordinance 2025-XX
Texas City Code of Ordinances
Title XV Land Usage
Chapter 162 Battery Energy Storage Systems
Final Draft 6.25.2025

Battery Energy Storage Systems

a. Purpose. The purpose of this Chapter is to establish regulations for Battery Energy Storage System (BESS) and similar project sites with the following objectives:

1. Ensure the health, safety, and welfare of the community.
2. Provide a regulatory scheme for the designation of properties suitable for the location, construction, and operation of BESS sites.
3. Mitigate any negative impacts of BESS sites.
4. Provide regulations for proposed, current and existing BESS sites.

b. Definitions.

1. **Battery Energy Storage System (BESS)** means one or more devices (i.e. group of batteries), assembled together capable of storing energy in order to supply electrical energy at a future time. BESS facilities charge from the electrical grid or other generating source, typically when there is excess low cost electrical power available, store it in a series of batteries and then discharge when demand is high or supply is low. The rate paid for providing the power back to the grid during the periods of high demand/low supply will typically be more than the rate paid for the power used to charge the batteries.
2. **Energy Management System (EMS)** means a software solution designed to interact with the grid and manage the actions and performance of the BESS. EMS also provides remote oversight via SCADA of the project, including monitoring and status of alarms and provides analytics on the state of health and condition of the battery systems. The EMS includes a Battery Management System (BMS).
3. **Battery Analytics Software** means a cloud-based software solution using energy storage system (ESS) raw data collected by the Battery Management System (BMS) and applies

physics-based algorithms to offer immediate and some predictive detection, of thermal runaway and its associated root causes.

4. ***Similar projects*** means data centers and similar high energy demand installations which may or may not return energy to the grid. Applicability of this Chapter shall be determined by the Director of Engineering & Planning at the time of application.

c. *Use Classification*

1. BESS facilities and similar uses shall be restricted to locations zoned in accordance with Chapter 160 – “Zoning,” Sec. 160.051, District S-P – Site Plan.
2. Installations shall be unmanned – to avoid the mixing of incompatible uses onsite office or shop facilities shall be prohibited. This prohibition is not intended to limit necessary ancillary uses such as equipment storage and maintenance or service related facilities which are not permanently attended or the occasional intermittent temporary access by personnel with knowledge and training about the hazards as necessary for the maintenance of the installations.

d. *BESS Development Plan Application Requirements.*

1. *Application Fee:* A \$5,000 fee is due at time of application submittal in addition to any other fees for zoning change, platting, building permits, or certificates of occupancy.
2. *BESS Development Plan requirements.* An application for a BESS site shall be submitted to the Engineering & Planning Department in the form of a BESS Development Plan. The regulations required for a BESS Development Plan are in addition to and are not in lieu of, permits required by any other provision of the Texas City Code of Ordinances or other governmental agency.
 - a. The BESS Development Plan application for a BESS site shall include the following information:
 1. Site Plan indicating the distance between battery containers and distance from all adjacent property lines and structures.
 2. Landscaping and Screening Plan
 3. Elevations and Renderings/Illustrations
 4. Preliminary plume study based upon general design standards and prevailing winds if requested by the Planning Board, Zoning Commission or City Commission as necessary to evaluate a site plan due to particular conditions of the site or surrounding areas. A final plume study based upon the actual design of the BESS may be required during the permitting process.
 6. Reimbursement Agreement for the payment of the City’s third party expert and deposit in amount determined by the Director of Engineering &

Planning.

7. Applicants shall provide contact information and the operational experience for each of the following: the developer/operator, equipment manufacturer, Engineer, system operator, insurance, and on-site operations and maintenance. Operational experience shall include any record of fire incidents with installations similar in type or kind to the project being proposed in the application.

8. Such other information as the City deems reasonably necessary to administer this Chapter.

e. Setbacks and Location and Area Regulations

1. BESS Systems shall meet the minimum setback requirements established in their respective zoning district.
2. A BESS site shall be no closer than 1,500 feet perpendicular in any direction from another BESS site measured at the perimeter fence. This distance may be increased or reduced by the City Commission upon recommendation from the Planning Board and Zoning Commission.
3. The setback requirement for a BESS site perimeter fence shall be the greater of either:
 - a. A minimum of 200 feet from the nearest property zoned for single-family uses or school; or
 - b. A setback distance required based on Plume modeling and testing data.
 - c. A distance set by the City Commission upon recommendation from the Planning Board and Zoning Commission.
4. Additional setbacks may be considered based on proximity to underground pipelines, railroad tracks, and overhead utilities.
5. Increased setbacks may be recommended by the Planning Board or Zoning Commission to the City Commission on a case-by-case or site-by-site basis.
6. Spacing of on-site containers shall be a minimum of 15ft when submitted for the Development Plan approval and/or any zoning change. At the time of building permitting, on-site container spacing may be determined by a Hazard Mitigation Analysis relying on data produced by the UL 9540A Fire Testing upon recommendation of the City's third party expert with the approval of the Fire Marshal and Chief Building Official.

7. All driveways, driving areas, and any area subject to vehicle movement shall be paved. Parking areas and laydown yards shall be paved as necessary to provide access, avoid rutting, and prevent noxious dust from affecting adjacent and nearby areas. Consideration shall be given to maintaining the quality and value of the area for future development of adjacent and nearby properties.
8. Containment of runoff shall be in accordance with state and local regulations and shall protect the public surface water supply and drainage system from the runoff of any contaminants into the water supply or drainage system.
9. Preference will be given to sites that are not adjacent to or within 300 feet of a roadway classified as an arterial or higher.
10. ***Flood Risks.*** BESS shall not be installed in a FEMA designated Special Flood Hazard Area or other site with known history of flooding or drainage issues.
11. For sites located in remote currently undeveloped areas which do not have direct access to a paved public street but can provide paved access satisfactory to the Fire Marshal by recorded easement in form satisfactory to the City Engineer and City Attorney, the platting requirements of Section 159.050(D)(Street Frontage), Section 159.053 (Water System) and 159.054 (Sanitary Sewer) may be deferred by the City Commission, upon recommendation from the Planning Board and Zoning Commission until such time as other development commences in the area. This deferral shall not operate as a precedent for the waiver of these requirements for the BESS project or for any other purpose except the sole installation of an unmanned BESS. The deferral period may be ended by the City Commission based upon subsequent development and platting in the area. Upon such ending of the deferral period, the BESS owner shall satisfy the deferred requirements in a timely manner as determined by the City Commission upon no less than six (6) months written notice. Failure to satisfy the deferred requirements in an acceptable timeframe may result in revocation or non-renewal of the Certificate of Occupancy for the site.

f. Fire and life safety. BESS sites are required to meet, but are not limited to, the following applicable codes and standards as adopted by Texas City, including amendments and updates:

1. IFC and the listed NFPA references within the IFC including any and all local amendments.
2. NFPA 855 Standard for the Installation of Stationary Energy Storage Systems. The most current version adopted by the City shall apply.
3. Provide a environmental site plan that includes significant environmental features such as floodplain and watercourses and general description of proposed protective and firefighting water containment measures.

4. There shall be an enclosure-level air monitoring system for vapor detection to the satisfaction of the Fire Chief and Fire Marshal.
5. Make provision for fire protection and fire fighting water satisfactory to the Fire Marshal and TCFD Fire Chief. When connecting to public water supply, provide a water fire flow analysis at the permitting phase to ensure the existing water infrastructure including any improvements required to be made by Applicant can support the anticipated firefighting demands.
6. Provide the Fire Department with any requested or recommended equipment needed to monitor and test the air and water for any hazards at these sites during emergencies. All monitoring equipment satisfactory to the Fire Marshal and TCFD Fire Chief shall be provided to the Fire Department by the BESS owner prior to the delivery of the first BESS unit to the site and at any time thereafter when a need is reasonably identified by the Fire Department.
7. Provide annual training to the Fire Department and mutual aid agencies for hazards and responses related to the BESS systems.
8. Furnish all necessary firefighting equipment, related to the proposed BESS site, as requested by the Fire Marshal to the City's Fire Department prior to the delivery of the first BESS unit to the site and at any time thereafter when a need is reasonably identified by the Fire Department.
9. The fire command center and water supply should be situated at a safe distance from the closest BESS enclosure, based on deflagration data and satisfactory to the Fire Marshal.. At minimum, the distance should be 100 feet, as per NFPA requirements, unless approved otherwise by the Fire Marshal.
10. The fire service command center shall be sheltered from the weather and have an overhang to reduce glare on the command center and allow emergency personnel to work under and review all emergency response plans and information needed to bring the incident under control.

11. All BESS sites shall adhere to any additional requirements and/or safety items set forth by the most current version of NFPA and IFC, specifically addressing ESS sites if 25% or more batteries are replaced or added to the site/containers.
12. Any incidents that exceed a 12-hour working period shall require a third-party hazardous materials team to respond to help control/monitor them for the duration of the event.
13. The City's Public Works approved water meters shall be installed on-site to monitor how much water is used during emergency responses to BESS sites.
14. A documented plan if an exhaust fan fails to work during an emergency.

g. Landscaping and Screening. The BESS site shall comply with the following landscaping and screening requirements. Additional requirements may be imposed by the City Commission upon recommendation from the Planning Board and Zoning Commission.

1. The BESS installations shall be fully screened from visibility on any and all gateway or thoroughfare and/or adjacent streets and shall have and maintain substantial landscaping of at least 15% or more as recommended by the Planning Board.
2. A masonry wall, at least the height of the containers, shall be installed around the perimeter of the facility. Where adjacent to surrounding communities, the screening wall shall match existing walls in style and material to the greatest extent possible.
3. The masonry wall shall be designed to withstand a blast door from a BESS container striking it unless the containers are shown to be compliant with the blast containment requirements of applicable codes and satisfactory to the Fire Marshal.
4. For projects visible from any public right of way which is not gateway, thoroughfare or public street, a continuous hedge shall be installed adjacent to the masonry wall. Planning Board may consider the minimum landscaping requirement to be at least one large shrub capable of reaching a minimum height of four feet for each eight linear feet of required screening fence and one street tree for each 50 feet of required screening fence, provided that, not less than one street tree and three large shrubs are provided for each site. The Planning Board may apply a greater standard as it finds appropriate based on the location and characteristics of

the particular site.

5. At least 50% of the site shall be pervious. All pervious areas shall be landscaped and maintained in accordance with Section 160.088 of this chapter. The Planning Board may recommend approval conditioned upon a site-specific higher standard.
6. For sites located in currently undeveloped areas which are not visible from a gateway, thoroughfare, public street or public right of way, the City Commission, upon recommendation from the Planning Board and Zoning Commission may defer implementation of the requirement for landscaping until such time as development commences in the area. This deferral shall not operate as a precedent for the waiver of the landscaping requirements which may otherwise be applicable to development in the area. The deferral period may be ended by the Planning Board based upon development and platting in the area. Upon such ending of the deferral period, the BESS owner shall have six (6) months upon written notice to install the requisite landscaping. Failure to install the required landscaping may result in revocation or non-renewal of the Certificate of Occupancy for the site.

h. BESS Building Permit Application Requiremes:

1. *Building Permit Application Fee: Building permit fee to be assessed as Commercial Electric based upon valuation in accordance with fee schedule approved by City Commission.*

2. *Building Permit Application Requirements:* The Chief Building Official with consultation from the Fire Marshall shall establish forms and guidelines for the BESS Building Permit Application. The Building Permit Application for a BESS site shall include the following information at minimum:
 - i. Final Site Plan Drawing
 - ii. Hazard Mitigation Analysis based on specific BESS equipment to be installed
 - iii. Emergency Response Plan
 - iv. Sound modeling, if required: (1) by the Planning Board, Zoning Commission or City Commission as a condition for approval of a Development Plan approval; or (2) by the Chief Building Official for a BESS site located within 500 feet of a property zoned or used for single-family use
 - v. Plume Study, if required: (1) by the Planning Board, Zoning Commission or City Commission as a condition for approval of a Development Plan approval; or (2) by the Chief Building Official for a BESS site located within 500 feet of a property zoned or used for single-family use
 - vi. Contact information and the operational experience for each of the following: the developer/operator, equipment manufacturer, Engineer of record, system operator, insurance, and operations and maintenance.

i. Emergency Response Plan. A copy of the approved Emergency Response Plan shall be given to the system owner, the Fire Department, mutual aid agencies, and the Emergency Management Department. The Emergency Response Plan shall be approved by the TCFD, TCPD, Fire Marshal and Emergency Manager any others as may be required by the City prior to the BESS being installed on the site. The Emergency Response Plan shall at a minimum include the following:

1. Procedures for safe shutdown, de-energizing, or isolation of equipment and systems under emergency conditions to reduce the risk of fire, electric shock, and personal injuries, and for safe start-up following cessation of emergency conditions.
2. Procedures for inspection and testing of smoke, heat, gas and other alarms, interlocks, and controls.
3. Procedures to be followed in response to notifications from the Battery Energy Storage Management System, when provided, that could signify potentially dangerous conditions, including shutting down equipment, summoning service and repair personnel, and providing agreed upon notification to fire department personnel for potentially hazardous conditions in the event of a system failure.
4. Emergency procedures to be followed in case of fire, explosion, release of liquids or vapors, damage to critical moving parts, or other potentially dangerous conditions. Procedures can include sounding the alarm, notifying the fire department, evacuating personnel, de-energizing equipment, and controlling and extinguishing the fire.
5. Response considerations similar to a safety data sheet (SDS) that will address response safety concerns and extinguishment.
6. Identify a process to manage BESS equipment damaged in a fire or other emergency event, including maintaining contact information for personnel qualified to safely remove damaged battery energy storage system equipment from the facility.

7. Other procedures as determined necessary by the Fire Chief and Fire Marshal to ensure the safety of occupants, neighboring properties, and emergency responders.
8. Procedures and schedules for conducting drills of these procedures and for training local first responders on the contents of the plan and appropriate response procedures.
9. A mitigation plan indicating actions for post-event response and clean-up. Should an event occur, preventative action must be completed (with corrective action report) to prevent reoccurrence.
10. Provide a list of emergency contacts that shall be updated annually or when significant changes are made, whichever is earlier.
11. A documented plan for natural disasters and/or extreme environmental conditions such as high ambient temperatures and/or humidity, including how flooding or brackish water would affect the BESS devices if compromised and emergency procedures for mitigating the negative effects of such scenarios. How does the site ensure in the event of an emergency that the BESS site is not contaminating the ground or source water?

j. Noise. If a BESS site is located within 500 feet of a property zoned for single-family use, a noise study indicating that noise level shall not exceed an ambient level measured at the single-family property line may be required by the Planning Board, Zoning Commission or City Commission.

k. Plume Modeling. To determine the potential toxic risk to those in proximity to the BESS, including responding firefighters, a plume analysis may be required during the permitting process by the City based upon existing conditions at the site or surrounding area. When required by the City, the plume analysis shall utilize appropriate modeling to evaluate worst-case scenarios with varying weather conditions and toxic gas release rates. The plume study shall address toxicity hazards based on toxic gases expected to be released based on gas composition measurements from the cell and module level testing pursuant to UL9540A or other testing. The plume analysis shall include battery failures with both flaming and non-flaming scenarios. These scenarios should be based on results from relevant tests such as UL 9540A tests and include modeling of a full

propagation event involving an entire BESS enclosure. The modeling of multiple BESS enclosure failures shall not be required except where testing or analysis indicates that this is to be reasonably expected. Model assumptions, techniques, results, and a summary document shall be provided in a report. The plume study shall be conducted by a qualified firm with experience in plume modeling for battery energy storage systems. The city shall commission the plume model and all costs incurred by the City shall be fully reimbursed by the BESS applicant. The City may in its discretion allow the BESS owner to commission the plume study required by this section.

l. Remote Monitoring. All BESS sites shall have a redundant 24/7 site monitoring system (approved supervising station) to detect and prevent thermal runaway. The system shall be subject to the following requirements:

1. The system shall have detectors for temperature, gases, and smoke installed.
2. System alerts and detection warnings of a potential thermal runaway, smoke detector activation, or gas detector activation or any other critical nature shall be sent to local emergency services (Fire and Police Departments), site and remote operators, and owners.
3. Alerts and detections of a potential thermal runaway, smoke detector activation, or gas detector activation shall trigger BESS unit shutdown and exhaust fan initiation at a minimum.
4. All critical safety systems and remote monitoring systems shall have a secondary source of power in the event of a power failure.
5. A plan shall be provided showing the capability of providing battery backup power for as long as it takes for a permanent (generator) power source to be put in place. The company shall send its backup power plan to the Fire Marshal's office at time of permitting for review. The plan shall explain how they will sustain emergency backup power until normal power is restored, especially during a natural disaster.
6. For additional safety and redundancy of a commercial energy storage system (ESS) installation, a Battery Analytics software system shall be required to monitor the data produced by the Battery Management System (BMS). Indications of a

potential failure shall be immediately transmitted to the energy storage system operator and to the fire department.

m. Listing and Testing of Site. The following standards are applicable to the listing and full-scale testing of stationary energy storage systems. The City may accept battery systems listed and tested to later editions of these standards when necessary to address evolving standards applicable to a rapidly developing technology.

1. Listing. All stationary energy storage systems shall be tested and listed by a nationally recognized testing laboratory to the following standards:
 - a. Underwriters Laboratories (UL) Standard 1741, entitled "Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources;"
 - b. Underwriters Laboratories (UL) Standard 1973, entitled "Batteries for Use in Light Electric Rail (LER) Applications and Stationary Applications," and
 - c. Underwriters Laboratories (UL) Standard 9540, entitled "Energy Storage Systems and Equipment."
 - d. Underwriters Laboratories (UL) Standard 1642, entitled "Standard for Lithium Batteries."
2. Full-scale testing. Stationary energy storage systems shall be tested to Underwriters Laboratories (UL) Test Method 9540A, entitled "Safety Test Method for Evaluating Thermal Runaway Fire Propagation in Battery Energy Storage Systems," or other approved standard or test data; and shall be subjected to a large-scale destructive fire test of a complete BESS.

n. Supervision of Site. A stationary energy storage system shall be operated and maintained under the general supervision of a technical expert held to the following standards:

1. Be trained and knowledgeable in the installation, maintenance, and operation of the battery system, such as a person engaged in the design or installation of such systems;
2. Possess the manufacturer's installation, specifications, ratings, listing, and operating specifications for each battery system and any associated fire protection systems;
3. Immediately report any emergency condition affecting a battery system to the Fire Department; and
3. Provide technical assistance about the stationary energy storage system installation to the Fire Department and, in coordination with the BESS owner and/or energy storage management system monitoring facility, identify a subject matter expert (such as a representative of the manufacturer) who can provide technical assistance about the battery's design and performance in the event of an emergency condition affecting the battery system.

o Site Reviews and Inspections

1. The City will contract with a qualified 3rd party expert with relevant knowledge and experience to review all BESS sites for compliance with applicable life/safety requirements. The 3rd party expert shall provide the following deliverables for each site:
 - a. General Safety Analysis of the proposed site.
 - b. Review to confirm compliance with IFC and NFPA regulations.
 - c. Review of building permit.
 - d. Inspections are conducted during construction, and a final inspection is performed prior to operations commencing.
 - e. Any other matters requested by the City.
2. The Applicant proposing the BESS site shall execute a reimbursement agreement with the City at the time of Development Plan application for all costs incurred by the third-party expert for reviews and consultation with the City regarding the application. The Applicant shall provide a deposit in an amount determined by the Director of Engineering & Planning. The Applicant shall maintain a positive

balance of funds on deposit for the reimbursement of the third-party expert fees. Any unexpended funds remaining on deposit six (6) months after the site receives an unconditional Certificate of Occupancy shall be refunded to the Applicant. Any funds expended for reimbursement to the City for third party services may be applied as a credit or pre-payment against the building permit fee when the permit fee is collected by the Building Official.

3. The City's Fire Marshal's office will be involved in all plan reviews, construction, and inspections to ensure compliance with Fire Department requirements.

p. Event Response. If City employees respond to an incident at the site; the operator of the BESS site shall adhere to the following requirements:

1. A technical expert with knowledge of the BESS operations must be on-site within one hour of any remote monitoring alert of a critical nature.
2. All City costs associated with the incident must be reimbursed at a rate specified by the City.
3. Any third-party response requested by the City or TCFD to provide for the health, safety and protection of the public will be at the cost of the BESS owner or and/or operator and/or property owner. (Hazardous materials company, Specialized fire equipment, encapsulating agent, air monitoring, or other city assets).

. Insurance. The operator of the BESS site shall provide and maintain, as current, a certificate of liability insurance in form and content satisfactory to the City Engineer and City Attorney. The City shall be named as an Additional Insured.

r. On-site Signage. The operator of the BESS site shall post in a conspicuous location at the entrance to the facility a sign subject to the following regulations:

1. The sign shall be reflective and weatherproof and shall be placed at all entrance gates to the facility, as well as on the entrance to any buildings that may house any components of the BESS.
2. Lettering shall be a minimum letter height of 3/8" permanently affixed.
3. The sign shall display the following information:

- a. 24/7 Contact Information.
 - b. Types of technology associated with the BESS.
 - c. Any special hazards associated with the BESS.
 - d. Type of suppression system installed.
 - e. Disconnect and other emergency shutoff information.
 - f. Command Center location.
4. The sign shall be inspected annually by the BESS operator and by the City to ensure its structural integrity and legible to the satisfaction of the City and to determine if any additional information is required by the City.

s. *Decommissioning.*

1. Upon the ceasing of operations or the end of life of the facility, whichever comes first, the site shall be decommissioned based on the following criteria:
 - a. The owner shall notify the city, the Fire Chief, and the Fire Marshal before any work is started.
 - b. All above and below ground features (i.e. containers, underground utilities, foundations, gravel, etc.) shall be removed from the site with the exception of the drainage improvements and access road. The site shall be returned to its natural pre-construction ground state.
 - c. All material removed from the site shall be disposed, reused, and recycled in accordance with state and federal requirements.

- d. Any adverse substances that may have entered the ground during the course of operations shall be removed from the property and properly disposed of.
2. Prior to issuance of the Certificate of Occupancy or any authorization to operate the facility, the Applicant shall:
 - a. Provide a Decommissioning Bond, with the Applicant as the Principal and the instrument shall run to the City, as obligee, and shall become effective on or before the beginning of operations at the site and shall remain in force until the property is fully decommissioned. The amount shall be based on a Professional Engineer's signed and sealed estimate of current costs to decommission the site, at build-out, with an adjusted inflation rate based on the average CPI over the last 10 years from the U.S. Bureau of Labor Statistics.
 - b. If approved by the Mayor on a case by case basis, a bond, letter of credit or other financial security in the amount specified hereinabove in a form acceptable to the City Attorney and the City Engineer may be provided in lieu of a Decommissioning Bond.
 - c. The bond or other security shall remain fully enforceable and in effect so long as the BESS system exists at the site, without regard to whether it is operating or operational.

t. Agreement for Payment in Lieu of Taxes. Prior to the issuance of a building permit, the applicant shall enter into a Payment in Lieu of Taxes Agreement or similar agreement with the City to compensate the local taxing authorities for the loss in tax revenue attributable to depreciation and/or other factors. The agreement shall provide that if the value per square foot of the BESS project site set by the Galveston County Appraisal District is less than the average per square foot value of all commercial property located in Texas City, the BESS owner will make a payment in lieu of taxes to Texas City equal to the amount necessary to equal the ad valorem tax due to Texas City based upon a value equal to a fixed factor set by the Mayor multiplied by the average value per square foot of all commercial property located in Texas City multiplied by the square footage of the BESS project. The fixed factor set by the Mayor shall be stated in the PILOT Agreement and shall not be more than 1.25 or less than 1.0.

u. Transfer of Ownership. The Applicant shall provide written notification to the Engineering & Planning Department at least thirty (30) days prior to any change in ownership of a BESS. A change in ownership includes any kind of assignment, sale, lease, transfer, or other conveyance of 20% or more of ownership or operating control of the applicant, the BESS owner or the BESS operator, or any portion thereof. The Applicant or successors-in-interest or assignees shall remain liable for compliance with all conditions, restrictions and obligations contained in the approved Development Plan, the provisions of this Ordinance, and applicable City, state, and federal laws.

EXCERPT FROM ZONING COMMISSION MEETING HELD ON MARCH 25, 2025

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, March 25, 2025, at 5:00 p.m. Zoning Commission members present were: Chairman Perry O'Brien, Co-Chairman Aric Owens, Commissioner Thelma Bowie, Alternate Lisa Salinas and Alternate David Zacherl. Staff members present were: Kim Golden (Secretary), Casey Bennett (Chief Building Official), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician), Jason Brown (Fire Marshal). Guests were: Ron Stone, Jr., Patrick Tarpey, Bobbie Tarpey, Don Tarpey, Dennis Irby and Henry Gomez.

Chairman Perry O'Brien indicated a quorum was present and called the meeting to order.

(6) REGULAR ITEMS

- a. Consider and make recommendation regarding an amendment to the zoning ordinance to designate Battery Energy Storage Systems (BESS) and similar projects as a use restricted to Section 160.051 District "S-P" (Site Plan) and further providing therewith.

Ms. Golden stated this matter is being presented again because the City Commission meeting held on January 8th, 2025 was null and void. The actions that occurred there were held to be null and void which included the appointment of Alternate Member David Zacherl. Zacherl attended the February 18, 2025 Zoning Commission meeting as an alternate member and was a vote in favor. To avoid any issue with the validity of the Zoning Commission action, the matter is being brought back to the Zoning Commission again. No changes have been made to the proposed amendment to the Zoning Ordinance. Ms. Golden reiterated this was exactly the same thing that was presented at the meeting in February.

She stated they are talking with the representatives of projects that have presented concerns to the Commission and with BESS industry officials for additional input and tweaking to Chapter 162. There have been not objections made to the amendment to the Zoning Ordinance to make it a requirement for the BESS projects to be in District "S-P".

The Zoning Commission is required to make a recommendation about the proposed change to the zoning ordinance. Staff's recommendation is that the Zoning Commission recommend this change in the zoning ordinance to the City Commission to make the BESS and similar projects, exclusive to the District "S-P" (Site Plan).

This change will make it necessary for all of the BESS projects to go through the full process of review by the Planning Board, the Zoning Commission, and the City Commission, which will include at least two public hearings for opportunity to get site specific input from the public about each project as it is considered.

This change in the zoning ordinance would apply to any applications for BESS projects that are presented to the City after the ordinance is changed. This change to the ordinance is basically codifying the practice has been used for BESS projects for the last two years because under District "S-P", we have discretion when there are unique projects or new types of projects to handle them through District "S-P".

The Zoning Commission has in its agenda packets the minutes from the February 18th meeting which included the comments that were received at that previous public hearing from the projects and the industry representatives. Ms. Golden stated that if the Commission wanted her

to respond to any of those comments she would, but basically none of the comments were directed toward the change in the zoning ordinance.

Ms. Golden advised that in conversations with the project representatives after the February meeting, none of them had any issues with the proposed change to the zoning ordinance. There is some edits to consider in Chapter 162, for some clarification. Some provisions that are going to make it clear the City Commission has discretion to consider a number of factors when deciding about the zoning change, which is what the BESS projects have requested.

Ms. Golden stated one thing that she forgot to mention last time, when she was telling you all the folks they had talked to and who had helped them prepare this ordinance, staff consulted with TNMP about BESS projects in general. Staff confirmed directly from TNMP the benefit of these projects to the grid and now have a better understanding about how a project here in Texas City is of some benefit to Texas City. It does, in fact, support the entire system, but because of the way things are laid out, there is an enhancement and benefit to Texas City for the projects to be located in Texas City.

Co-Chairman Aric Owens stated that he sat in on the Community Action Committee. He understands the Spearmint project on Attwater Avenue is currently zoned heavy industrial. He asked to help him understand how they go from heavy industrial to site plan. He asked if this is still the same zoning change process?

Ms. Golden responded yes and again, it affords you the visibility about the project. Every project will be looked at like that.

Chairman O'Brien added that District "S-P" has been used for a variety of different things

Co-Chairman Owens replied this one is just very specific and when he looked at this, he just wants to make sure that these guys aren't spending as much money doing a site review for trying to find a place that they can't confirm to their desired use. He just wants to make sure he understood that was the process in using site plan.

Chairman O'Brien asked if that facility should go away what does that revert back to?

Ms. Golden responded the zoning designation would remain "S-P" but if the next person wanted to do anything different from the exact same project, they would have to come in and go through the process to rezone the site to whatever designation fit the next proposed use.

Co-Chairman Owens then stated he had another question. So, we have these decommissioned bonds that were required in this step - how do those work? Is it in the sense that they pre-fund that and it sits in an escrow account, or do they pay that annually? He doesn't know enough about these. For example, if he has a life insurance policy and he stops paying on it, does that policy go away? If these developers run into a situation where they're not making money and they become insolvent, but we've still got these assets on the ground, and they had a decommissioning bond at one point, do they keep funding that or do they fund that up front and then it is held in escrow? After that period when they get ready to vacate, either the city will have to cash that bond in to clean up the site, or they clean up and the city refunds or that bond goes away. How is that handled?

Ms. Golden responded there are ordinances which require similar conditions of surety. Pipeline permits require it. Oil and gas drilling permits require it. So, the fact that we're requiring a surety bond is not new. We're doing it already. Some other site plan development agreements, such as for sandpits have a requirement for surety. They can do it with a bond, but the city has also accepted cash deposits and letters of credit. The type of surety can be right sized to the situation.

Co-Chairman Owens asked what would the BESS ordinance require. Ms. Golden replied as

written the type of security would be worked out on a case-by-case basis. It will be worked out similar to the way the provisions in a development agreement are worked out. We currently do that with subdivisions. It's not an unusual process for cities to do that. And again, what the Zoning Commission is doing is balancing the interest of supporting the project with being sure that the interest of the city is protected, too. And you're wanting to right-size that rather than set in place, hard and fast one size fits all rule. As proposed, the ordinance will allow the City the flexibility to right-size these requirements to each project.

Spearmint in particular is pushing back on having to provide all the required submittals all at once at the beginning before they know if they can use the site. The intent and purpose of the ordinance is to align the submittal requirements with the pace of the project development so that as the applicants are developing their project, the information they have to develop to go to the next step aligns with what the city is requiring. So there will be the development plan stage, the building permit stage, and the certificate of occupancy stage. There will be submittal requirements at each one of those stages which the projects will already have based on the progression of the project.

Commissioner Bowie stated when the motion is read there are actually two recommendations. Can they be combined or do we need to make separate recommendations to vote on?

Ms. Golden referred to the staff report and clarified that the Zoning Commission is recommending approval of the specific text to be included as an amendment to the Zoning Ordinance which is the text that will be advertised in the newspaper.

As she mentioned last time, and as a reminder, because Mr. Owens wasn't in attendance - the only thing the Zoning Commission is voting on is the amendment to the zoning ordinance which is printed in the staff report. It will read that this will be handled as a District "S-P". It gives a few criteria in there. The Chapter 162 information, which has all the other requirements, the decommissioning and all that, is for the City Commission to consider. Chapter 162 is not a part of the Zoning Ordinance.

Chairman O'Brien asked if there were any other questions.

Ms. Golden wanted to note that the ordinance is coming to the Zoning Commission as a recommendation from her and from the city attorney, the Fire Marshal, the Building Officials and Emergency Management. The City's our third-party subject matter experts and outside legal counsel also participated in writing and recommending the ordinance. There was a lot of input obtained from industry including TNMP.

Chairman O'Brien added it is a tool that staff are recommending with a lot of effort and study going into its development. He asked what would be the other option without the tool.

Ms. Golden replied they would keep use the optional District SP process, but it would be on an ad-hoc basis and might not be as consistent from one administration to the next or as personnel changed. As volunteers on these boards they have asked for clarity from the City Commission about some of these things. This ordinance is the way the City Commission clear communicates to the boards and to staff that it wants the BESS projects to be handled as District "S-P". And then there's no question for the boards about how to proceed.

Co-Chairman Owens stated he had one more question. Do we look at them as size? As he recalled, the first BESS project approved was maybe four or five containers and now we've got this large project by the water plant. Does the city or the ordinance have a maximum of megawatts? Are they tiered? Are there some criteria to use as a guide?

Ms. Golden replied that staff have looked at ordinances that have been adopted by other cities in other states. There haven't been a lot, but there have been some. Some of the other places

that have been doing this for a while do have separate criteria based on the size. Texas City doesn't really have a need to parse it out like that at this time. Because it's in District "S-P" you have the flexibility to right-size it to whatever size project. So, if you've got 10 megawatts coming in then you can handle the requirements for that. If you've got 200 or 300 megawatts, then we can all look at it.

Co-Chairman Owens asked if it would be restricted based on the size of the property because they have to be spaced so far apart.

Ms. Golden replied that it would be looked at through the review process.

Chairman O'Brien asked what everyone thought. There were not further questions or comments.

A motion was made by Commissioner Thelma Bowie/Alternate David Zacherl to recommend an amendment to the zoning ordinance to designate Battery Energy Storage Systems (BESS) and similar projects as a use restricted to Section 160.051 District "S-P" (Site Plan) and further providing therewith. All other members present voted aye.

Chairman O'Brien asked if this recommendation to the City Commission would come in the form of a letter.

Ms. Golden replied that it would be presented in the minutes from this meeting and referenced in the staff report to the City Commission.

CITY COMMISSION REGULAR MTG

(5) (c)

Meeting Date: 08/06/2025

Public Hearing for comments on the zoning change of 38.653 acres from District H Heavy Industry to District SP Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Public Hearing for comments on the zoning change of 38.653 acres from District H Heavy Industry to District SP Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation

BACKGROUND (Brief Summary)

The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology. TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations.

TNMP Freeway Park Substation – The applicant states it has an interconnect agreement in place with TNMP for the Freeway Park Substation located at 25th Ave N and SH 3. The Freeway Park Substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights.

At its regular meeting on July 7, 2025, the Planning Board reviewed and approved a Detailed

Site Plan for the requested rezoning upon certain conditions to be memorialized in a Development Agreement approved by the City Commission.

The Zoning Commission held a public hearing upon notice to adjacent property owners on July 15, 2025. The Notice of the Zoning Commission Hearing was mailed to 4 property owners within 200 ft. No letters of opposition were received and no one appeared at the hearing held on July 15, 2025 to oppose the zoning change. After conducting the public hearing and having all questions answered by the Applicant the Zoning Commission voted 4-0 to recommend approval of the zoning change from District H Heavy Industrial to District SP Site Plan subject to the Detail Site Plan approved and the conditions recommend by the Planning Board.

The Applicant agreed with the conditions and has provided a Development Agreement for approval by the City Commission.

RECOMMENDATION

At its meeting on July 7, 2025 the Planning Board voted 4-0 to approve the proposed Site Plan for the referenced project and to recommend the zoning change upon conditions to be memorialized in a Development Agreement approved by the City Commission. AT its meeting on July 15, 2025 the Zoning Commission held a public hearing upon notice mailed to adjacent property owners. No written comments were received and no comments were presented in opposition to the zoning change at the public hearing. Following the close of the public hearing the Zoning Commission voted 4-0 to recommend approval of the zoning change from District H Heavy Industrial to District SP Site Plan subject to the Detailed Site Plan and conditions recommended by the Planning Board as follows:

1. Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
2. Installation of three (3) 30,000-gallon water tanks on the site at locations approved by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
3. Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
4. Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
5. Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process
6. Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

The Developer has signed an approved Development Agreement which memorializes the recommended conditions.

City staff including the City Engineer, the Chief Building Official, the Fire Marshal, and the Director of Emergency Management have reviewed the recommended Detailed Site Plan and

conditions to be memorialized in a Development Agreement and offer no objection to the zoning change from District "H" (Heavy Industrial) to District "SP" (Site Plan) for the new BESS project.

Fiscal Impact

Attachments

Vicinity Map

Zoning Commission - Staff Report

Exhibits

Legal Description & Final Plat

Planning Board - Staff Report

Planning Board - Minutes 7.7.25

DRAFT Zoning Commission Minutes - 7.15.2025



Red Egret
BESS

Engineering
& Planning

City Hall

N

Google

Red Egret

Site Plan with Aerial



Attwater Ave

Attwater Ave

Attwater Ave

Humbler Camp Rd

Humbler Camp Rd

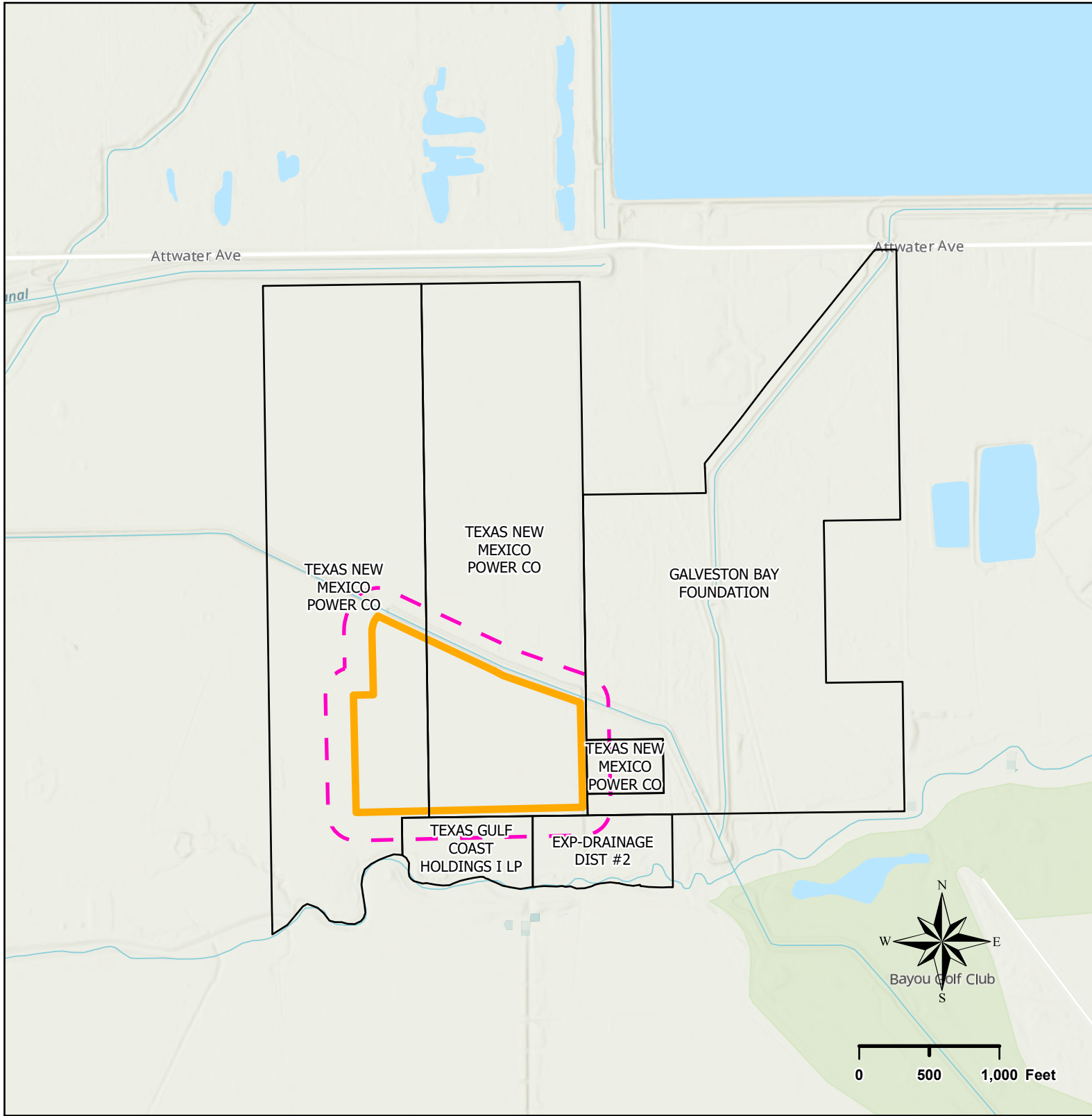
Carole You

Google Earth




Image © 2025 Airbus



1000 ft



Legend

-  Proposed Boundary
-  200ft Buffer
-  Parcels



Date: 06/18/2025
 Copyright – Red Egret BESS, LLC



STAFF REPORT

TO: Zoning Commission – Regular meeting on July 15, 2025

FROM: Kim Golden, P.E., City Engineer 

CC: Doug Kneupper, P.E., Consulting Engineer

DATE: July 9, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District “H” (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP’s existing land rights.

Requested action: The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District “H” (Heavy Industrial) to District “S-P” (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT “H” (HEAVY INDUSTRIAL) TO DISTRICT “S-P” (SITE PLAN): The application is being processed as a District “S-P” (Site Plan) rezoning consistent with Section 160.051(A)(1)(f) *provide for the development of specific uses which are not normally found in zoning districts*, and (h) *provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the*

community. The District "S-P" process also provides *some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.*

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

At its meeting on July 7, 2024 the Planning Board voted 4-0 to approve the proposed Site Plan for the referenced project and to recommend the zoning change upon the following conditions which are agreeable to the Applicant and will be memorialized in a Development Agreement:

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

SECURITY WALL - One of the conditions of the Planning Board approval was the presentation of final specs for the installation of the masonry security wall. Applicant has indicated its intent to use pre-cast concrete panels for the masonry fence, which is an acceptable concept for Texas City. The specific plans and specifications will be reviewed and approved through the building permitting process.

The Staff Report to the Planning Board together with all exhibits and an excerpt from the draft minutes of the July 7, 2025 Planning Board meeting are attached to this staff report.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry

screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

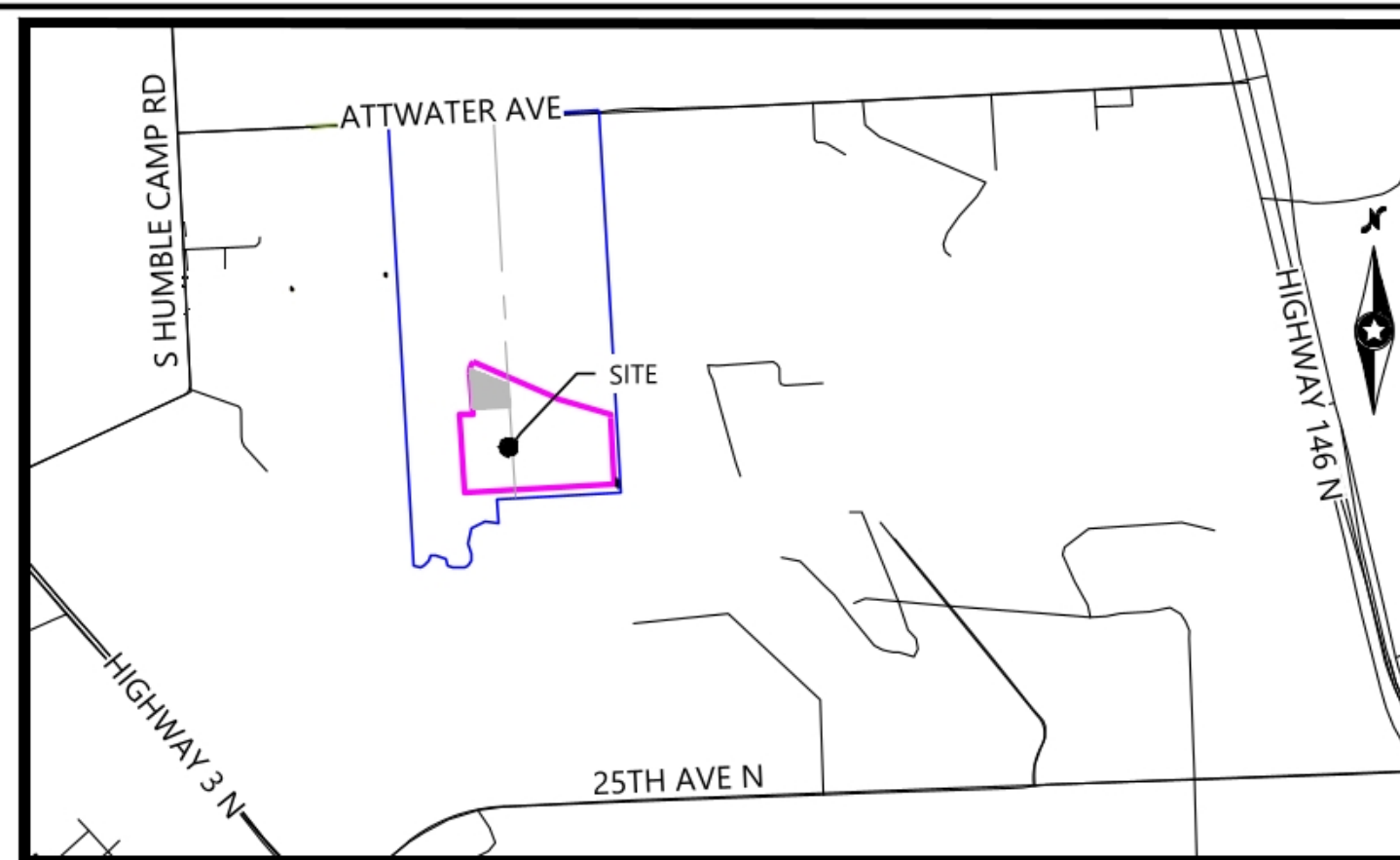
Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the conditions recommended by the Planning Board being memorialized in a development agreement and the construction of an acceptable masonry screening wall which may be comprised of pre-cast concrete panels, staff have no objection to the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan).

PROPOSED DEVELOPMENT ACREAGE TABLE				
LOT	OWNER	LOT ACREAGE	DEVELOPMENT ACREAGE	ZONING
8	TEXAS NEW MEXICO POWER COMPANY	117.42	14.96	PROJECT AREA
			2.97	PROPOSED ACCESS ROAD EASEMENT
9	TEXAS NEW MEXICO POWER COMPANY	106.20	23.70	PROJECT AREA
			2.67	PROPOSED ACCESS ROAD EASEMENT
7	TEXAS NEW MEXICO POWER COMPANY	42.00	0.21	PROPOSED ACCESS ROAD EASEMENT
7	CLARK ANNETTE CLEMENT	21.50	1.42	PROPOSED ACCESS ROAD EASEMENT
6	CLARK ANNETTE CLEMENT	17.46	1.52	PROPOSED ACCESS ROAD EASEMENT
TOTAL		304.58	47.45	

SITE DATA SUMMARY TABLE	
TOTAL PROJECT AREA (SF)	2,066,922
IMPERVIOUS AREA	
BESS & SUBSTATION AREA (SF)	430,532
ACCESS ROAD (SF)	312,980
LAYDOWN AND PARKING (SF)	130,680
TOTAL IMPERVIOUS AREA (%)	42%
PERVIOUS AREA	
BASIN (SF)	481,600
OPEN SPACE (SF)	711,130
TOTAL PERVIOUS AREA (%)	58%

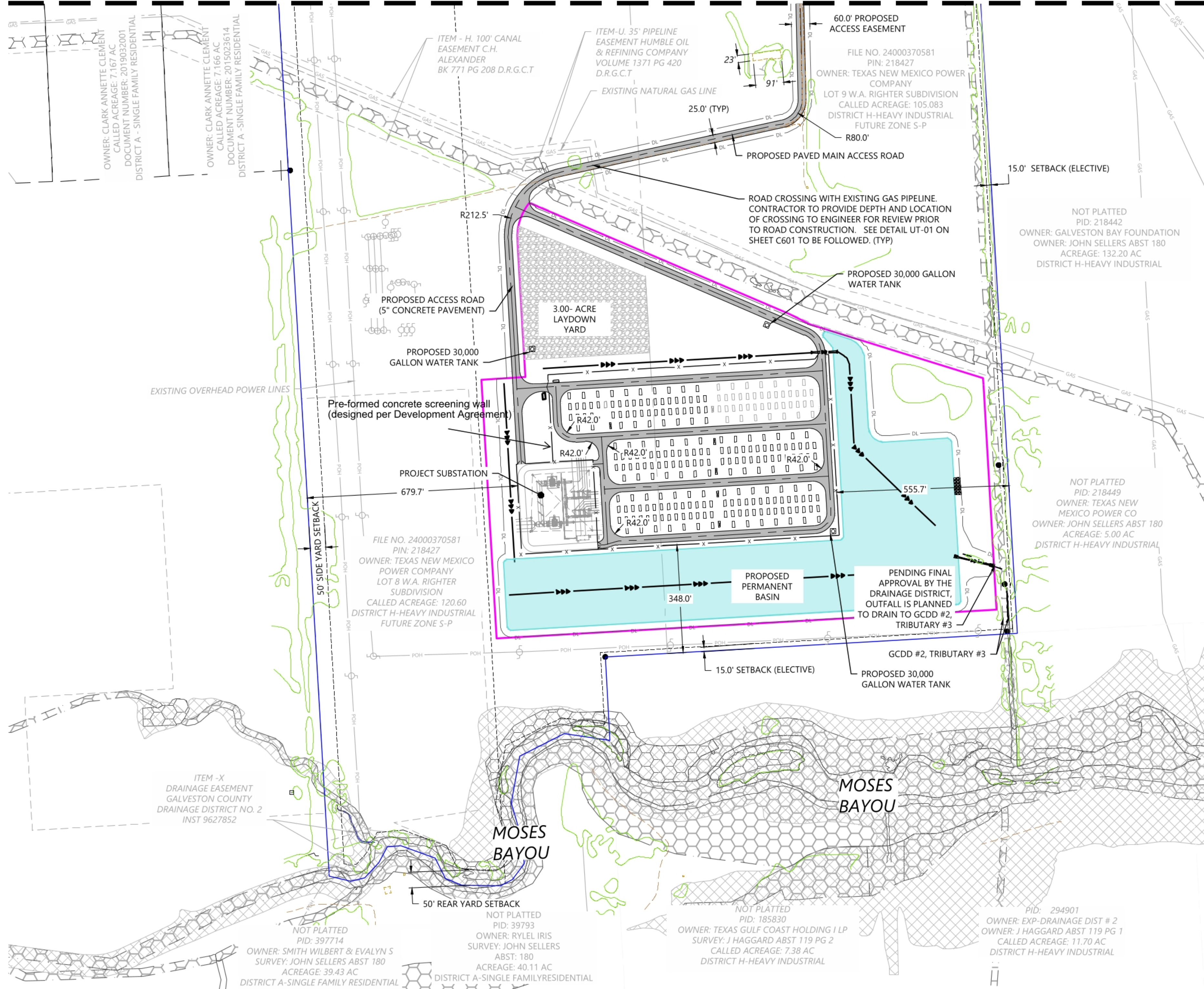
NOTE: QUANTITIES IN THE TABLE ABOVE ARE PRELIMINARY MAXIMUM IMPERVIOUS AREA SHALL NOT EXCEED 50%



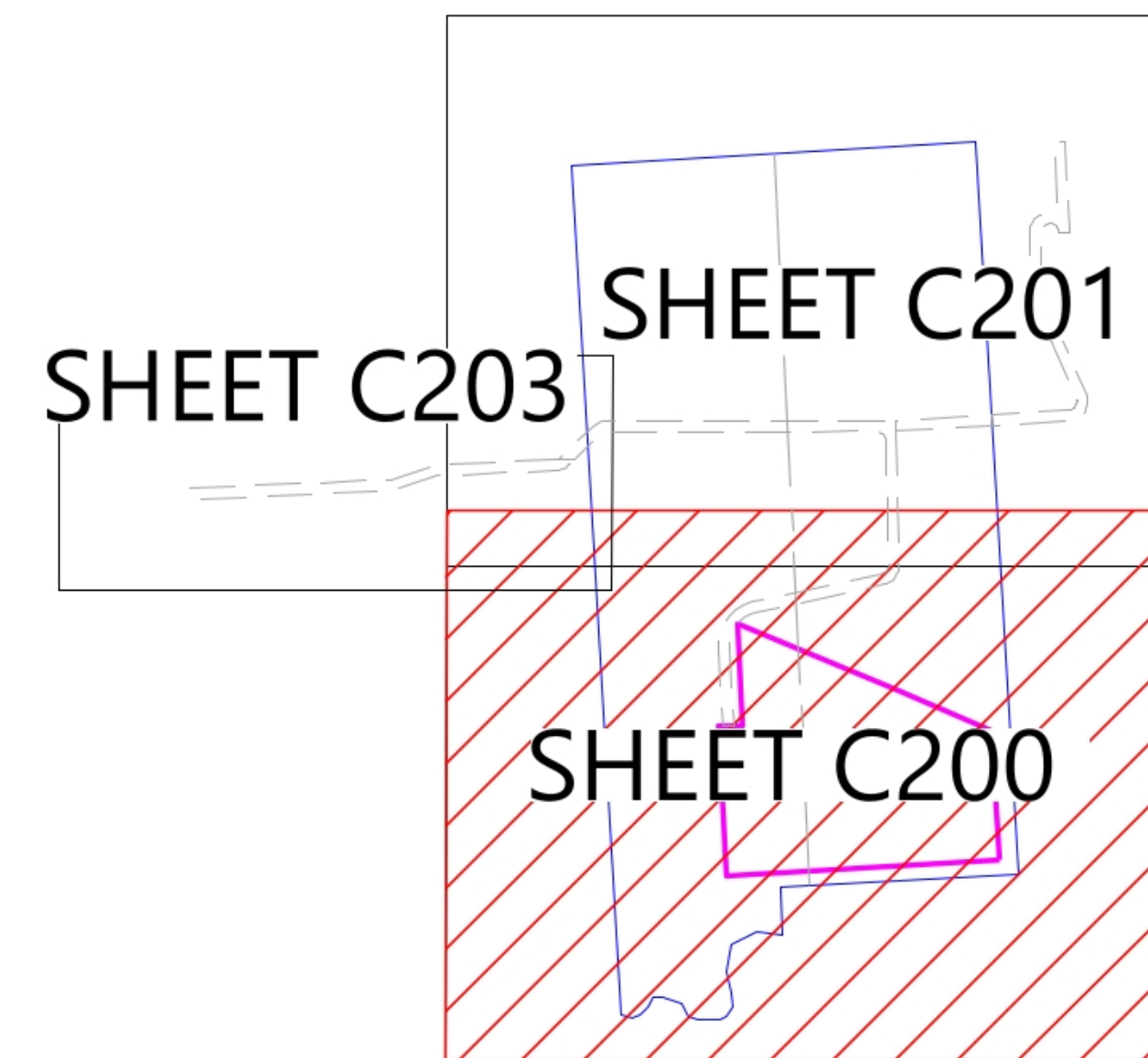
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

- LEGEND:**
- PROJECT BOUNDARY
 - PROPERTY LINE
 - LOT LINE
 - ADJOINER PARCEL LINE
 - SETBACK LINES
 - EX. EASEMENTS
 - EX. PAVED ROAD
 - EX. FENCE
 - EX. DIRT OR GRAVEL ROADS
 - EX. NATURAL GAS LINE
 - EX. BUILDING
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 - EX. VEGETATION
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 - EX. WETLAND
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 - FEMA FLOOD ZONE
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 - PROPOSED AUGMENTED BATTERY STORAGE
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 - PROPOSED SWALE
 - PROPOSED CULVERT
 - VEGETATION TO BE REMOVED
 - WATER TANK

MATCHLINE (SEE SHEET C201)



KEY MAP:



Westwood

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Tel/Fax: (888) 937-5150 Plano, TX 75093
westwoodps.com

Westwood Professional Services, Inc.



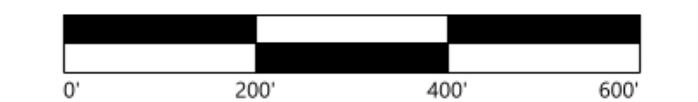
PREPARED FOR:

Mortenson
700 Meadow Lane
Minneapolis MN, 55440

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PHONE: 310-970-4068



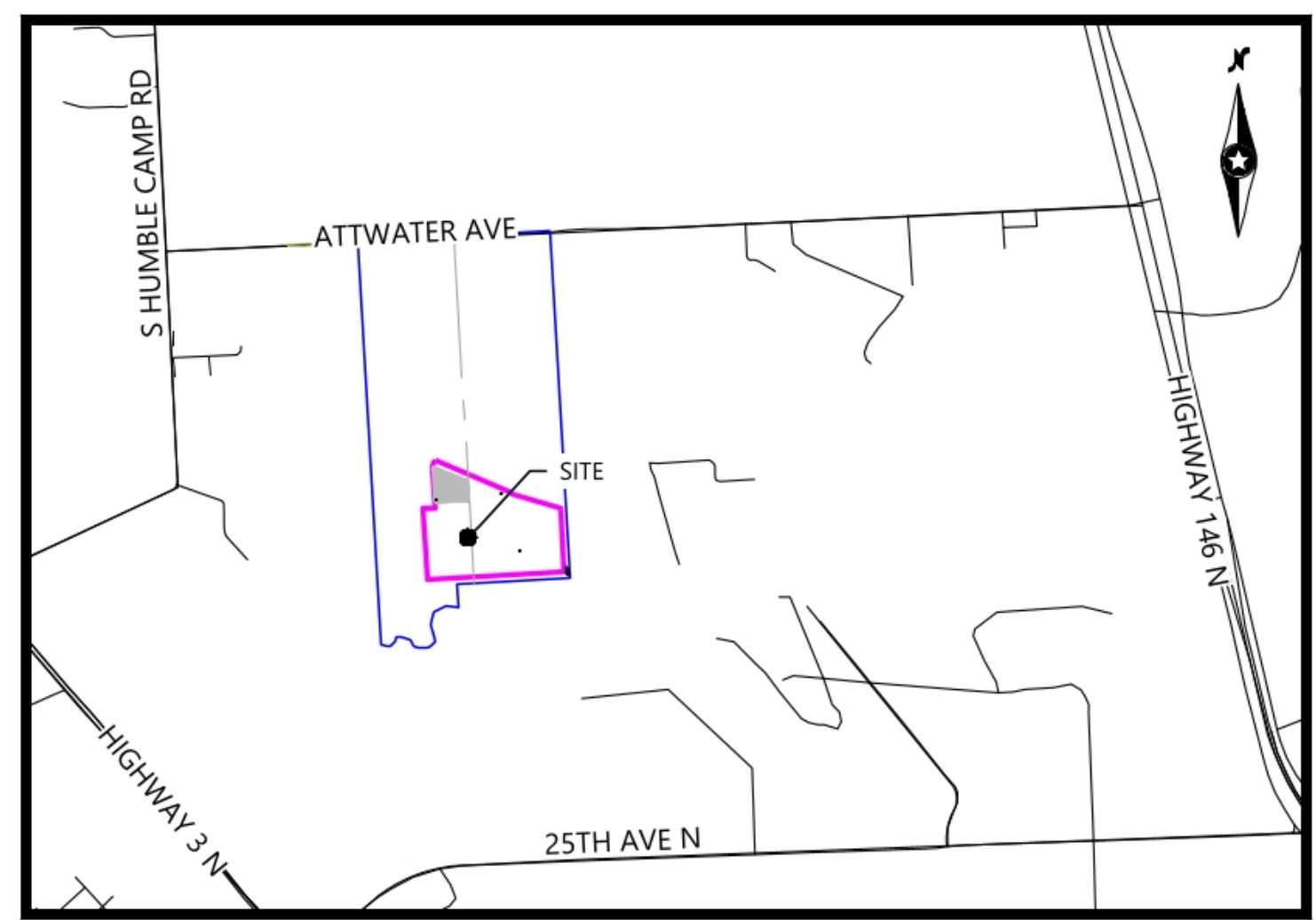
Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 1

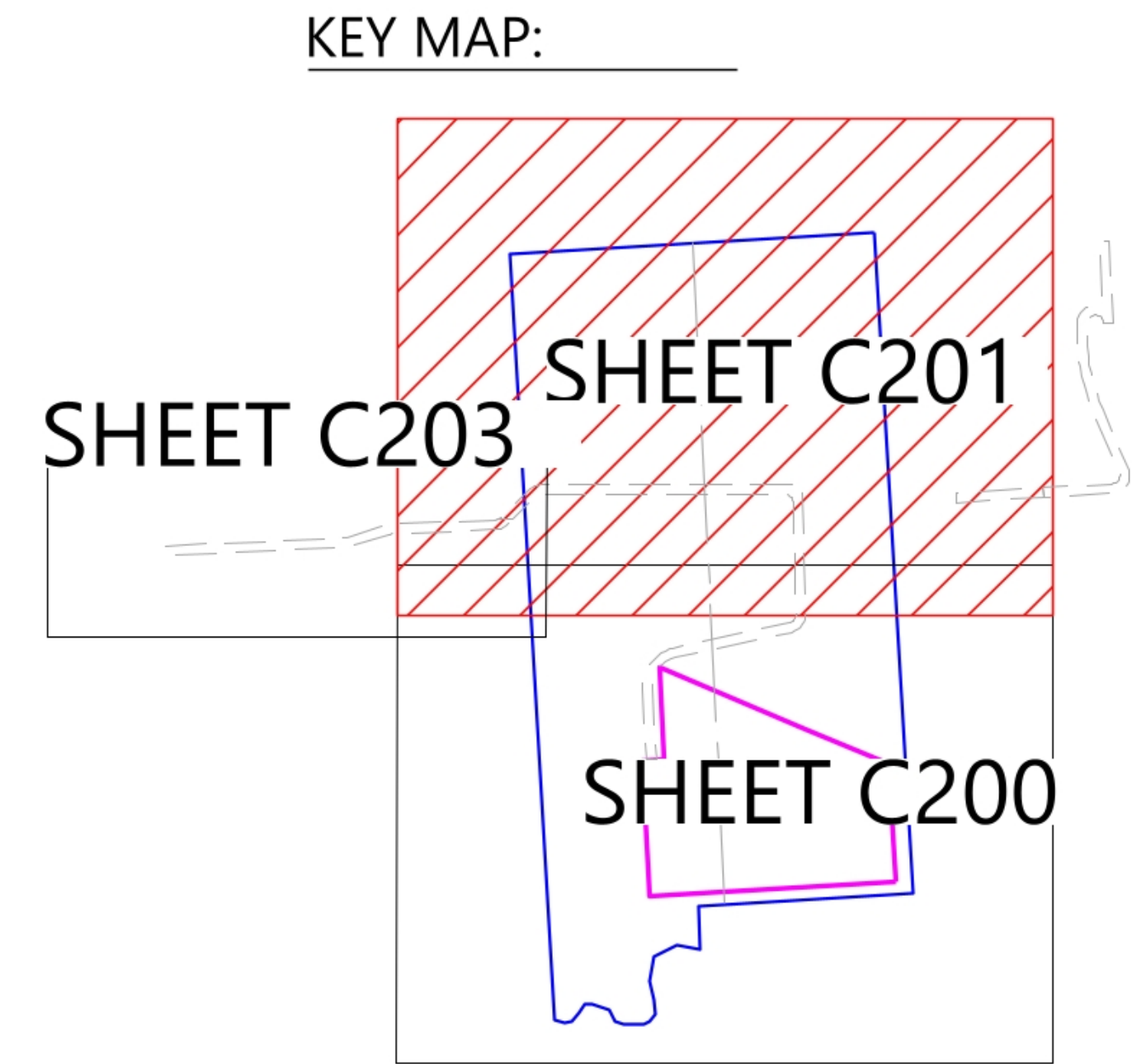
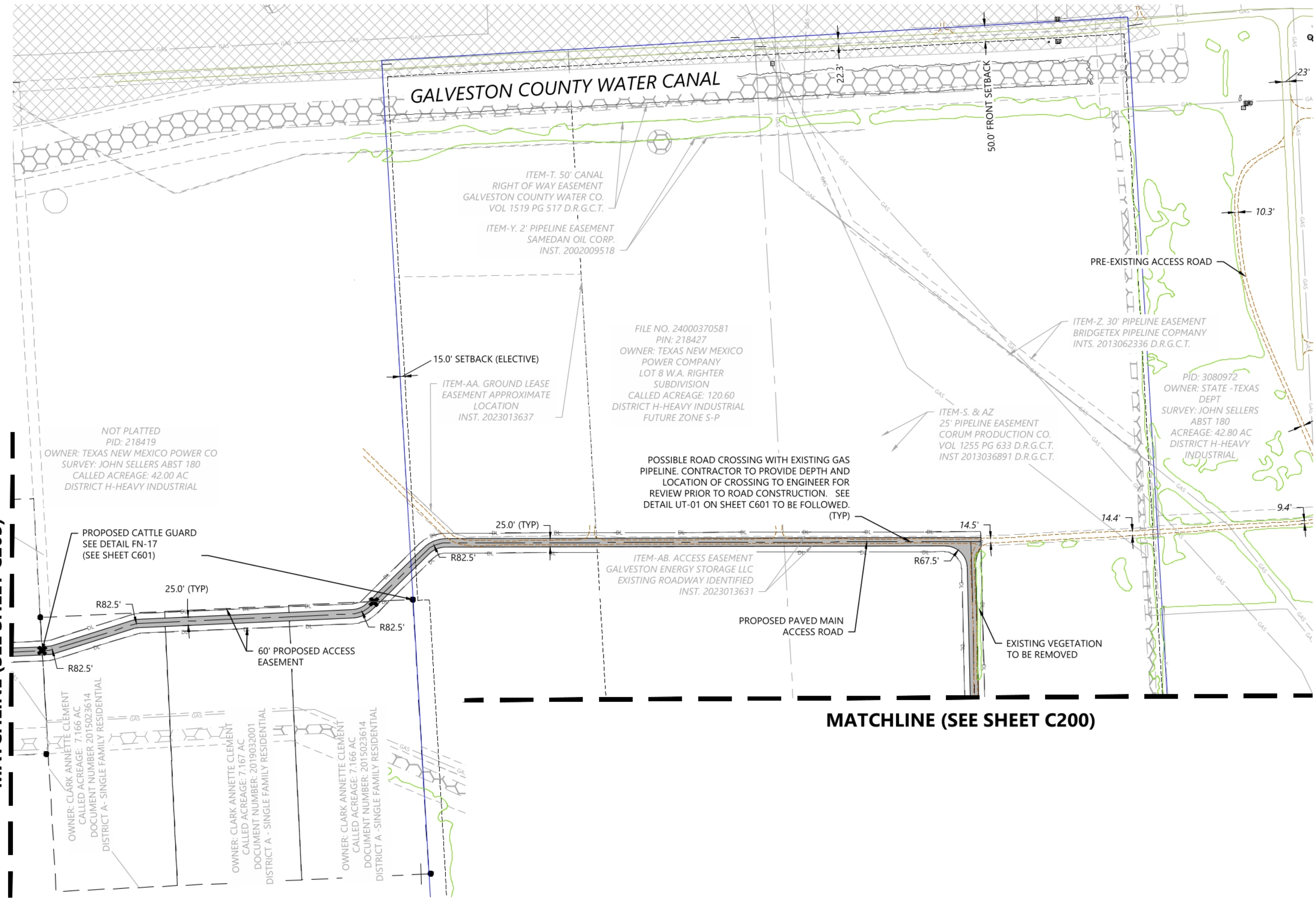
ISSUED FOR 90% REVIEW

DATE: 05/23/2025
SHEET: C200
REV: D



LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

- LEGEND:**
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 - PROPOSED EASEMENT
 - VEGETATION TO BE REMOVED
 - PROPOSED CATTLE GUARD



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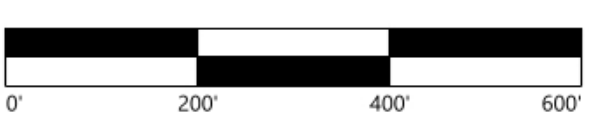
Mortenson
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Minneapolis MN, 55440

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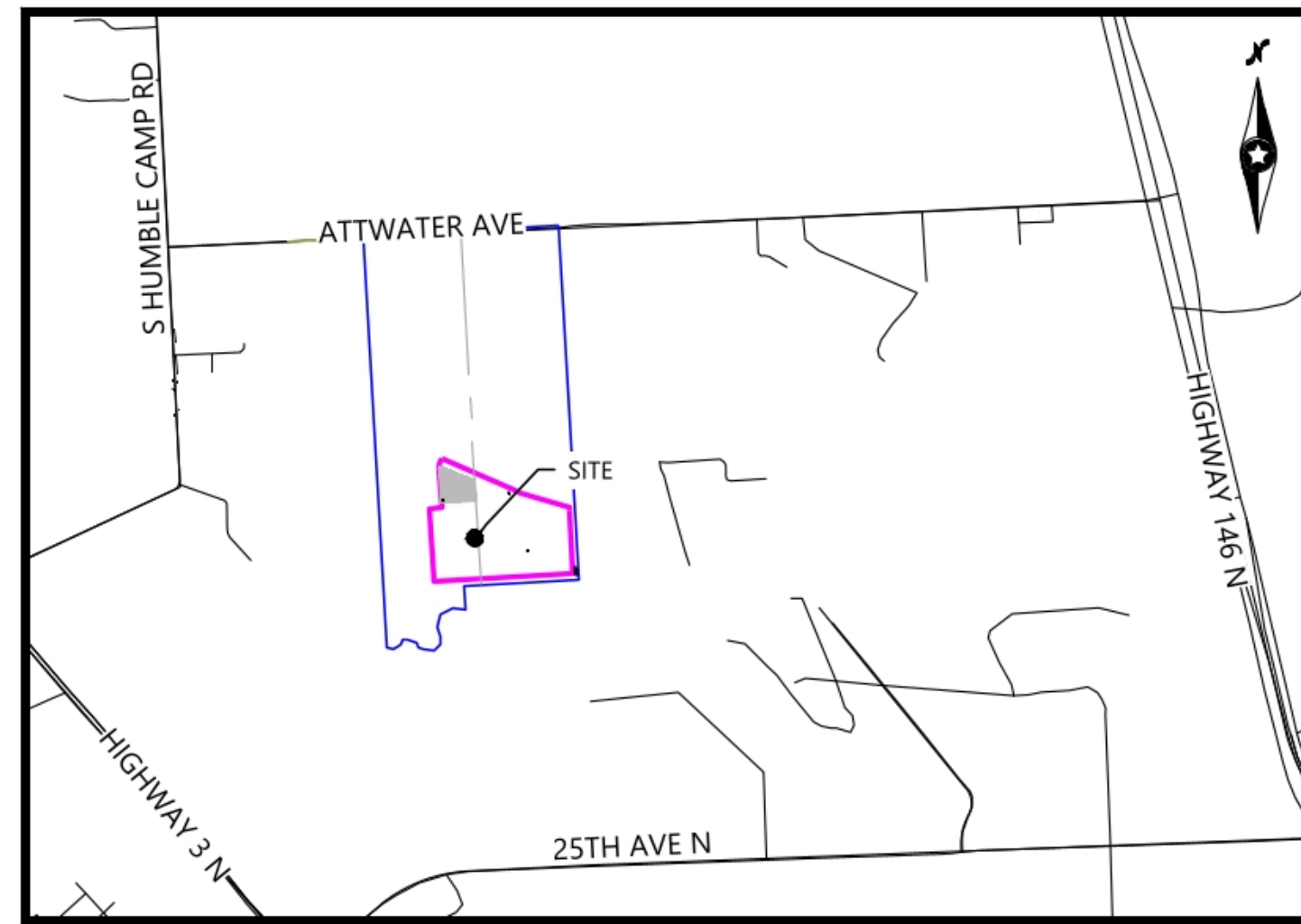
Red Egret BESS Project
Texas City, Galveston County, Texas

Detailed Site Plan - 2

ISSUED FOR 90% REVIEW

DATE: 05/23/2025 REV:
SHEET: C201 D

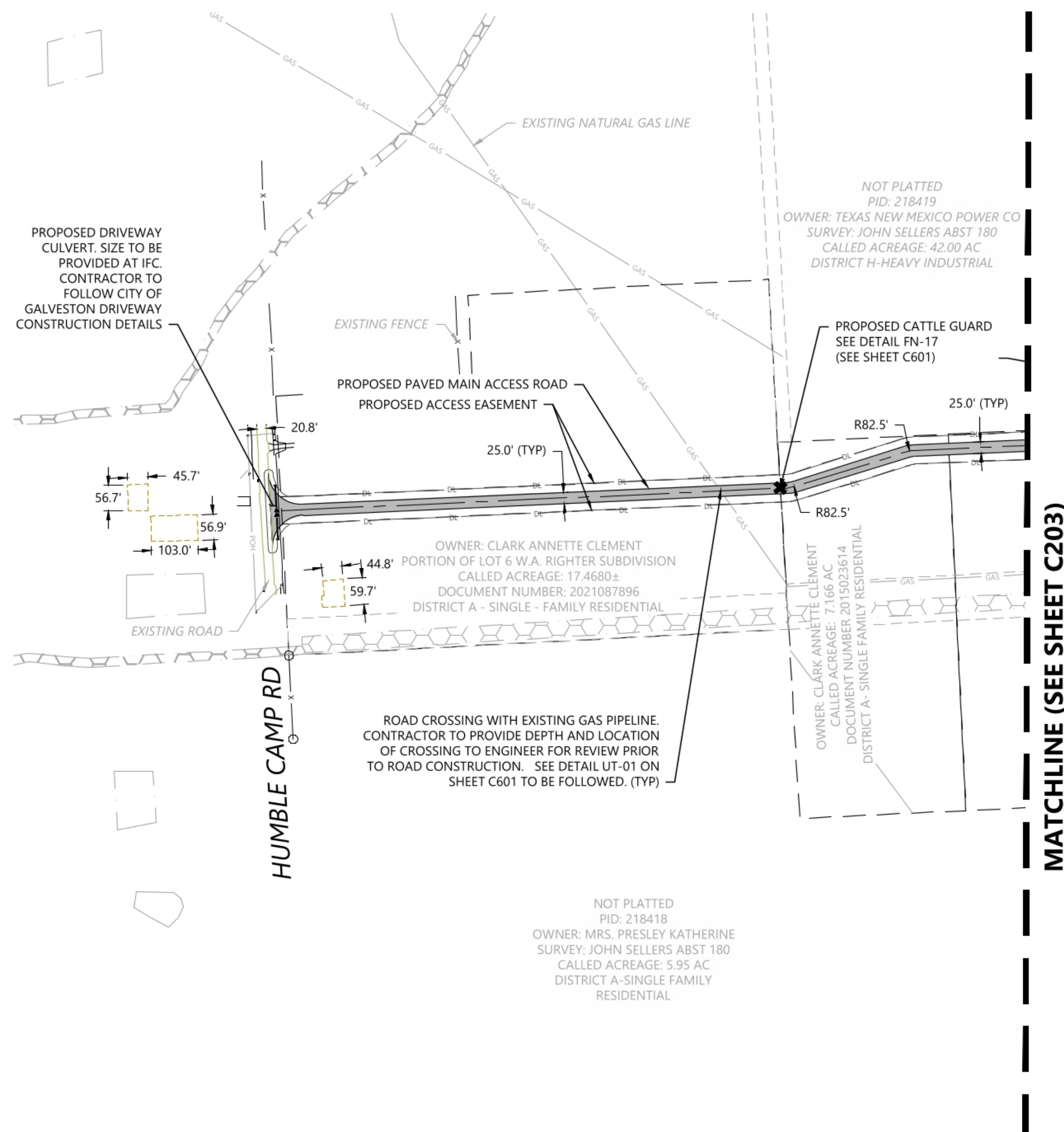
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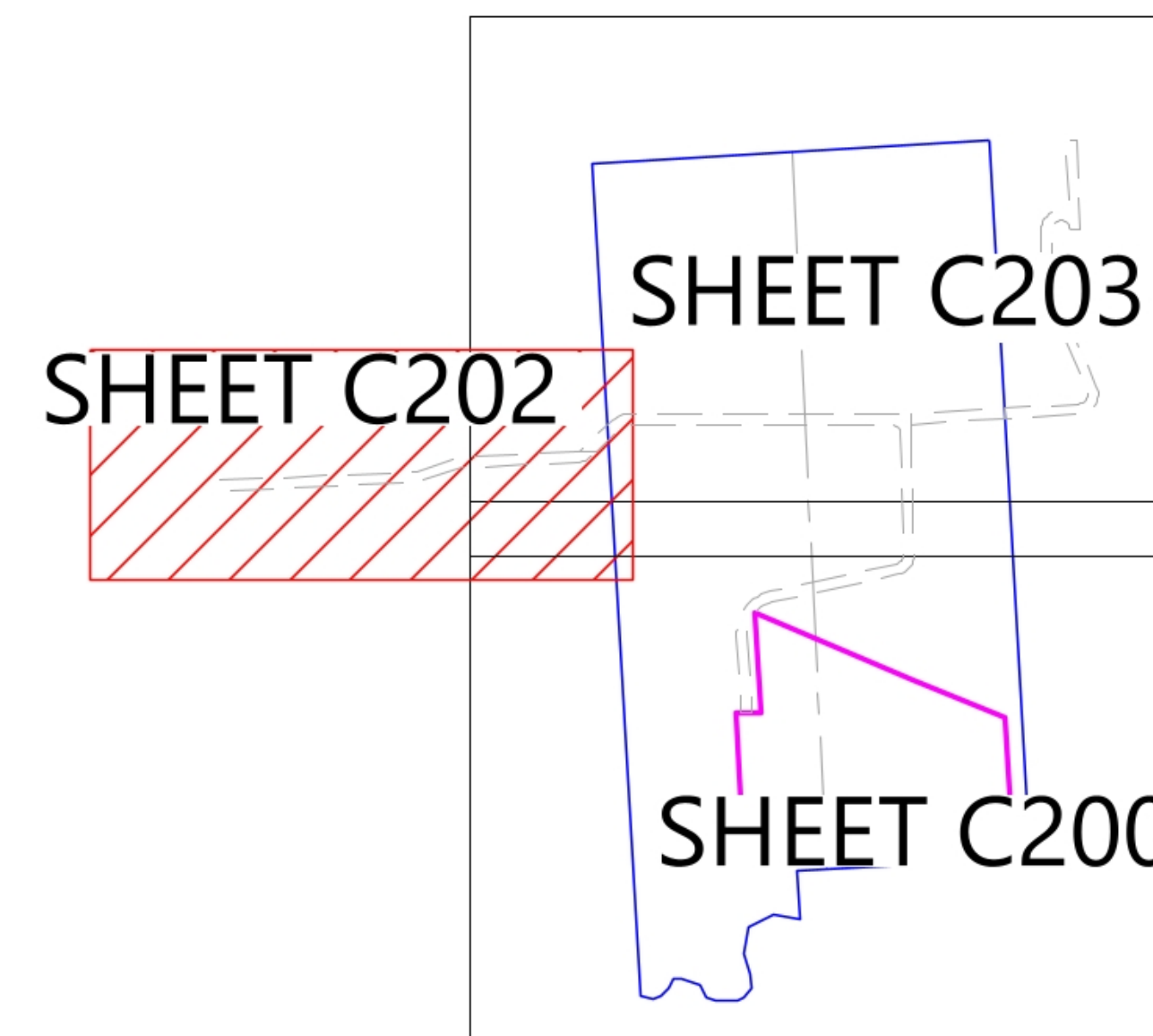
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

LEGEND:

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- PROPOSED EASEMENT
- VEGETATION TO BE REMOVED
- PROPOSED CATTLE GUARD



KEY MAP:



PREPARED FOR:

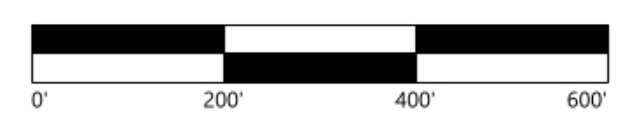


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Red Egret BESS Project

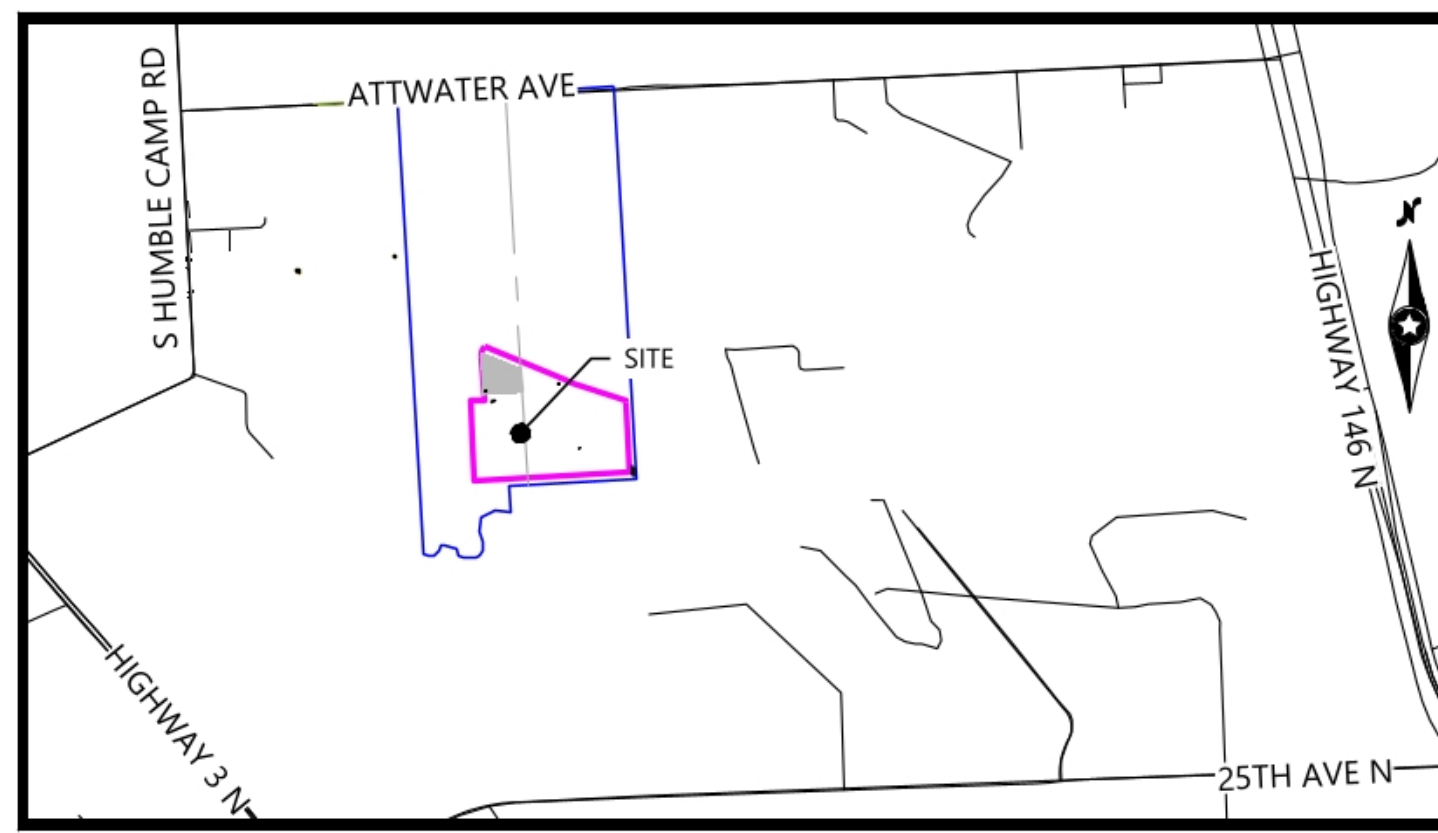
Texas City, Galveston County, Texas

Detailed Site Plan - 3.

ISSUED FOR 90% REVIEW

DATE: 05/23/2025
SHEET: C202
REV: D

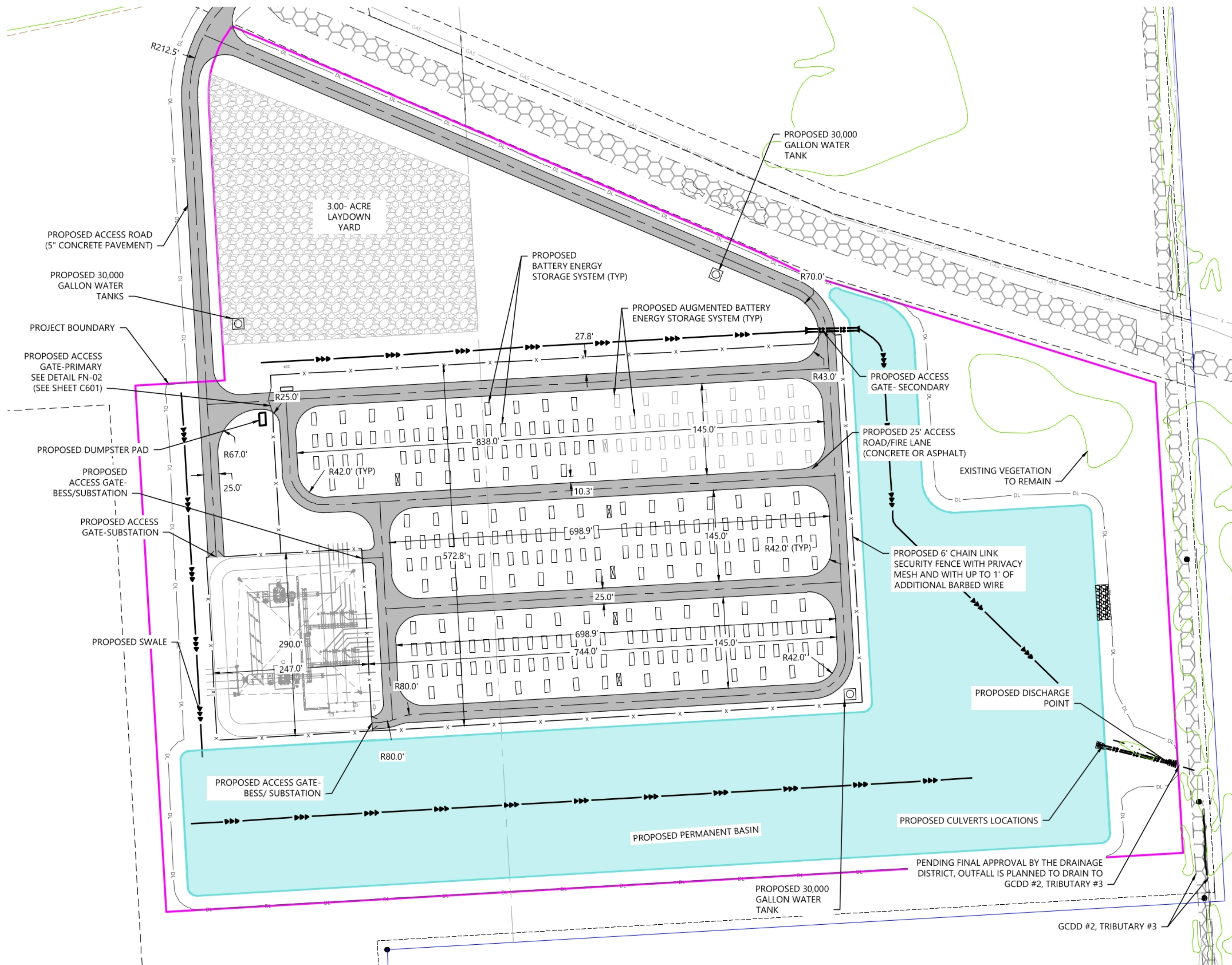
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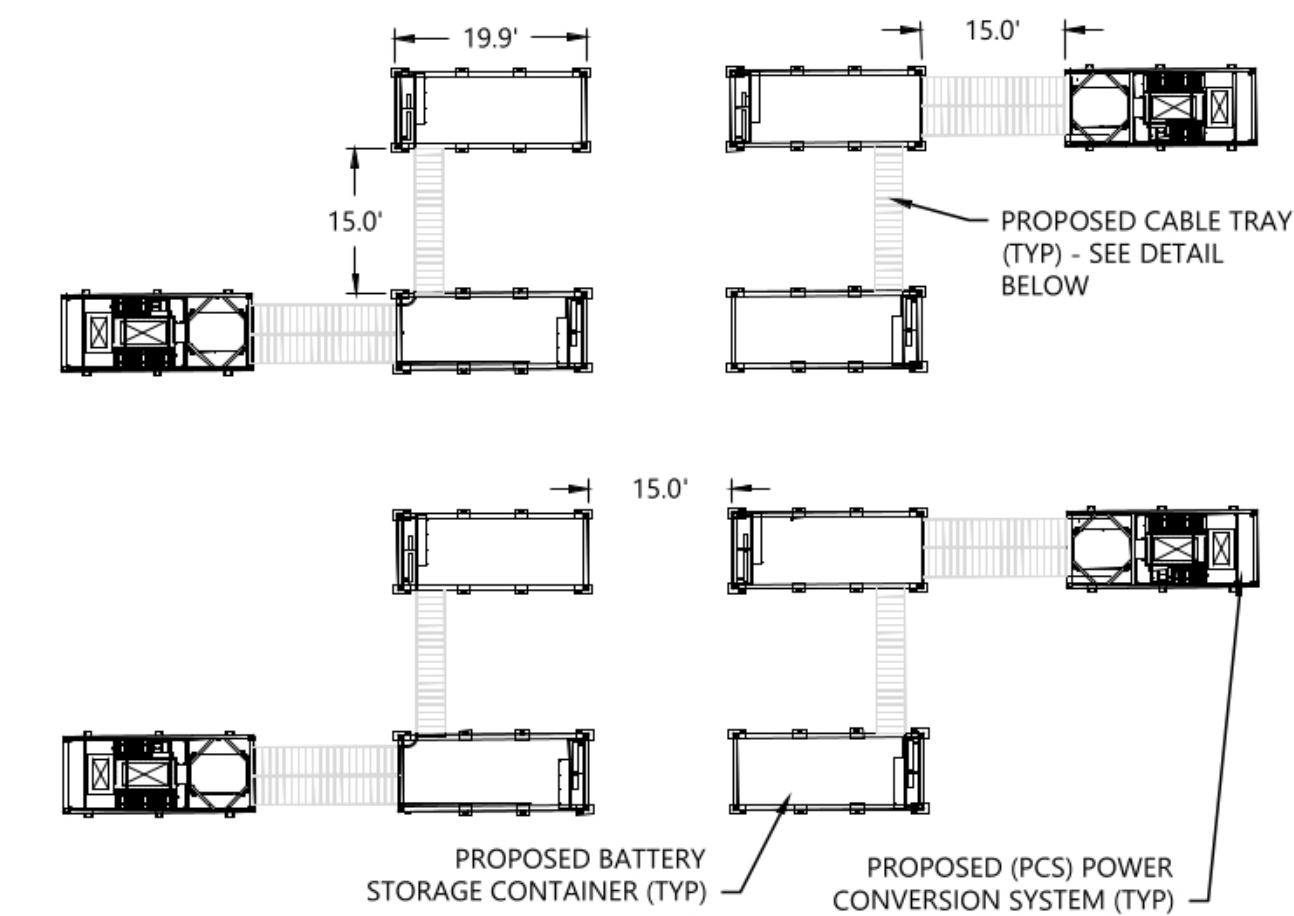
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

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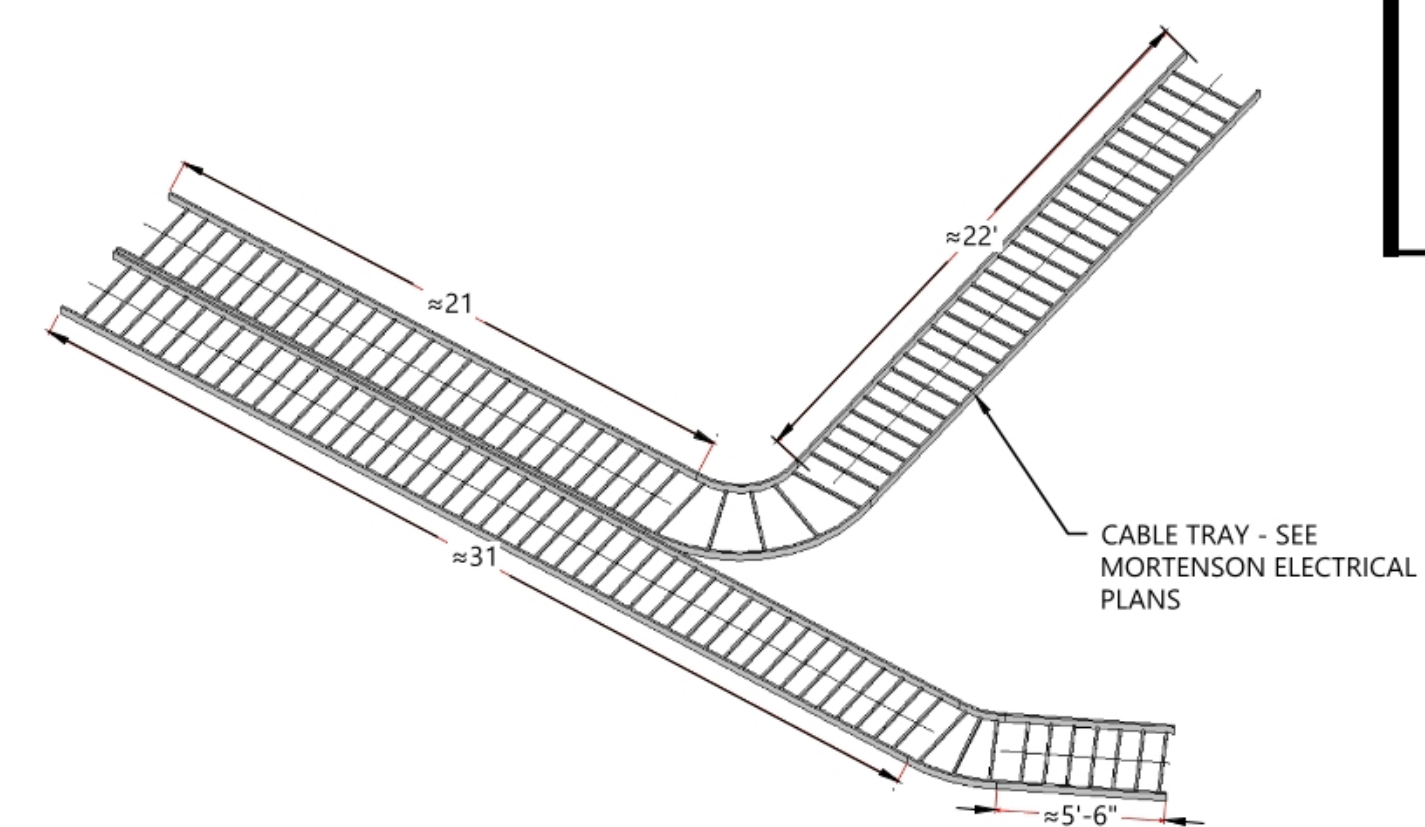
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- VEGETATION TO BE REMOVED
- WATER TANK



TYPICAL EQUIPMENT LAYOUT:



CABLE TRAY DETAIL:



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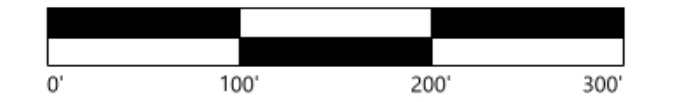
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Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 4

ISSUED FOR 90% REVIEW

DATE: 05/23/2025 REV:
 SHEET: C203 D

SPEARMINT ENERGY CAPABILITIES AND EXPERIENCE

SpearMint Energy's team of more than 50 electrical engineers, construction managers, project developers, transmission planners, and market experts is one of the most experienced in the industry. The SpearMint team has developed over 15,000 MW of energy generation and storage projects.

We develop, build, own, and operate battery storage facilities with a focus on safety and professionalism at every step of the process. As an American company, we are dedicated to working in partnership with landowners, local government, and communities as well as creating good paying jobs and economic growth right here at home.

SpearMint owns and operates a 150MW/300 MWh BESS in Texas and has more than 20 projects in development across 10 US states.

KEY TEAM MEMBER EXPERIENCE AND QUALIFICATIONS

SpearMint Energy's team has experience across the United States and in all aspects of energy projects, including development, permitting, finance, construction and operations and maintenance. Key team members' experience is summarized below:



Peter Rood – Chief Development Officer

Peter has nearly 20 years of clean energy development experience, including over a decade of experience developing energy storage projects. Previously, he led the development of a 3,500 MW of battery storage portfolio at GlidePath Power Solutions, and earlier held roles at RES Americas, NRStor, Acciona Energy, and Gamesa Energy.



Jeff Jackson – SVP Project Execution

Jeff has more than a decade of experience in renewables and data center site development, project implementation, strategic partnerships, and leadership. In his prior role, Jeff formed and led the teams responsible for site development, engineering, procurement, construction, and origination for a data center startup that was ranked on the Inc. 5000 Top 100 list.



Gina Wolf – SVP, Strategy and Project Development

Gina Wolf is responsible for project strategy, mergers & acquisitions, and greenfield development for the Spearmint Energy portfolio. Gina brings more than 20 years of clean energy development experience with over 2GW of wind, solar and co-located battery storage projects constructed.



Nick Coil – Vice President, Development

Nick has nearly 15 years of experience developing renewable energy projects throughout the country. He began his career developing wind and solar at Tradewind Energy before managing a 20+ GW pipeline of renewable energy projects and a team of 45 developers as the Head of Development for Enel North America.



Courtney Timmons – Senior Director of Strategy and Origination

Courtney brings over 15 years of experience in energy development throughout the U.S. and internationally. Courtney has led the development of over 1,000 MW of installed energy facilities resulting in over \$1B in deployed capital. Courtney is also a military veteran who served a year-long deployment in Iraq for the Army National Guard.



Amber Zuhlke – Permitting Lead

Amber has 20+ years of experience in the energy sector, with the last 16 years focused on utility-scale clean energy projects, including battery energy storage. Focused primarily on the siting, development, and permitting side of the business, Amber has had the opportunity to participate in various industry work groups and task forces throughout her career and has worked on projects in every major region of the United States.



LIQUID-COOLED POWERTITAN 2.0 BATTERY ENERGY STORAGE SYSTEM

WHITE PAPER

TABLE OF CONTENTS

1. Executive summary	01
2. Introduction	02
3. Understanding the safety concerns with batteries	03
3.1. Overview of BESS quality risks and manufacturing defects	03
3.2. CEA's findings on fire safety and risks	03
3.3. Market response to BESS fire safety concerns	04
4. Liquid-cooled technology overview	05
4.1 What is liquid-cooled technology?	05
4.2. Advantages over traditional air-cooling lithium-ion technologies	05
5. Sungrow's fully liquid-cooled PowerTitan 2.0 BESS	06
5.1. Introduction to PowerTitan 2.0 BESS	06
5.2 BESS safety features for fire suppression and thermal management	08
5.3. Additional key features and innovations	11
5.4. Certifications and design standards	12
5.5. Quality assurance and factory acceptance testing	12
7. Conclusion	13



EXECUTIVE SUMMARY

Battery energy storage system (BESS) technologies are propelling us towards a net-zero economy. They're necessary for harnessing the full power of intermittent renewable energy sources without experiencing gaps in power.

However, while generally effective and reliable, some have expressed concerns over the quality and safety of batteries. Leaders in the fossil fuel industry, for example, have been quick to criticize this technology. And because batteries are relatively new, the media and public tend to treat any issues with heightened levels of attention and scrutiny, threatening the deployment of battery technology.

To address these concerns and increase the adoption of BESS technology, companies need to ensure that batteries are as safe, reliable, and powerful as possible.

Sungrow has recently introduced a new, state-of-the-art energy storage system: the PowerTitan 2.0 with innovative liquid-cooled technology. The BESS includes the following unique attributes:

- Offers an **easily scalable design** with plug-and-play architecture backed by pre-certified fire safety compliance testing.
- **Maintains consistent temperatures** – increasing performance, safety, reliability, and profitability.
- **Reduces installation time by 80%**, compared to a conventional ESS, requiring only one hour for cabinet installation due to its pre-integrated design.
- Ensures a **Ensures a high ROI by reducing auxiliary power consumption by 40%** (compared to a conventional ESS) – prolonging system life and mitigating unnecessary degradation.
- **Sustains top performance in harsh environments** – including high humidity areas, dusty deserts, or high elevations up to 3000 meters (9843 feet) above sea level.
- Includes **enhanced safety features for fire suppression and thermal management**.

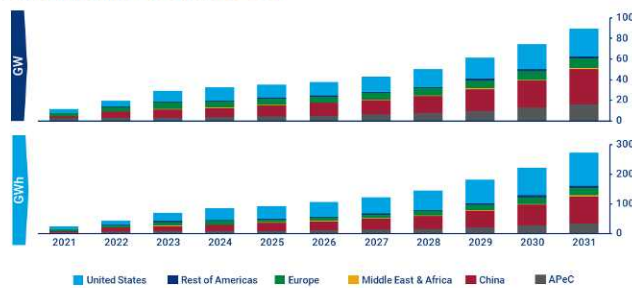
This white paper outlines the promise and criticisms of batteries, and highlights the key features, benefits, and market significance of Sungrow's liquid-cooled PowerTitan 2.0 BESS as an integrated turnkey solution from cell to skid.

INTRODUCTION

Energy storage is essential to the future energy mix, serving as the backbone of the modern grid. The global installed capacity of battery energy storage is expected to hit **500 GW** by 2031, according to research firm Wood Mackenzie.

The global energy storage ten-year market outlook is bright

Annual deployments by region: 2021-2031



Source: Wood Mackenzie

[Click to view chart](#)

The U.S. remains the energy storage market leader – and is expected to install **63 GW** of storage between 2023 and 2027, and exceed **130 GW** by 2030. The U.S. Inflation Reduction Act has further increased projected solar and onshore wind capacity by **40%** and estimated battery capacity by an additional 20 GW.

As the young industry rapidly grows, concerns about quality and safety have emerged – including the possibility of battery fires.

While rare, these issues can occur due to low integration of energy storage systems, inconsistent design standards and quality control, lack of experience in managing energy storage systems throughout the life cycle, and improper understanding and implementation of standards.

Ultimately, thermal runaway and system-level defects can result in costly delays and downtime – and in very unlikely scenarios, potential threats to safety.

Importantly though, batteries are overwhelmingly safe and effective. The California Public Utilities Commission, for example, estimates that only **2%** of grid storage facilities will experience “major safety-related” incidents.

Notably, the natural gas industry causes **thousands** of explosions every year in the United States. But these incidents often go unreported or do not face heavy scrutiny.

Nevertheless, given lingering skepticism about batteries, Sungrow recognizes the importance of providing cutting-edge solutions that meet top performance and safety standards. Sungrow’s PowerTitan 2.0 liquid-cooled BESS marks the next generation of highly integrated, plug-and-play, pre-certified grid-scale energy storage – offering unmatched reliability, efficiency, performance, and safety to invest in batteries with confidence.

UNDERSTANDING THE SAFETY CONCERNS WITH BATTERIES

3.1. OVERVIEW OF BESS QUALITY RISKS AND MANUFACTURING DEFECTS

Over the past decade, battery cells have [expanded](#) their capacity from under 100 Ah to 300+ Ah, transitioned from 12-meter walk-in containers to highly integrated, adaptable cabinets half the size, and incorporated liquid-cooled technology to support larger batteries. This rapid change and high growth rate has introduced new risks across the supply chain, such as manufacturing defects and complex subsystems with additional points of failure, which can lead to uncontrolled [thermal runaway](#) (a chain reaction that can cause fire, or rarely explosions).

As more novice players enter the energy storage industry, there are huge product variations, which can result in various fire hazards. Advanced components like the battery management system (BMS), energy management system (EMS), and power conversion system (PCS) are supplied by different companies – sometimes causing difficult on-site installation, long system commissioning cycles, poor operation adaptability, and frequent on-site operation and maintenance —negatively affecting the levelized cost of energy (LCOE).

3.2. CEA'S FINDINGS ON FIRE SAFETY AND RISKS

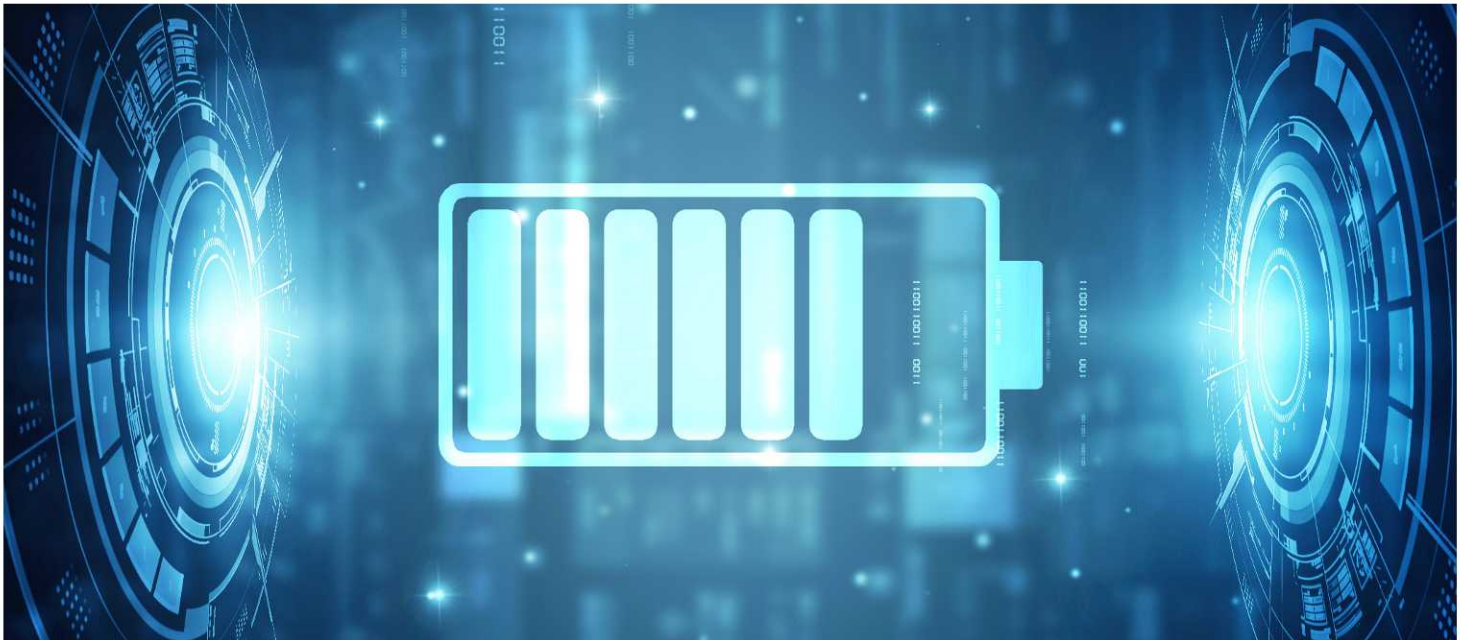
Clean Energy Associates (CEA), a leading renewable energy consultancy, conducted over [320](#) quality and safety inspection audits at 52 BESS factories worldwide, spanning 30 GWh of lithium-ion energy storage projects. Their extensive audit – published in February 2024 – revealed that **26% of BESS projects had quality issues related to fire detection and suppression systems and 18% had issues with thermal management systems.**

Nearly half of CEA's quality assurance (QA) findings were related to system-level defects, highlighting overlooked integration problems in the production process. The BESS integration of the cell and module is a highly manual, labor-intensive, and complex process, leading to QA vulnerabilities from lengthy production processes, high-performance sensitivity, and less strict quality control (QC) measures.

Notably, installers screen for and correct these malfunctions during the installation and commissioning process under the nationally recommended safety standard [NFPA 855](#).

But correcting these issues can delay projects for months and reduce profits. That makes it all the more important to prioritize pre-integrated systems and employ rigorous quality control measures throughout the manufacturing process.

3.3. MARKET RESPONSE TO BESS FIRE SAFETY CONCERNS



Batteries are overwhelmingly safe. The problem is: There are still renewable energy naysayers who hope to prevent the utilization of batteries. And as a newer technology, batteries are naturally subject to heightened public scrutiny.

At the [Energy Storage Summit](#) this past March 2024, Aron Branam, VP of development and construction for Arevon Energy, said, “One fire for one battery is a fire for everyone in the industry.” Mike DeSocio, founder and CEO of Luminary Energy, chimed in, saying, “...there has been a lot of trust lost in batteries in New York in the last few years.”

Some communities have imposed [moratoriums](#) on battery permits to assess safety concerns and enhance emergency response planning. Legislative measures, such as California’s [Senate Bill 38](#) signed in October 2023, aim to enforce safety standards and improve emergency response protocols for battery storage facilities.

Safety measures are still evolving in the energy storage industry, with strategies to prevent battery fires differing across each manufacturer as the industry evolves.

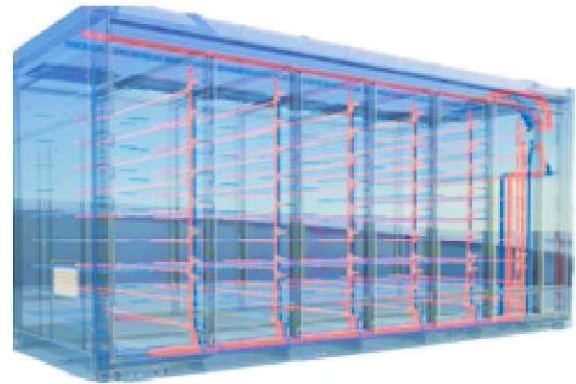
For example, in [Moss Landing](#), California (the [largest](#) operating battery storage facility in the U.S. at 750 MW) the BESS’ fire suppression systems – designed to prevent thermal runaway – were accidentally activated due to [rainwater intrusion](#) (i.e. water ingress), resulting in arcing and short-circuiting from flooding the batteries. Clearly continuous improvement is needed.

“To quell public concern, it’s critical to do everything in our power to reduce the risk of battery malfunctions. Sungrow has done precisely that.

LIQUID-COOLED TECHNOLOGY OVERVIEW

4.1. WHAT IS LIQUID-COOLED TECHNOLOGY?

Liquid-cooled technology is widely utilized in energy storage, electric vehicles, and other energy sectors due to its high energy efficiency ratio and temperature uniformity. The liquid-cooled system uses coolant to move heat from the battery cell enclosure to the ambient environment to lower the overall temperature.



As an ultra-efficient heat exchanger, liquid-cooled technology has a high specific heat capacity and excellent thermal conductivity, able to rapidly transfer more heat from the hotter to colder region and cool down the system more quickly and effectively.

4.2. ADVANTAGES OVER TRADITIONAL AIR-COOLING LITHIUM-ION TECHNOLOGIES

Conventional air-cooled systems use fans to pull in external air, potentially introducing humidity and condensation (i.e., water ingress) into the system, which can lead to short-circuiting and thermal events. Instead, liquid-cooled technology offers improved fire safety, among other benefits, by enabling faster and more efficient cooling.

	Liquid-cooled BESS	Air-cooled BESS
Enhanced efficiency	✓	
Improved thermal performance	✓	
Extended system life	✓	
High energy density	✓	
Low noise	✓	
More reliable operation	✓	
Better scalability	✓	

SUNGROW'S FULLY LIQUID-COOLED POWERTITAN 2.0 BESS

As the world's most [valuable](#) solar company and bankable inverter brand with over 27 years of experience, Sungrow's energy storage systems have exceeded 19 GWh of contracts worldwide. Sungrow has been at the forefront of liquid-cooled technology since 2009, continually innovating and patenting advancements in this field.

“As a system solution supplier and product OEM, as opposed to an integrator, Sungrow is able to achieve a tight integration that is reliably repeatable, high-quality, and system-level safe to adhere to strict third-party guidelines.”

5.1. INTRODUCTION TO POWERTITAN 2.0 BESS

[Sungrow's latest innovation, the PowerTitan 2.0 Battery Energy Storage System \(BESS\)](#), combines liquid-cooled technology with advanced power electronics and grid support features, marking a significant leap forward in BESS solutions.

This plug-and-play BESS uniquely pre-integrates all internal components—including the batteries, string PCSs, BMS, thermal management, and fire suppression systems—within a 20-foot container for easy installation, improved adaptability, and high performance.



Customer reviews highlight flexibility, reliability, safety, and ROI as key priorities. Sungrow's PowerTitan 2.0 not only meets these expectations but also effectively addresses fire safety concerns. Our standout offering includes a **complete turnkey solution, from cell to MV skid, supported by our local in-house service and backed by a 20-year system-level guarantee.** This integrated approach reduces project delays and eliminates the need for on-site system-level certification, setting us apart from competitors, such as DC lock providers, who lack system-level solutions.

The globally liquid-cooled system (encompassing the battery modules and patented PCS) provides top-level performance with a **round-trip efficiency (RTE) up to 92.5%** for 4 hour solutions, with long duration options of 2 to 8 hours available.

Easily scalable

The PowerTitan 2.0 is a **scalable plug-and-play solution backed by pre-certified fire safety compliance testing for fast deployment and reduced risk.**

The BESS also simplifies commissioning efforts and site-level integration. That's largely because it does not have to run conduit between the battery and PCS – lowering conduit by 50%, reducing project footprint, and increasing energy density relevant to traditional solutions.

High-performance

With liquid-cooled technology, the BESS **maintains consistent temperatures within 2.5°C across almost 5,000 battery cells in one container** and eliminates any outlier cells to maximize performance, safety, reliability, and profitability. The system boasts an RTE up to 92.5% for 4 hour solutions, with long duration options of 2 to 8 hours available. This is an enhancement of 2% from the first-generation PowerTitan 1.0, with its Cell to Grid technology (C2G) that simplifies the energy conversion between DC and AC power.

Fast deployment

The all-in-one AC-DC block design streamlines deployment with embedded PCSs, pre-assembled components, MVT, and comprehensive factory testing to reduce installation time by 80% (compared to a conventional ESS), requiring only one hour for cabinet installation.

Additionally, the system comes **pre-certified with AC-level UL 9540**, shortening grid interconnection processes, and adheres to various safety standards. Grid-debugging time is also cut by 50%, lasting only 15 days compared to conventional BESS systems due to necessary pre-installations.

High ROI

Using precise temperature control made possible with liquid-cooled technology, the PowerTitan 2.0 has a high ROI by reducing auxiliary power consumption up to 40% (compared to a conventional ESS), prolonging system life, and mitigating unnecessary degradation. Enhanced temperature balancing enables individual rack control – boosting usable capacity, optimizing system availability, and reducing the discharging barrel effect.

This advanced temperature balancing results in up to a **7% increase in system discharge** (depending on site conditions). In the case of a PCS fault, the system experiences only an 8% loss, as the remaining 11 PCS systems can remain online, unlike traditional centralized BESS setups where a shutdown leads to a 100% loss that can last for days.

Environmental resilience

By eliminating the need for external air to enter the system, the liquid-cooled BESS enhances resilience in harsh environments, such as **high humidity areas, dusty deserts, or high elevations up to 3000 meters above sea level.**

Enhanced safety

The liquid-cooled PowerTitan 2.0 BESS incorporates robust safety features superior to those required in NFPA (National Fire Protection Agency) standards, including separate partitions for power electronics and battery cabinets to prevent thermal runaway, fire-resistant bulkheads lasting up to two hours, and advanced fire protection mechanisms to minimize fire risks.

The battery energy storage system meets global liquid-cooled heat dissipation standards and employs technology to reduce short-circuiting and arcing risks. Also, without introducing foreign particles (such as dust) and humidity into the enclosure, the system mitigates short-circuiting and thermal events for added reliability. As the liquid-cooled system is low noise at or below 75 dBA, the BESS can also operate in noise-restricted environments.

The multi-level architecture of safety measures, such as inter-rack fusing protection, active anomaly detection, and millisecond-level arc detection, enhance overall safety, while multi-stage overcurrent protection and integrated BMS ensure rapid response to potential hazards.

NFPA 855 compliance design options of:
- NFP (Deflagration venting) as standard offer
- NFP (Explosion prevention system) as an optional choice

NFPA13 compliant Sprinkler and Dry Pipe as an optional choice

SMOKE/TEMPERATURE



NFPA 68 DEFLAGRATION PANEL FOR EXPLOSION RELEASE

NFPA 69 (OPTIONAL) GAS DETECTOR, AIR EXHAUST



FACP



PARTITION DESIGN (BATTERY VS PCS) (BATTERY VS LCU)

MULTIPLE LAYERS SPRINKLER



5.2. BESS SAFETY FEATURES FOR FIRE SUPPRESSION AND THERMAL MANAGEMENT

Effective fire suppression and thermal management are crucial for the safety and longevity of energy storage systems. Sungrow prioritizes safety, with a superb track record of zero reported BESS thermal events or explosions.

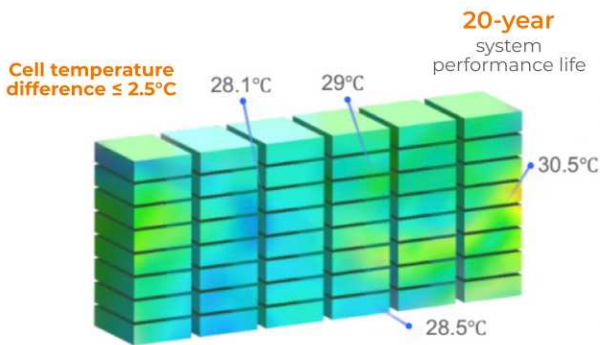
To uphold Sungrow's strict safety priorities, the PowerTitan 2.0 offers a comprehensive safety design across the cell, electrical, and system levels. From compartmentalized designs to advanced fire suppression systems, the system ensures the highest level of safety and reliability in various operating conditions.

As a liquid-cooled system, as opposed to air-cooled, humidity and condensation are not introduced into the system, removing water ingress – allowing for more control of the system's internal environment conditions and reducing the risk of short-circuiting.

Sungrow's PowerTitan 2.0 liquid-cooled BESS employs various features to address fire safety concerns:

Balanced temperature control:

A patented liquid-cooled heat dissipation scheme and 4D sensing technology maintain a balanced system temperature with a $\leq 2.5^{\circ}\text{C}$ temperature difference across all battery cells – prolonging battery life by two years, reducing degradation, improving auxiliary power efficiency, and enhancing system performance with a 15% increase in discharge capacity over the system's life cycle.



Professional integration:

Integrating BMS and string PCSs improves system compatibility and adaptability for elevated safety and performance – with an RTE up to 92.5% for 4 hour solutions (with long duration options of 2 to 8 hours available) and ease of commissioning.

Overcurrent protection design:

Multi-level fuse protection ensures reliable disconnection to minimize the risk of thermal runaway.

Integrated arc fault detection and arc fault circuit interruption:

Advanced algorithms detect electrical abnormalities, improving system safety by reducing short-circuit current by 75% in 10 microseconds and 100ms-level shutdown for 100% rack-level protection to mitigate thermal events.

Remote monitoring:

In the unlikely event of an electrical fire, the system automatically triggers multiple firefighting measures, preventing battery deterioration and eliminating thermal runaway at the early stage.

Compartmentalized design:

Partition design separates power electronics and battery compartments with fire-resistant walls to prevent fire from spreading for up to two hours, minimizing damage and avoiding fast contagion of thermal runaway.



Integrated AC-DC blocks:

Compared with traditional centralized PCS design, the built-in PCSs and factory-installed interior DC wiring reduces project footprint and safety risks by reducing the risk of short-circuiting and arcing.

System-level fire safety:

To minimize fire risks, reduce flammable gas concentrations, and ensure electrical safety, the system employs overcurrent fast-breaking and arc extinguishing protection, over-temperature protection, NFPA68-compliant deflagration venting, optional integrated sprinklers inside the BESS container, and optional NFPA69-compliant explosion prevention systems.



Manual switch disconnecter (MSD):

The technology mitigates the risk of short circuits for safer shipping, maintenance, and lower personal protection equipment, or PPE, classes, translating into faster project deployment with more efficient installation and commissioning.

Integrated AC-DC blocks:

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System-level fire safety:

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Rapid arc extinguishing:

Second-level arc extinguishing eliminates potential fire hazards by blocking thermal runaway at the source.

Pre-testing for fire safety compliance:

Various safety tests, including fire simulations and fire testing, ensure compliance above and beyond industry standards.

Inter-rack fusing protection:

The system reduces the incident energy with low arc energy and protects the safety of maintenance personnel with a lower class of required PPE by limiting exposure to high voltages and currents.

Self-sealing coolant loop connectors:

The system's patented plug connectors for liquid cooling have prevented 100% of leaks in over 100,000 industrial installations.

5.3. ADDITIONAL KEY FEATURES AND INNOVATIONS

In addition to fire safety, below are various other key benefits of the liquid-cooled PowerTitan 2.0 BESS:

Multi-level monitoring devices:

Multi-level sensors, from the module to the rack and system level, provide real-time insights into performance and system health to ensure system efficiency, safety, and reliability, with integration into third-party SCADA and control systems. These devices enable proactive fault detection and system optimization – decreasing downtime, maximizing performance, and prolonging the system’s life.

Increased capacity:

The high performance DC/AC inverter supports 0% to 100% depth of discharge with – enhancing overall efficiency, adaptability, and revenue with increased usable capacity.

Enhanced energy capacity and efficiency:

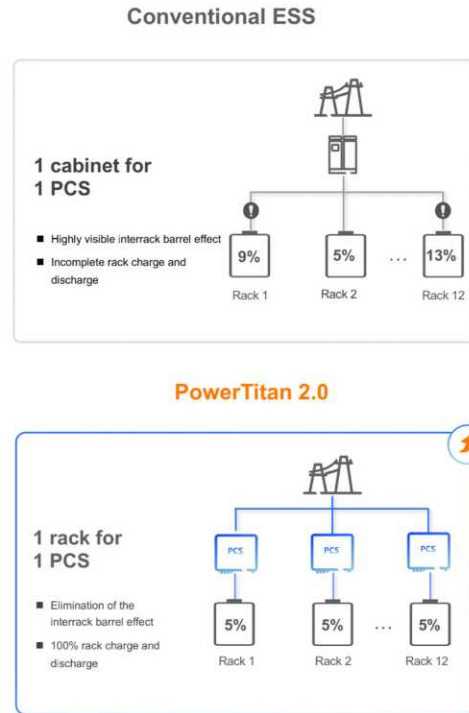
Innovative technologies such as C2G and liquid-cooled thermal management improve energy capacity and efficiency.

Quieter operation:

The system produces less noise than air-cooled systems, at or below 75 dBA, making the BESS suitable for noise-sensitive areas.

Individual rack-level management:

Independent control of charge and discharge in each battery rack increases discharge capacity by up to 7% (depending on site conditions) and improves system flexibility.



Higher energy density:

The system occupies 32% less footprint than a conventional energy storage system with a centralized PCS, improving the LCOE and system energy density with fewer containers, easier construction, and lower balance of plant costs.

Stable operation in weak grids:

Integrated with leading grid following and grid forming control algorithms, the BESS offers advanced grid support functions such as low voltage ride through, frequency and voltage support, black start capability (depending on site conditions), wind-band oscillation suppression, and flexible inertia support.

User-friendly O&M:

Automatic coolant replenishment, auto-calibration state of charge, and refined battery management minimizes O&M costs, enhances system longevity, ensures long-term system reliability, and reduces downtime to boost profitability.

5.4. CERTIFICATIONS AND DESIGN STANDARDS

Sungrow's commitment to quality and safety is reflected in the PowerTitan 2.0's adherence to rigorous certifications and design standards, including NFPA, IEC, and UL standards.

Pre-certified with UL 9540, the PowerTitan 2.0 eliminates the need for on-site testing – preventing delays, additional costs, and uncertainties for an added layer of confidence.

The PowerTitan 2.0 BESS comes pre-certified with, but not limited to:

- UL 9540 (2023)
- UL 9540A (2019 4th edition)
- UL 1973 (2022)
- UN 38.3 & UN 3536
- UL 1741 SB (PCS) (2019 3rd Edition)
- IEEE 1547:2018 (PCS) (2018)
- CSA C22.2 No.107.1-16 (PCS) (2021 4th Edition)

The battery energy storage system also adheres to the below design standards:

- NEC (2023)
- NFPA 855 (2023)
- NFPA 72 (2022)
- NFPA 68 (2023)
- NFPA 69 (optional configuration)(2024)
- NFPA 13 (optional configuration)(2022)

For more information, refer to the PowerTitan 2.0's datasheet [here](#).

5.5. QUALITY ASSURANCE AND FACTORY ACCEPTANCE TESTING

Sungrow implements a comprehensive QA and QC process management (ISO 9001) to ensure the safety and reliability of the PowerTitan 2.0 energy storage system. This QA and QC includes rigorous procedures such as functional tests conducted in the factory and over 350 quality tests covering cell, pack, rack, PCS, ESS, and energy management strategy testing.

Additionally, Sungrow's state-of-the-art testing facility includes hardware-in-the-loop setups, an in-house lab, a temperature room, a noise room, and a 5 MW grid simulator. **Large-scale fire simulations exceeding UL 9540A standards are performed alongside IP55 liquid-cooled design testing to verify the PowerTitan 2.0 container's system safety under various conditions.** Factory acceptance testing further enhances developer and investor confidence, minimizing commissioning delays.



“By the end of December 2023, Sungrow’s PowerTitan series had secured 19 GWh of global contracts, attributed to its exceptional security features and advanced efficiency.

7. CONCLUSION

Customer feedback consistently points to flexibility, reliability, safety, and return on investment as the most critical factors when choosing a BESS solution. Sungrow’s liquid-cooled PowerTitan 2.0 BESS excels in these areas, while also effectively addressing fire safety concerns.

What truly sets us apart is our Turnkey Solution Value. From cell to MV skid, we provide a complete, end-to-end solution, supported by a local in-house service team and backed by a 20-year system-level guarantee. This integrated approach not only reduces the risk of project delays but also eliminates the need for on-site system-level certification, enabling faster and smoother deployment.

As the energy storage industry continues to evolve, Sungrow remains at the forefront of innovation, delivering system-level solutions that meet the highest standards of quality, safety, and performance. To learn more about how our liquid-cooled PowerTitan 2.0 BESS can drive the success of your next utility-scale project, [reach out to our customer service specialists today.](#)

ABOUT SUNGROW

Sungrow Power Supply Co., Ltd. ("Sungrow") is a global leading PV inverter and ESS supplier with over 515 GW of power electronics equipment installed worldwide as of December 2023. Founded in 1997 by University Professor Cao Renxian, Sungrow is a leader in the research and development of solar inverters with the largest dedicated R&D team in the industry and a broad product portfolio offering PV inverter solutions and ESS for utility-scale, commercial & industrial, and residential applications, as well as internationally recognized floating PV plant solutions, NEV driving solutions, EV charging solutions and renewable hydrogen production systems. With a strong 27-year track record in the PV space, Sungrow products power over 170+ countries worldwide. For more information about Sungrow, visit: www.sungrowpower.com.



An aerial rendering of a sustainable city. In the foreground, there are large solar panel arrays and a modern building with solar panels on its roof. A winding road with cars leads through the city. In the middle ground, there are several wind turbines on a green hillside. The background features a large body of water and distant mountains under a clear blue sky.

SUNGROW
Clean power for all

SUNGROW USA CORPORATION
3200 Park Center Drive, Suite 850,
Costa Mesa, CA 92626

www.sungrowpower.com

BUILDING FOR THE GREATER GOOD

ENERGY STORAGE QUALIFICATIONS

Q1 2025



ENERGY STORAGE EXPERIENCE SUMMARY

From gigawatt-scale renewable energy generation and storage to commercial microgrids and more, we offer extensive expertise in designing and executing complex energy projects.

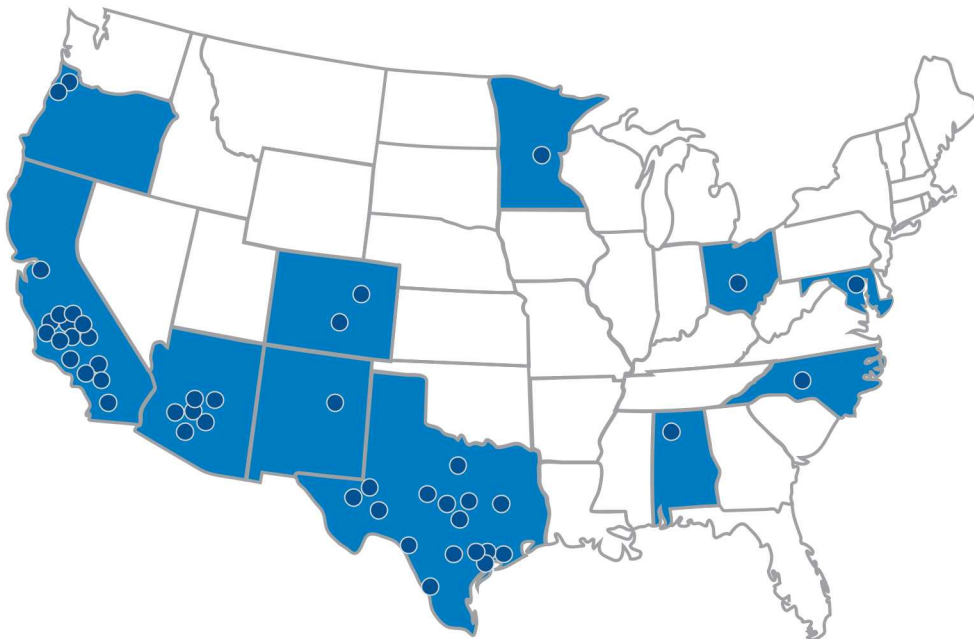
As one of the most experienced builders of energy storage systems, we are revolutionizing the energy landscape through our team's integrated solutions – constantly expanding the breadth of our EPC capabilities to lead the industry with efficient execution.

10
years

50+
projects

32+
gigawatt-
hours

#1
ENR
ranking



Status	# of Projects	Total MW	Total MWh
Completed	22	3,117	8,966
Under Construction	17	2,426	8,086
Under Contract	13	4,210	15,206
Totals	52	9,753	32,258

By Technology	# of Projects	Total MW	Total MWh
Tesla	7	2,165	8,660
BYD	11	2,350	9,071
Sungrow	11	2,265	6,200
Canadian Solar	2	300	800
LG	2	397	1,588
Powin	3	254	1,016
Fluence	1	500	2,000
Custom Enclosure	3	559	1,390
Other*	12	963	1,534
Total	52	9,753	32,258

In Texas	# of Projects	Total MW	Total MWh
Completed	6	790	1,030
Under Construction	7	1230	3,160
Under Contract	3	900	1,800
Totals	16	2,920	5,990

ENERGY STORAGE EXPERIENCE HIGHLIGHTS

NOVA POWER BANK | 2,720 MWh MENIFEE, CA



Mortenson was chosen as the EPC contractor for both the battery storage and substation scopes for Calpine Corporation's Nova Power Bank energy storage project.

The 680-megawatt project, one of the largest standalone projects in the country, is being built on the site of a decommissioned gas plant.

REVOLUTION ENERGY STORAGE | 300 MWh CRANE, TX



Mortenson was the EPC contractor for Spearmint Energy's 150 megawatt, 300 megawatt-hour battery energy storage project in West Texas.

Mortenson designed and built the battery storage facility, substation, and transmission line connecting the project to the Electric Reliability Council of Texas (ERCOT) grid.

EDWARDS & SANBORN | 3,287 MWh MOJAVE, CA



Terra-Gen, LLC selected Mortenson as the full EPC contractor for both the solar and energy storage scopes of the Edwards & Sanborn solar and energy storage project located in Kern County, California.

The project consists of 864 megawatts of solar and 3,287 megawatt-hours of energy storage. It is currently the largest operational solar and battery energy storage project in the US.

DECORDOVA ENERGY STORAGE | 260 MWh GRANBURY, TX



Vistra and Mortenson successfully completed the DeCordova Energy Storage Facility, bringing 260 MW/260 MWh battery energy storage to Texas. The facility is now operational, storing and distributing electricity to the grid across the region.

The project provides resiliency in Texas by being co-located on the Luminant (a subsidiary of Vistra) DeCordova gas power plant.

LET'S EXPAND THE UNIVERSE OF BIG IDEAS

Founded in 1954, Mortenson is a U.S.-based, family-owned construction and development services company. Over the last 70 years, Mortenson has grown to over 7,000 team members with project operations extending across 48 states and Canada. With revenues surpassing \$5.5 billion, Mortenson is recognized as the 27th largest construction firm in the United States, according to *Engineering News-Record* (ENR) rankings. Our financial position is exceptionally strong and is among the best in the construction industry.



FAMILY-OWNED FIRM

Founded by M. A. Mortenson, Sr.
Incorporated in Minnesota in 1954



REGIONAL OFFICE LOCATIONS

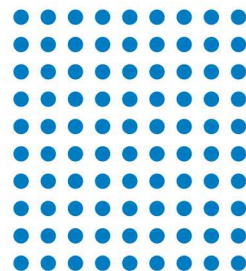
27TH TOP BUILDER IN THE UNITED STATES



ENR Top 400 Contractors every year since 1969



BEST WORKPLACE AWARDS
in the last 5 years across our offices



7,000+

TEAM MEMBERS
2,500 salaried
team members

\$5.5 IN ANNUAL REVENUE



Nationwide O&M Services

Pearce Renewables is a forward-thinking organization committed to a clean energy future. With over a decade of experience managing utility-scale and DG projects, we are uniquely qualified to be the Operations and Maintenance service partner for your projects.

WHO WE ARE

Community, safety, and perpetual improvement are core values at Pearce Renewables. We employ local, thoroughly trained, and full-time employees with an unwavering focus on safety, quality and responsiveness. We incorporate the latest technologies and procedures, ensuring that our team has the tools, knowledge, and training to not only quickly and safely identify, communicate, and resolve issues, but also apply industry-best maintenance practices to maximize uptime and ROI.

WHY CHOOSE US

Nationwide Coverage

Pearce is the largest independent service provider in the renewables space in the country. We have full time technicians dedicated to your assets or that can be mobilized quickly nationwide to meet your needs

Single Point of Contact

Pearce provides dedicated Project Managers to keep your projects organized and on time wherever your project is we're just a phone call away.

Experience and Training = Quality, Reliability, and Consistency

With 500 SMEs, over 75-years of experience, and two fully staffed and equipped training centers Pearce has the experience and training chops to provide quality, value-added services to your portfolio of critical renewable assets.

Technology

Pearce's in-house designed CMMS platform, 'Insite', provides seamless ticket issuance, work completion, reporting and an asset service historian, that is stand-alone or can integrate a customer's own platform.

OUR SERVICES

Preventive Maintenance

- Visual inspections
- Scheduled repairs and replacements
- Calibrations
- Daily work reports and activity logs

Corrective Maintenance

- Fault diagnosis
- Repairs and replacements
- Calibration and testing
- System revalidation

ROC Monitoring

- 24/7 active monitoring of operations
- Remote diagnosis and self-dispatch
- Active power control, ramping, and curtailment
- Forecasting and reporting

NERC Services

- Registration as GOP
- Reporting and documentation
- Compliance monitoring and auditing
- Cybersecurity and physical security
- Training

Spare Parts Management

- Spare parts procurement and inventory management

Warranty Management

- Management of the warranty process
- Consultation with OEMs for repairs

Battery Energy Storage (BESS) 101

Battery Architecture

Li-Ion Cells



Li-Ion Module



Li-Ion Rack



Li-Ion Enclosure



Battery Energy Storage (BESS) 101

Battery Architecture

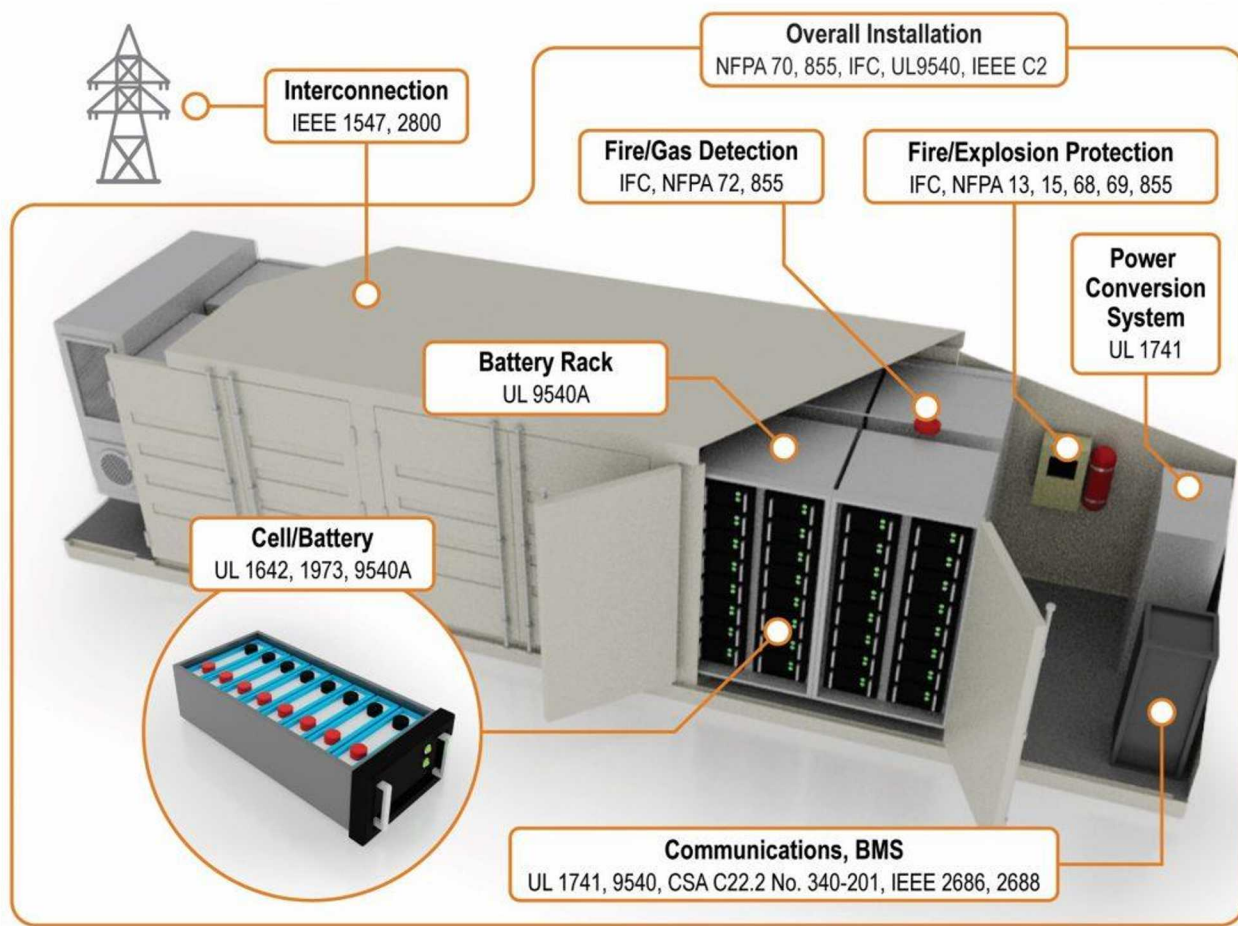
Li-Ion Enclosure



Safety is the #1 Priority

Highly regulated industry:

Energy storage technology has evolved rapidly over the last several years, and largely due to the level of regulatory pressure and lessons learned from previous generation of BESS



STANDARDS

IEEE: Institute of Electrical and Electronics Engineers

NFPA: National Fire Protection Association

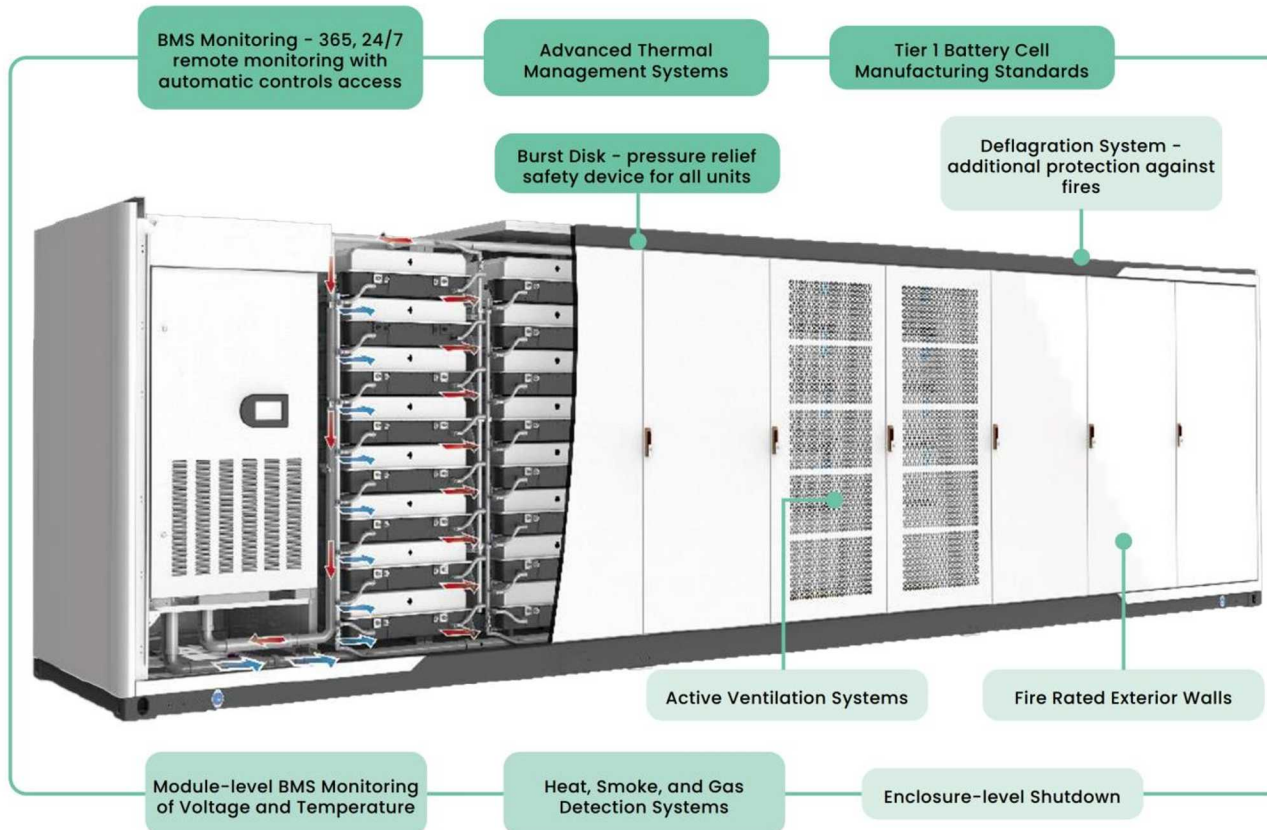
IFC: International Fire Code

UL: Underwriters Laboratories



Safety is the #1 Priority

Safety as a tiered approach: Prevention, Detection, Mitigation



PREVENTION

- Battery cell burst disk
- Tier 1 battery cell manufacturers
- Advanced thermal management systems
- Battery Management System (BMS) monitoring
- Compliance with latest applicable codes and standards

DETECTION

- Heat, smoke, and gas detection systems
- Voltage, current, and temperature monitoring.
- State-of-Charge and State-of-Health monitoring and assessment.
- Cell Balancing: maximizes overall performance and lifespan.
- Protection against overvoltage, overheating, etc.
- Thermal Management: activates cooling systems if necessary.
- Communication Systems provide real-time data and receive commands.

MITIGATION

- Deflagration system
- Fire rated exterior walls
- Enclosure level shut down
- Active ventilation systems
- Automatic shut down at the component level if an issue is identified.



LEGAL DESCRIPTION

DESCRIPTION OF A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9 OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS, SAID 38.653 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4 INCH IRON PIPE FOUND AT AN INTERIOR ELL CORNER OF SAID LOT 8, AND BEING AT THE NORTHWEST CORNER OF THAT CERTAIN CALLED 7.38 ACRE TRACT OF LAND CONVEYED TO TEXAS GULF COAST HOLDINGS I LP RECORDED IN DOC. NO. 2004020691, GALVESTON COUNTY OFFICIAL PUBLIC RECORDS ,

THENCE NORTH 80 DEGREES 20 MINUTES 24 SECONDS WEST, OVER AND ACROSS SAID LOT 8, A DISTANCE OF 356.00 FEET TO THE SOUTHWEST CORNER AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT;

THENCE OVER AND ACROSS SAID LOT 8 AND SAID LOT 9 FOR THE FOLLOWING COURSES AND DISTANCES:

NORTH 03 DEGREES 19 MINUTES 18 SECONDS WEST, A DISTANCE OF 836.79 FEET TO A POINT;

NORTH 86 DEGREES 40 MINUTES 24 SECONDS EAST, A DISTANCE OF 142.12 FEET TO A POINT:

NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET TO A POINT AT THE END OF SAID CURVE;

SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;

SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;

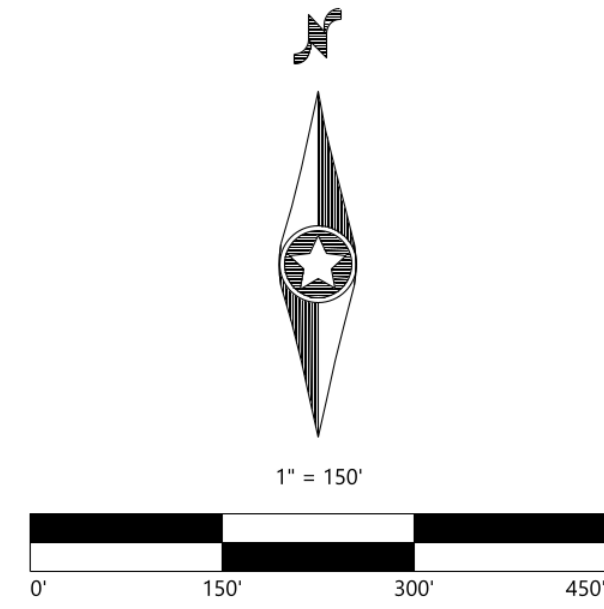
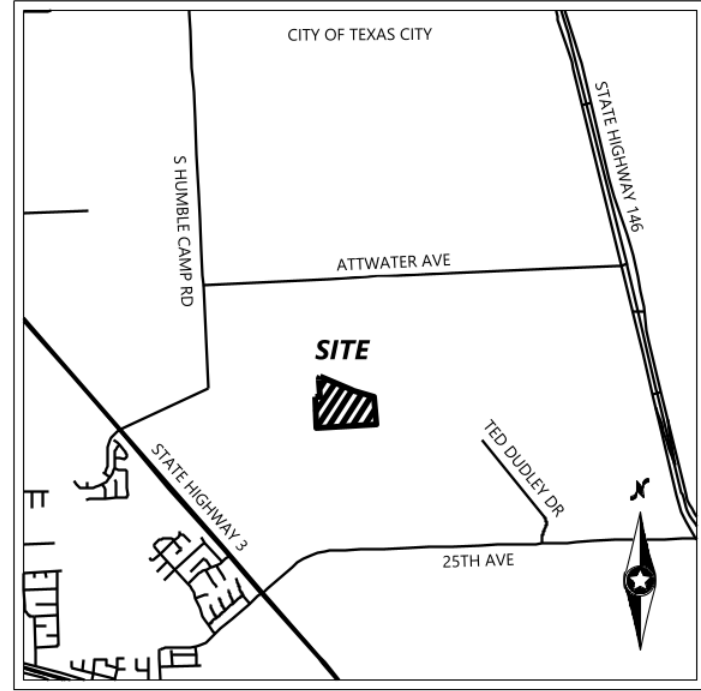
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;

SOUTH 03 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 747.55 FEET TO A POINT;

SOUTH 86 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 1616.59 TO THE POINT OF BEGINNING;

CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

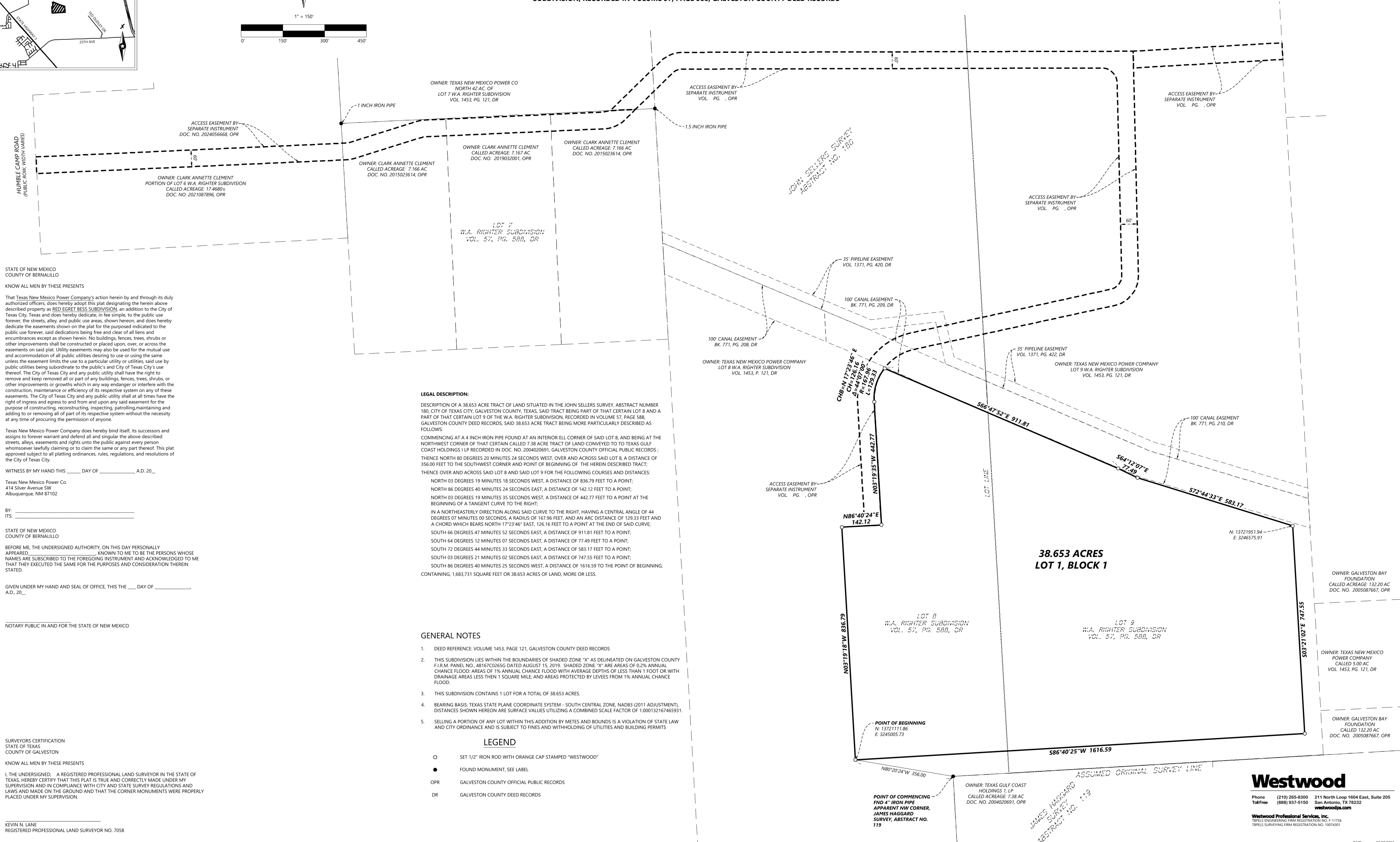
VICINITY MAP
(NOT TO SCALE)



FINAL PLAT
RED EGRET BESS SUBDIVISION

BEING A REPLAT OF A PORTION OF THE
W.A. RIGHTER SUBDIVISION
CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS

A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9, OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS



STATE OF NEW MEXICO
COUNTY OF BERNALILLO

KNOW ALL MEN BY THESE PRESENTS

That Texas New Mexico Power Company's action herein by and through its duly authorized officers, does hereby adopt this plat designating the herein above described property as RED EGRET BESS SUBDIVISION, an addition to the City of Texas City, Texas and does hereby dedicate, in fee simple, to the public use forever, the streets, alley, and public use areas, shown hereon, and does hereby dedicate the easements shown on the plat for the purposes indicated to the public use forever, said dedications being free and clear of all liens and encumbrances except as shown herein. No buildings, fences, trees, shrubs or other improvements shall be constructed or placed upon, over, or across the easements on said plat. Utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to a particular utility or utilities, said use by public utilities being subordinate to the public's and City of Texas City's use thereof. The City of Texas City and any public utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its respective system on any of these easements. The City of Texas City and any public utility shall at all times have the right of ingress and egress to and from and upon any said easement for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all of part of its respective system without the necessity at any time of procuring the permission of anyone.

Texas New Mexico Power Company does hereby bind itself, its successors and assigns to forever warrant and defend all and singular the above described streets, alleys, easements and rights unto the public against every person whosever lawfully claiming or to claim the same or any part thereof. This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Texas City.

WITNESS BY MY HAND THIS ____ DAY OF _____ A.D. 20__

Texas New Mexico Power Co.
414 Silver Avenue SW
Albuquerque, NM 87102

BY: _____

ITS: _____

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED _____, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS ____ DAY OF _____ A.D., 20__

NOTARY PUBLIC IN AND FOR THE STATE OF NEW MEXICO

SURVEYORS CERTIFICATION
STATE OF TEXAS
COUNTY OF GALVESTON

KNOW ALL MEN BY THESE PRESENTS

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE UNDER MY SUPERVISION AND IN COMPLIANCE WITH CITY AND STATE SURVEY REGULATIONS AND LAWS AND MADE ON THE GROUND AND THAT THE CORNER MONUMENTS WERE PROPERLY PLACED UNDER MY SUPERVISION.

KEVIN N. LANE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 7058

LEGAL DESCRIPTION:

DESCRIPTION OF A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9 OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS, SAID 38.653 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 1 INCH IRON PIPE FOUND AT AN INTERIOR ELL CORNER OF SAID LOT 8, AND BEING AT THE NORTHWEST CORNER OF THAT CERTAIN CALLED 7.38 ACRE TRACT OF LAND CONVEYED TO TEXAS GULF COAST HOLDINGS I LP RECORDED IN DOC. NO. 2004020691, GALVESTON COUNTY OFFICIAL PUBLIC RECORDS; THENCE NORTH 80 DEGREES 20 MINUTES 24 SECONDS WEST, OVER AND ACROSS SAID LOT 8, A DISTANCE OF 356.00 FEET TO THE SOUTHWEST CORNER AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE OVER AND ACROSS SAID LOT 8 AND SAID LOT 9 FOR THE FOLLOWING COURSES AND DISTANCES:

NORTH 03 DEGREES 19 MINUTES 18 SECONDS WEST, A DISTANCE OF 836.79 FEET TO A POINT;
NORTH 86 DEGREES 40 MINUTES 24 SECONDS EAST, A DISTANCE OF 142.12 FEET TO A POINT;
NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET AND A CHORD WHICH BEARS NORTH 17°23'46" EAST, 126.16 FEET TO A POINT AT THE END OF SAID CURVE;
SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;
SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;
SOUTH 03 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 747.55 FEET TO A POINT;
SOUTH 86 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 1616.59 TO THE POINT OF BEGINNING;

CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

GENERAL NOTES

- DEED REFERENCE: VOLUME 1453, PAGE 121, GALVESTON COUNTY DEED RECORDS
- THIS SUBDIVISION LIES WITHIN THE BOUNDARIES OF SHADED ZONE "X" AS DELINEATED ON GALVESTON COUNTY F.I.R.M. PANEL NO. 48167C0265G DATED AUGUST 15, 2019. SHADED ZONE "X" ARE AREAS OF 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THEN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD.
- THIS SUBDIVISION CONTAINS 1 LOT FOR A TOTAL OF 38.653 ACRES.
- BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM - SOUTH CENTRAL ZONE, NAD83 (2011 ADJUSTMENT), DISTANCES SHOWN HEREON ARE SURFACE VALUES UTILIZING A COMBINED SCALE FACTOR OF 1.000132167465931.
- SELLING A PORTION OF ANY LOT WITHIN THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF STATE LAW AND CITY ORDINANCE AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS

LEGEND

- SET 1/2" IRON ROD WITH ORANGE CAP STAMPED "WESTWOOD"
- FOUND MONUMENT, SEE LABEL
- OPR GALVESTON COUNTY OFFICIAL PUBLIC RECORDS
- DR GALVESTON COUNTY DEED RECORDS

Westwood

Phone (210) 285-8300 211 North Loop 1604 East, Suite 205
TollFree (888) 937-5150 San Antonio, TX 78232
westwood.com

Westwood Professional Services, Inc.
TPELS ENGINEERING FIRM REGISTRATION NO. F-11756
TPELS SURVEYING FIRM REGISTRATION NO. 10074301

STAFF REPORT

TO: Planning Board

FROM: Kim Golden, P.E., City Engineer



CC: Doug Kneupper, P.E., Consulting Engineer

DATE: June 28, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights.

Requested action: The applicant, Red Egret, LLC, has two applications presented for Planning Board action:

- (i) Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.
- (ii) Development Plan (Site Plan) for the District "S-P" rezoning of the proposed BESS installation.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT "H" (HEAVY INDUSTRIAL) TO DISTRICT "S-P" (SITE PLAN): The application is being processed as a District "S-P" (Site Plan) rezoning consistent with Section

160.051(A)(1)(f) provide for the development of specific uses which are not normally found in zoning districts, and (h) provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community. The District "S-P" process also provides some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

DEVELOPMENT PLAN (Site Plan): The project will start with 149 individual battery containers for the designed 300 MW, 600 MWh two-hour capacity at the site. The project will be augmented with more containers over the life of the project to maintain the design capacity as the battery units age and decrease in charging capacity. The two-hour designation is in reference to the time to fully charge and fully discharge under standardized conditions. The applicant estimates the fully charged capacity of the project equates to powering an estimated 200,000 homes for up to a 2-hour duration. The stated aim of the project is to reduce grid volatility, increase system resiliency and help minimize carbon emissions in a responsible and efficient way.

This proposed BESS installation is approximately 50% larger in battery capacity than the largest previously approved BESS installation in Texas City which is the Southern Select Energy project at 701 Hwy 146 at 205 MW and 410 MWh with 106 containers. The site is also approximately 5 times as large as the Southern Select Energy project which was 6.29 acres with 5.71 acres in use for batteries. The two projects previously approved before the Southern Select Energy project were 0.48 acres and 1.5 acres respectively with fewer than 10 containers at each site.

Existing site – The existing site is vacant, wooded, and landlocked with no access by public street, no frontage on a public street and no access to public water or sewer services.

Proposed Site Improvements – The site improvements will include a 20ft concrete perimeter fire lane with access to all containers and two points of access approved by the Fire Marshal. Proposed container spacing is the 15ft spacing required by the Fire Marshal and the local amendments to the 2024 International Fire Code.

Water and Sewer – The site improvements will NOT include water or sewer service. Applicant represents the site will be un-manned with **no office or restroom facilities provided on site.**

Offsite Access and Improvements - The applicant proposes to access the site via private access easement agreements with no public access to the Project. Paved access drive and fire lanes to be

designed as 25ft. The City standard in Chapter 159 is 30ft wide concrete street with curb and gutter in a 60ft publicly dedicated right of way. The private access easement is shown as 60ft on the detailed site plan. **Any recommendation to approve the applications should be conditioned upon the easements being in form satisfactory to the City Attorney and City Engineer.**

Construction related damage and maintenance of S. Humble Camp Rd. - Site preparation will require a significant amount of heavy traffic transporting dirt which is likely to damage S. Humble Camp Rd., which is not built for heavy loading. Alternate access is not available through Attwater Ave., which also has limited load carrying capacity due to the existence of several pipeline crossings. It is recommended that consistent with prior practice the Applicant provide a maintenance bond for repairs to maintain access during construction and then either restore or pay for restoration of the roadway to pre-construction conditions. The Applicant has indicated support for this concept with details to be worked out in coordination with Public Works consistent with prior practice. **Staff recommend any recommendation to approve the applications be conditioned upon the Applicant providing a bond to maintain access during construction and be responsible for the cost of any repairs needed to restore the roads to pre-construction conditions after construction of the project is complete.**

Drainage – The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Security fencing - Proposed security fencing is not yet compliant with the standards applied to the previously approved projects which had masonry walls and at least 15% improved landscaping. Proposed fencing is chain link with plastic inserts, which Applicant cites as the existing fencing at TNMP substations. However, for reasons of security and weather resilience TNMP is replacing the chain link fencing at existing substations with masonry walls and is building masonry walls at all new substations. **Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall and/or a decorative metal fence with masonry columns which has been deemed an acceptable alternative to the full masonry screening wall in some applications.** The Applicant advised it is committed to working with the City to reach a solution that meets the City's needs and concerns, but requires additional time to review the engineering, design and feasibility of a masonry wall. The Applicant advises a final commitment on a screening wall can be presented for review and recommendation before presentation to the Zoning Commission.

Landscaping - Proposed site improvements do not include any landscaping improvements. The applicant maintains the existing foliage of the site supports an exception for the landscaping requirement citing the comparability standard embedded in Section 160.051(D)(12). The Applicant proposes instead to **defer the installation of landscaping until the City approves and permits residential development on adjacent properties and provided such development is actually installed within 500 feet of the property line.** This deferral is consistent with the provisions recommended in the proposed BESS ordinance and recommended by staff.

Fire Protection – The site does not have access to a public water supply. The nearest water main is 8,000ft from the site, would require boring under Moses Bayou and would need to be looped to

provide the required pressure and flow for fire protection. Although current best practices would not use water for fire suppression of BESS fires, other events may occur at occupied facilities such as work injuries, vehicle fires, grass or vegetation fires, or other events that would need access to water for fire suppression. The applicant has coordinated with the Fire Marshal and amended **the site plan to add three (3) 30,000-gallon water tanks with alarms and enunciator to alert when water volume is below 75% capacity**. Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

On site Access - The applicant proposes two gated access points to the BESS area. Primary access gate on the west side of the BESS and secondary access gate on the east side of the BESS. The primary and secondary access points will be separated by more than 800ft, with another 500ft from the nearest intersection point. The access point locations have been reviewed and coordinated with the Fire Marshal and Texas City emergency response officials. The NFPA requires a separation of 100ft from exposures.

Adjacent Properties – The site is adjacent to the GCWA canal which supplies the Texas City reservoir and the Thomas Mackay Water Treatment Plant. Access to the site will require a crossing agreement from GCWA to use an existing crossing of the canal. Applicant indicates initial contacts with the GCWA presented no initial concerns and a willingness of the agency to work with the Applicant. All other adjacent properties are vacant. The applicant indicates the nearest occupied structure is 2,000ft from the site.

Flood Plain/Coastal Environment – The site is not located in a designated flood plain (Special Flood Hazard Area). It is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

The coastal environment (additional atmospheric corrosivity) is accounted for by the BESS enclosures having NEMA 3R ratings and by having all of the BESS enclosures specified with “C5” Marine Coating on the exterior to mitigate any type of external corrosion of the enclosures from the salt spray or corrosive atmosphere. A NEMA rating is the numeric standard created by the National Electrical Manufacturers Association (NEMA) to indicate the level of protection for electrical and electronic enclosures. NEMA 3R is the standard enclosure rating for outdoor equipment which needs to be protected in an outdoor environment.

Battery Chemistry and Manufacturer – The applicant states an intent to use the Sungrow PowerTitan 2.0 system for the Project. The Battery Management System (BMS) is included in the PowerTitan 2.0 system from Sungrow. The Project will also employ an Energy Management System (EMS) provided by Indie Energy, Inc.

The BMS is the brain of the BESS enclosures, focusing on monitoring, protecting, and optimizing battery performance. It continuously tracks essential parameters such as voltage, current, temperature, and state of charge ensuring the batteries operate within safe limits. The EMS oversees the entire BESS facility as the operational brain. It coordinates the interaction between the BESS and the power grid and acts as the master controller responsible for the overall coordination and control of the subsystems. It provides visibility into the BMS data for all units. Ultimately, the EMS ensures that the BESS operates safely and in compliance with grid requirements.

Applicant's Experience/Company History – **Red Egret LLC**, is a subsidiary of Spearmint Energy (Spearmint Renewable Development Company, LLC) and is the intended developer, owner and operator of the Red Egret BESS project at the Attwater location. Both Spearmint Energy and Red Egret LLC were formed in November 2022 in Delaware. Spearmint Energy headquarters are located in Miami, FL with a second office in Eden Prairie, MN where the Chief Development Officer and many development and operations staff are located. Spearmint Energy is a rapidly growing company with over 80 employees as of July 1, 2025. The Spearmint Energy team is identified as having a strong history of developing energy generation and storage projects with a total of 15,000MW of installed capacity.

Notwithstanding the individual qualifications of its leadership and staff, Spearmint Energy owns and operates one project which is half the size of the proposed Red Egret Attwater project in Crane County, TX. It has 20 other projects in 10 states under development with two of those currently being in construction in Texas. **Mortenson** has been selected as the engineering and construction partner responsible for project design and construction of the Red Egret Attwater project. Mortenson has been the EPC contractor for all of Spearmint's projects and is represented by Applicant as being one of the largest BESS Engineering, Procurement and Construction contractors in the United States, having completed more than 35 BESS projects with over 12 GW combined capacity. It is ranked #1 in the BESS category by Engineering News-Record. **Pearce Renewables** is operator of the Crane County project and is the expected Operations and Maintenance (O&M) provider for the Red Egret Project and the other projects Spearmint Energy has in development. Pearce Renewables is represented by Applicant as being the largest independent services provider in the United States with a total O&M capacity of 4.5GW with includes 8,600MWh of operating energy storage projects. It is a large organization with 500 subject matter experts available as resources and has two fully staffed and equipped training centers.

Commissioning and Decommissioning - Applicant affirms testing, inspections, and commissioning will occur at periods during construction and upon completion of the construction period. During operations, there will be one (1) full-time technician dedicated to the Red Egret BESS Project. At the end of commercial operations, Red Egret will be responsible for removing all BESS components and associated facilities. In collaboration with Texas City a detailed Decommissioning Plan will be provided prior to the application for Building Permits. The plan will include a proposed financial security in a form agreeable to Texas City, to provide sufficient resources to cover the cost of decommissioning in the event the Project does not meet its decommissioning obligations. Applicant agrees to provide the necessary security prior to the issuance of a Certificate of Occupancy or other authorization to operate the facility. This condition is consistent with the provisions recommended in the BESS ordinance and recommended by staff.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the following conditions being memorialized in a development agreement, staff have no objection to approval of the proposed site plan and the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan):

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

PLANNING BOARD MINUTES
July 7, 2025

The Planning Board of the City of Texas City met in a regular meeting on Monday, July 7, 2025, at 5:00 p.m. Staff members present: Ms. Kimberly Golden, P.E. (City Engineer, Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician) and Caroline Luke (Administrative Assistant). Guests were: Megan Van De Pitte (Mastec Communications Group), Maria Valenzuela (AT&T), Nick Coil (Spearmint Energy), Amanda Latkany (Spearmint Energy), Terry Lee (KAOH Media), Erin Knesek (SPI Engineering), Eric Joseph (Del Papa Distributing), and Felix Herrera (Awesome Auto Accessories).

Chairman Dickey Campbell indicated a quorum was present and called the meeting to order.

(1) ROLL CALL

The following members answered roll call: Commissioner Jami Clark, Co-Chairman Perry O'Brien, Chairman Dickey Campbell and Commissioner Thelma Bowie.

* * * * *

(4) REGULAR AGENDA

- a. Consider and make recommendation to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue.

Ms. Kimberly Golden introduced the project and noted the location for the project as a vacant site north of Moses Bayou. She reminded the Planning Board this was a different location from the previously considered application for a site at SH3 and 25th Ave N which the Planning Board had declined to recommend about two years previously.

The significant challenge for location is there is no access to public water. Even though using water is not recommended for fighting fire at a BESS location, a site which is occupied or used by humans needs to have access to water for public safety reasons. The Applicant has coordinated with the Fire Marshal and revised its proposed site plan to add three (3) 30,000-gallon water tanks with alarms and enunciators to alert when water volume is below 75% capacity. The Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. The Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

Another issue of concern is the project site being remote from any other development and landlocked with no access to municipal water or sewer. The Applicant proposes to provide a very long private access easement to be obtained from three (3) property owners, the longest part of the easement being granted by TNMP. The site is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the area around the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

Nicholas Coil, Spearmint Energy, added that access easement is made possible by two (2) property owners in front of the site.

Ms. Golden stated staff's concern about construction traffic on Humble Camp Road. Because the road as existing is not intended for heavy construction loads, the development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Attwater Avenue is in poor condition and is also not built for heavy traffic. There are pipelines present that prevent the construction of a heavy-duty road. The post-construction restoration of damages caused to Attwater Avenue by the heavy construction vehicles should also be in the development agreement. Ms. Golden believes there will be minimal issues in this agreement process because the developer has been willing to negotiate thus far, and it is a process familiar to Public Works which has made similar agreements with other developers and contractors.

The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Ms. Golden regarded the composition of the security fence. Security fencing should be masonry but doesn't necessarily have to be as nice as a brick fence. Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall. Landscaping requirements can be deferred in the development agreement until the surrounding area develops eventually and probably as residential.

The site is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

Red Egret LLC is a startup company started in 2022 and is a subsidiary of Spearmint Energy. Although it is a startup company, it is an experienced team of individuals creating a new company. The developer is also proposing a project team of experienced companies. Mortenson will be the engineering, procurement and construction contractor, with Pearson Renewables as the proposed Operations and Maintenance (O&M) provider for the Red Egret Project. These are recognized as experienced providers in the industry.

Ms. Golden added that when dealing with a startup company, the soundness of the financial security posted for performance is very important and will be addressed during the building permitting process.

Staff are recommending the six conditions listed in the staff report as conditions for the approval of the site plan to be memorialized in the development agreement.

Commissioner Jami Clark stated that there was obviously a lot of work put into this project.

Chairman Campbell had questions about the financial security of the city in this situation and BESS as a whole. Ms. Golden replied that the security would be discussed and decided upon between BESS and City of Texas City.

Chairman Campbell asked about the BESS ordinance and the financial security aspect and wanted to know whether the securities would be bonds or deposits. Ms. Golden responded that the type of security will be sorted out through the permitting process. The development agreement will have the same language as the ordinance which allows the form of security to be worked out

with the City on a case-by-case basis in a form that is acceptable to the City Attorney, City Engineer and Mayor.

Chairman Campbell stated there will be two security provisions tied to two different pieces of the puzzle. How does this comply with the new BESS ordinance now that the first reading has been completed? Was it included in the current ordinance or will revisions be made to include them.

Ms. Golden replied that the security provisions in the development agreement will be the same as in the proposed ordinance. There are two things in the proposed BESS ordinance which will not apply to this project because the ordinance has not yet been adopted. First is the required application fee of \$5,000.00 for BESS applications. Currently, BESS applicants are just paying the normal zoning fee of \$300/\$350. Also, the ordinance as introduced makes provision for a payment in lieu of taxes if the appraised value of the property ever goes below the average value of commercial property in Texas City. This provision established a floor for the valuation of the property. There is also a reimbursement agreement that the proposed ordinance will require the application which will be applied to this project as part of the building permitting process. The reimbursement agreement will reimburse the city for its cost to have a third-party expert review the applications, but anything paid to reimburse for the 3rd party will be applied as a credit on the building permitting fee. The purpose of the reimbursement agreement is to be sure the City is not caught with unreimbursed out of pocket expenses if for any reason the project does not receive a building permit.

Chairman Campbell spoke about the potential of depreciation to negatively impact the school district. State comptroller gauges a value; local CAD has to be between 97 to 103 percent of the state comptroller value or the school district gets penalized. He then asked if Ms. Golden was saying that the new proposed ordinances for BESS will contain a multiplier to offset any penalty.

Ms. Golden replied, yes, the provision for a payment in lieu of taxes is in the proposed ordinance but will not apply to this project because the new ordinance has not yet been approved.

Chairman Campbell asked how close the project site is to the Kohfeldt tract. Ms. Golden replied the project lies north of Moses Bayou and most of the Kohfeldt tract is located south of Moses Bayou, although there is a small part of one parcel which is north of the bayou.

Chairman Campbell noted this would be a zoning recommendation. Ms. Golden reminded him that they are also considering a site plan in Item 4d to approve as a basis for the rezoning.

Chairman Campbell commented that this BESS project is certainly in a better location than the previous application.

A motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to recommend to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 2) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**

- 3) **Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 4) **Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.**
- 5) **Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

All other members present voted aye. Motion carried 4-0.

- b. **Consider and take action on the Development Plan/Site Plan for Red Egret, LLC to construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.**

After discussion of Agenda Item 4a, a motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to approve the Development Plan/Site Plan for Red Egret, LLC construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.

All other members present voted aye. Motion carried 4-0.

END OF EXCERPT

ZONING COMMISSION

JULY 15, 2025

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, July 15, 2025, at 5:00 p.m. Zoning Commission members present were: Chairman Perry O'Brien, Commissioner Thelma Bowie, Member Bruce Clawson, and Alternate David Zacherl. Staff members present were: Kim Golden (Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician), Jason Brown (Fire Marshal), Joe Tumbleson (Emergency Management), and Caroline Luke (Administrative Assistant). Guests were: Amber Zuhlke, Amanda Latkany, Felix Herrera, Nick Coil, and Henry Gomez.

Chairman Perry O'Brien indicated a quorum was present and called the meeting to order.

1) ROLL CALL

The following members answered roll call: Chairman Perry O'Brien, Commissioner Thelma Bowie, Alternate David Zacherl, and Member Bruce Clawson.

2) APPROVAL OF MINUTES

A motion to approve the minutes of March 25, 2025, was made by Chairman Perry O'Brien/ Member Bruce Clawson. All other members present voted aye.

3) PUBLIC COMMENTS

There were no public comments.

4) PUBLIC HEARING

- a. Red Egret LLC seeks to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for construct and operate a proposed Battery Energy Storage System (BESS).**

Ms. Kimberly Golden stated the Applicant, Red Egret, LLC has requested to rezone the property at P6911 Attwater Avenue from District "H" (Heavy Industrial), and the application was to change the zoning to District "S-P" (Site Plan) to allow the development and operation of a battery energy storage system (BESS).

Ms. Kimberly Golden acknowledged Fire Marshal Jason Brown and Emergency Manager Joe Tumbleson and said they were in attendance to answer any questions about the project.

This is the largest BESS Texas City has considered so far. The property is land-locked, has no public access by road, is not served by city water or sewer, but has proximity to

a TNMP electrical substation. The area around the proposed site will eventually be developed residential. To address the unique condition of the property, six conditions were developed as part of a proposed development agreement between the Applicant and the city.

Ms. Golden gave a recap of the six conditions that have been negotiated between the city and the applicant to address concerns. The conditions are that (1) Red Egret will be required to post sufficient financial security for Texas City during commissioning and in the event of decommissioning/ (2) There will be three 30,000 gallon water tanks that were approved by Fire Marshal installed on site. Red Egret will connect to city water if it ever extends to the area; (3) When development extends to neighboring properties, landscaping and platting requirements which have been deferred will come into effect and be satisfied by the project; (4) Red Egret LLC will provide 25ft paved access through a private easement to ensure access for emergency vehicles; (5) the BESS installation will also be enclosed by a masonry fence to provide security for the batteries and deter unauthorized entry. Ms. Golden informed the board that an updated development plan has been submitted to reflect the change of the fence from chain-link to masonry.

Ms. Golden explained the final condition of the development agreement concerns the potential damage done to streets impacted by construction. After construction has been completed, Red Egret LLC will be responsible for paying to return the impacted roads to their pre-construction condition.

All these conditions will be memorialized in a development agreement that will be presented to City Commission as a condition for zoning approval.

Ms. Golden informs the board that Red Egret representatives are present in the meeting. Notices of hearing were sent to adjacent property owners, but no one responded with comments or opposition.

Mr. Nick Coil, a BESS representative, spoke about the process of addressing the city's concerns and expressed gratitude for making it this far in the process. He then asked if any of the board members had questions for him.

Member Bruce Clawson asked Mr. Coil about the ability of the soil to support construction weight. Mr. Coil said there have been geotechnical surveys completed to assess the quality of the subsoil. Red Egret LLC plans to bring in 4-7 feet of gravel fill to build up the site to meet elevation requirements. The battery enclosures will also be built across metal beams to distribute the weight evenly across the ground's surface. Mr. Coil said he would take note of these concerns and address them with engineers.

Member Clawson then inquired as to why there are water tanks if water is not used to put out these potential battery fires. Fire Marshal Jason Brown said the water tanks are

to protect other assets on the property. If anything else catches fire, emergency response personnel will need water access.

Member Clawson voiced concerns about the site being so close to the water canal. Is there any way to make sure you're as far as possible from the canal with anything that might harm the water supply? Mr. Coil said there are two options for the detention basin and there is nothing in the batteries that would leech into soil and damage the water system. Member Clawson reinforced to Mr. Coil that this is where the city gets its water. Mr. Coil further reassured Member Clawson by saying that Red Egret LLC has been collaborating with the water authority and drainage district to ensure that the development plans do not pose a threat to the water systems. The slope of the development site accommodates stormwater runoff not draining into the water canal. Even if the site flooded, there wouldn't be any liquid from the batteries that would contaminate the water canal.

Ms. Golden informed Member Clawson that Red Egret LLC would have to get a permit from the Gulf Coast Water Authority to use the existing canal crossing to access the site. If the Authority had any issues whatsoever with Red Egret LLC using the crossing, they wouldn't be able to get the crossing permit.

There were no further questions to which a motion was made by Alternate David Zacherl/Member Bruce Clawson to close the Public Hearing. All other members voted aye.

5) PRELIMINARY ZONING APPROVAL

- a. Consider and take action on a Zoning Change Request from Red Egret, LLC to rezone property from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a Battery Electric Storage System (BESS) utilizing lithium-ion battery technology. Located at P6911 Attwater Avenue, Texas City, TX 77590 - south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Road and west of property owned by the Galveston Bay Area Foundation.**

Ms. Golden informed the Zoning Commission that the Development Plan was approved by the Planning Board last week. Staff recommended approval of the development plan to the Planning Board and she is now recommending it to the Zoning Commission. There are no objections to the rezoning based on the conditions that were outlined during the open public hearing and will be memorialized in a development agreement. All safety agreements will be sorted out when Red Egret LLC begins the permitting process.

Chairman Perry O'Brien made a note that there is a discrepancy in the name being used for the substation. TNMP refers to it as the Freeway Park Substation instead of

the Freeway Substation as referenced in the staff report. Ms. Golden took note of this comment and advised corrections would be made in the report to the City Commission.

A motion was made by Alternate David Zacherl/Chairman Perry O'Brien to approve the zoning change request from Red Egret LLC to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.**
- 2) Installation of three (3) 30,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 5) Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process.**
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

There were no further questions, all members voted Aye.

(9) ADJOURNMENT

A motion was made by Member Bruce Clawson/Alternate David Zacherl to adjourn. All members present voted aye.

Kimberly Golden, Secretary

Date

Minutes approved by the Zoning Commission at its meeting on

_____.

DRAFT

CITY COMMISSION REGULAR MTG

(6) (a)

Meeting Date: 08/06/2025

Consider and take action on Preliminary Zoning Approval for Red Egret, LLC for a zoning change of 38.653 acres from District "H" Heavy Industry to District "SP" Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on Preliminary Zoning Approval for Red Egret, LLC for a zoning change of 38.653 acres from District "H" Heavy Industry to District "SP" Site Plan for a Battery Energy Storage System (BESS) located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation.

BACKGROUND (Brief Summary)

The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology. TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements. The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations.

TNMP Freeway Park Substation – The applicant states it has an interconnect agreement in place with TNMP for the Freeway Park Substation located at 25th Ave N and SH 3. The Freeway Park Substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights.

At its regular meeting on July 7, 2025, the Planning Board reviewed and approved a Detailed Site Plan for the requested rezoning upon certain conditions to be memorialized in a Development Agreement approved by the City Commission. The Zoning Commission held a public hearing upon notice to adjacent property owners on July 15, 2025. The Notice of the Zoning Commission Hearing was mailed to 4 property owners within 200 ft. No letters of opposition were received and no one appeared at the hearing held on July 15, 2025 to oppose the zoning change. After conducting the public hearing and having all questions answered by the Applicant the Zoning Commission voted 4-0 to recommend approval of the zoning change from District H Heavy Industrial to District SP Site Plan subject to the Detail Site Plan approved and the conditions recommended by the Planning Board.

The Applicant agreed with the conditions and has provided a Development Agreement for approval by the City Commission.

RECOMMENDATION

At its meeting on July 7, 2025 the Planning Board voted 4-0 to approve the proposed Site Plan for the referenced project and to recommend the zoning change upon conditions to be memorialized in a Development Agreement approved by the City Commission.

At its meeting on July 15, 2025 the Zoning Commission held a public hearing upon notice mailed to adjacent property owners. No written comments were received and no comments were presented in opposition to the zoning change at the public hearing. Following the close of the public hearing the Zoning Commission voted 4-0 to recommend approval of the zoning change from District H Heavy Industrial to District SP Site Plan subject to the Detailed Site Plan and conditions recommended by the Planning Board as follows:

1. Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
2. Installation of three (3) 30,000-gallon water tanks on the site at locations approved by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
3. Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
4. Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
5. Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process.
6. Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

The Developer has signed an approved Development Agreement which memorializes the recommended conditions.

City staff including the City Engineer, the Chief Building Official, the Fire Marshal, and the Director of Emergency Management have reviewed the recommended Detailed Site Plan and conditions to be memorialized in a Development Agreement and offer no objection to the

zoning change from District "H" (Heavy Industrial) to District "SP" (Site Plan) for the new BESS project.

Fiscal Impact

Attachments

Vicinity Map

Zoning Commission - Staff Report

Exhibits

Legal Description & Final Plat

Planning Board - Staff Report

Planning Board - Minutes 7.7.25

DRAFT Zoning Commission Meeting 7.21.2025



**Red Egret
BESS**

**Engineering
& Planning**

City Hall

N

Google

Layers

Red Egret

Site Plan with Aerial



S Humbler Camp Rd

Attwater Ave

Attwater Ave

Attwater Ave

Carole You

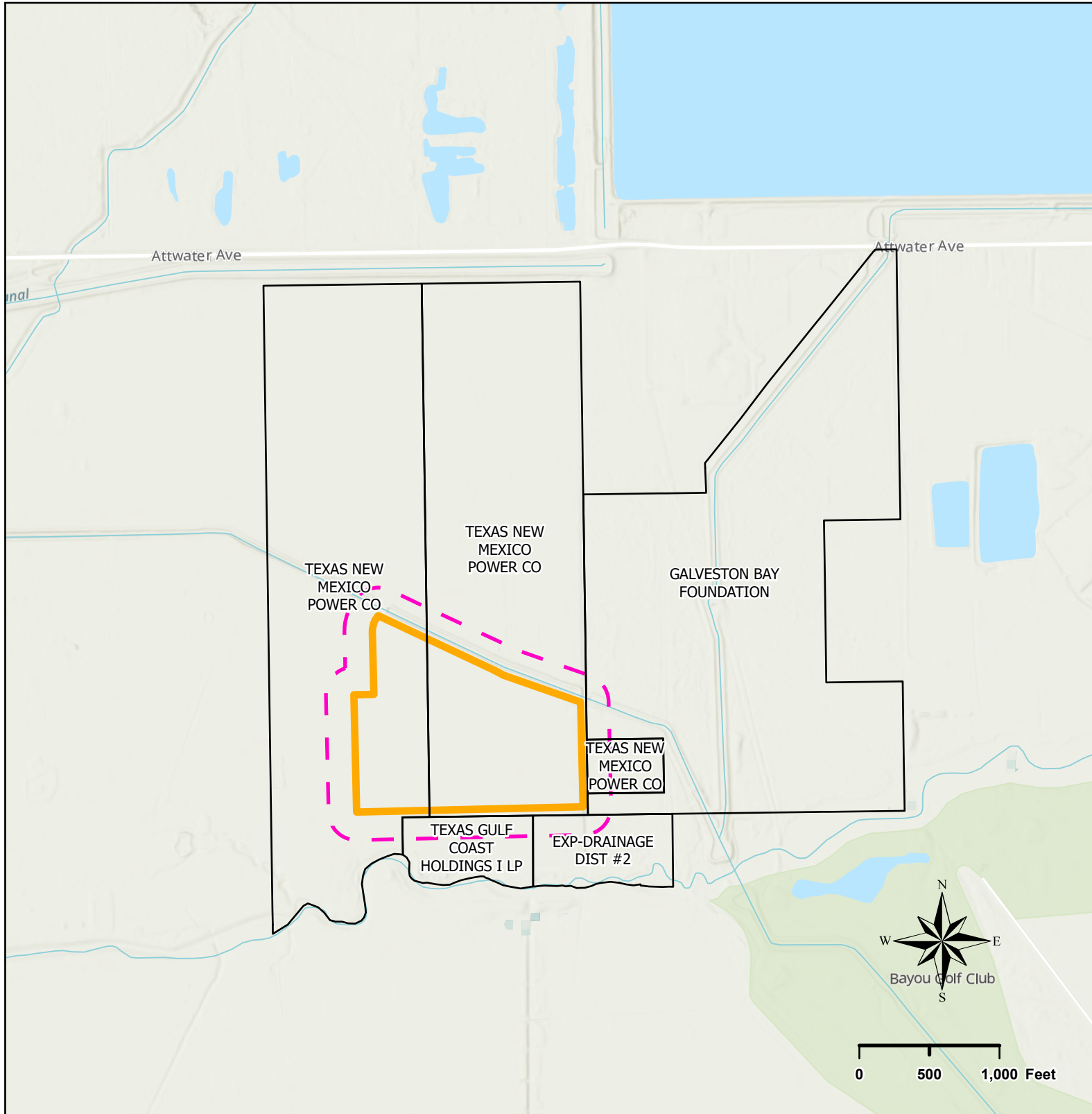
Humbler Camp Rd

Google Earth




Image © 2025 Airbus



1000 ft



Legend

-  Proposed Boundary
-  200ft Buffer
-  Parcels



Date: 06/18/2025
 Copyright – Red Egret BESS, LLC



STAFF REPORT

TO: Zoning Commission – Regular meeting on July 15, 2025

FROM: Kim Golden, P.E., City Engineer 

CC: Doug Kneupper, P.E., Consulting Engineer

DATE: July 9, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District “H” (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP’s existing land rights.

Requested action: The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District “H” (Heavy Industrial) to District “S-P” (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT “H” (HEAVY INDUSTRIAL) TO DISTRICT “S-P” (SITE PLAN): The application is being processed as a District “S-P” (Site Plan) rezoning consistent with Section 160.051(A)(1)(f) *provide for the development of specific uses which are not normally found in zoning districts*, and (h) *provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the*

community. The District "S-P" process also provides *some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.*

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

At its meeting on July 7, 2024 the Planning Board voted 4-0 to approve the proposed Site Plan for the referenced project and to recommend the zoning change upon the following conditions which are agreeable to the Applicant and will be memorialized in a Development Agreement:

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

SECURITY WALL - One of the conditions of the Planning Board approval was the presentation of final specs for the installation of the masonry security wall. Applicant has indicated its intent to use pre-cast concrete panels for the masonry fence, which is an acceptable concept for Texas City. The specific plans and specifications will be reviewed and approved through the building permitting process.

The Staff Report to the Planning Board together with all exhibits and an excerpt from the draft minutes of the July 7, 2025 Planning Board meeting are attached to this staff report.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry

screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

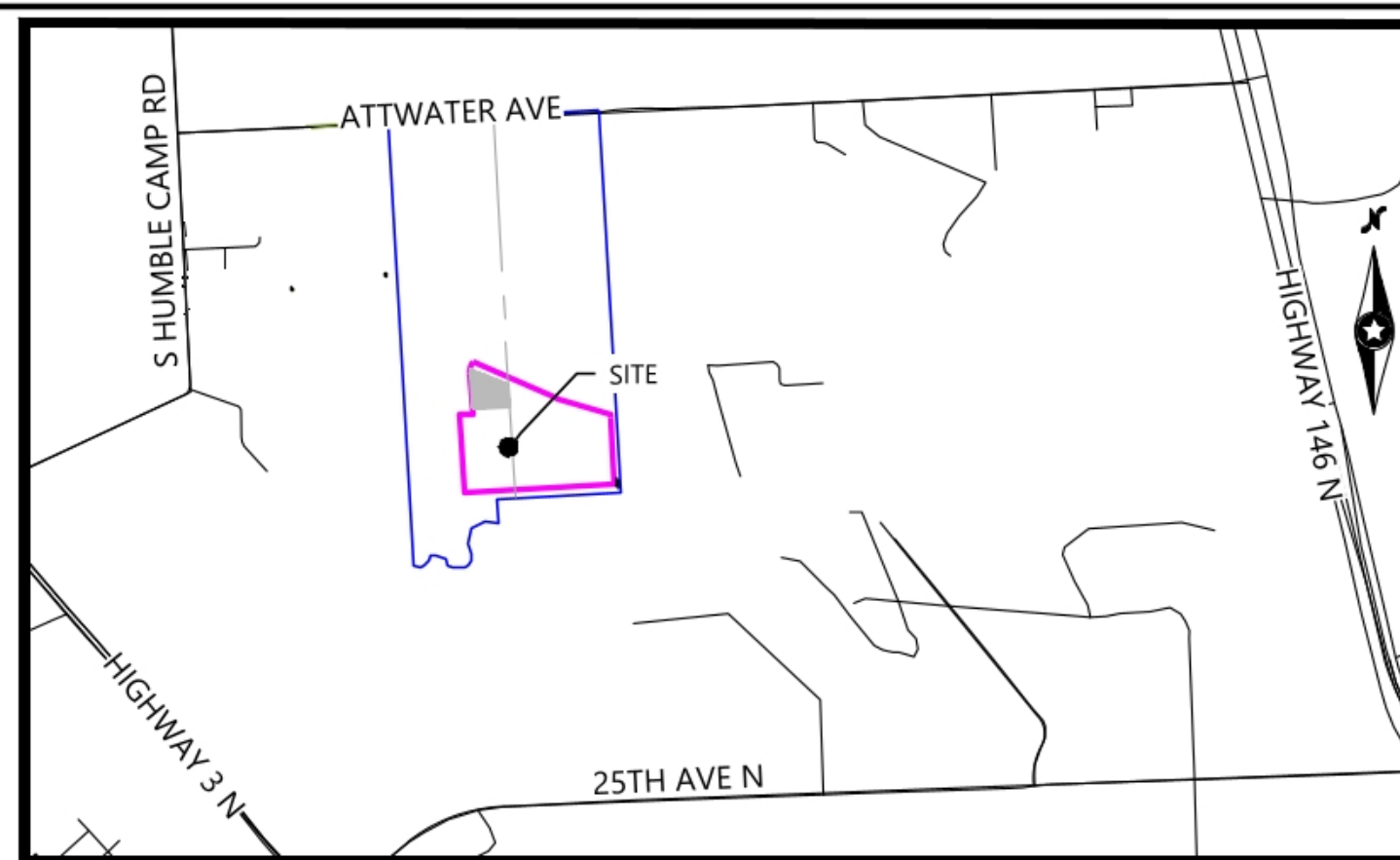
Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the conditions recommended by the Planning Board being memorialized in a development agreement and the construction of an acceptable masonry screening wall which may be comprised of pre-cast concrete panels, staff have no objection to the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan).

PROPOSED DEVELOPMENT ACREAGE TABLE				
LOT	OWNER	LOT ACREAGE	DEVELOPMENT ACREAGE	ZONING
8	TEXAS NEW MEXICO POWER COMPANY	117.42	14.96	PROJECT AREA
			2.97	PROPOSED ACCESS ROAD EASEMENT
9	TEXAS NEW MEXICO POWER COMPANY	106.20	23.70	PROJECT AREA
			2.67	PROPOSED ACCESS ROAD EASEMENT
7	TEXAS NEW MEXICO POWER COMPANY	42.00	0.21	PROPOSED ACCESS ROAD EASEMENT
7	CLARK ANNETTE CLEMENT	21.50	1.42	PROPOSED ACCESS ROAD EASEMENT
6	CLARK ANNETTE CLEMENT	17.46	1.52	PROPOSED ACCESS ROAD EASEMENT
TOTAL		304.58	47.45	

SITE DATA SUMMARY TABLE	
TOTAL PROJECT AREA (SF)	2,066,922
IMPERVIOUS AREA	
BESS & SUBSTATION AREA (SF)	430,532
ACCESS ROAD (SF)	312,980
LAYDOWN AND PARKING (SF)	130,680
TOTAL IMPERVIOUS AREA (%)	42%
PERVIOUS AREA	
BASIN (SF)	481,600
OPEN SPACE (SF)	711,130
TOTAL PERVIOUS AREA (%)	58%

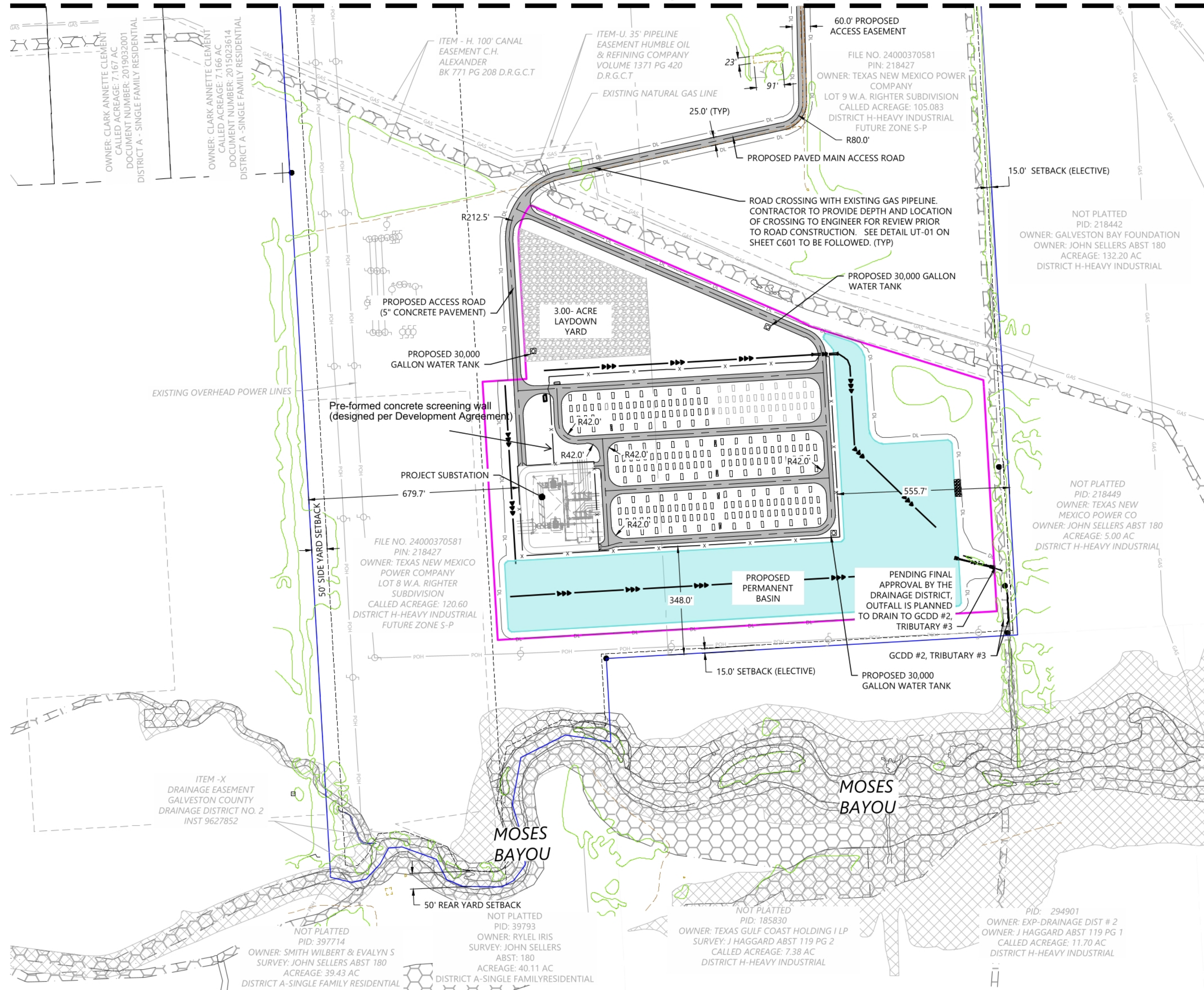
NOTE: QUANTITIES IN THE TABLE ABOVE ARE PRELIMINARY MAXIMUM IMPERVIOUS AREA SHALL NOT EXCEED 50%



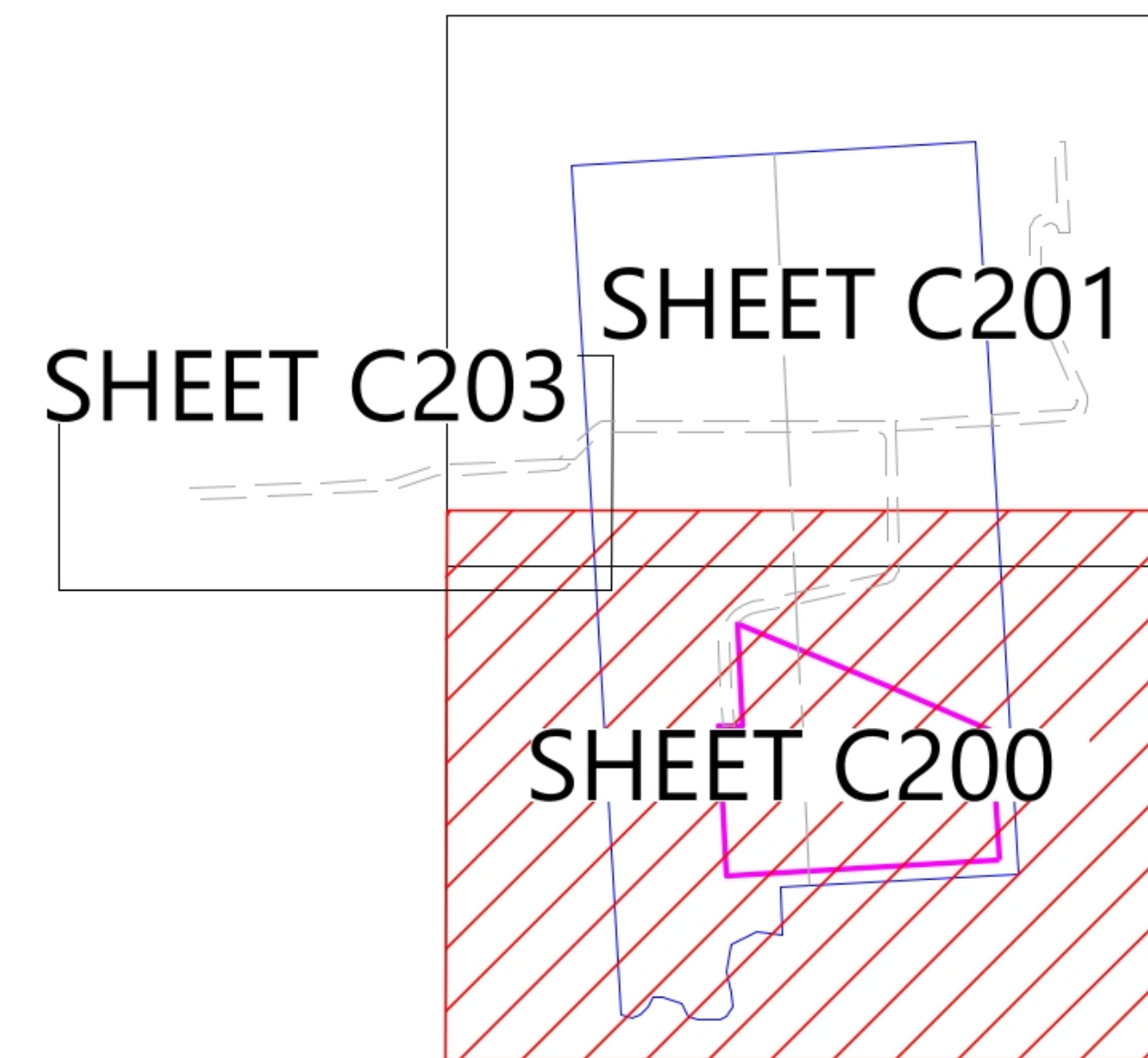
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

- LEGEND:**
- PROJECT BOUNDARY
 - PROPERTY LINE
 - LOT LINE
 - ADJOINER PARCEL LINE
 - SETBACK LINES
 - EX. EASEMENTS
 - EX. PAVED ROAD
 - EX. FENCE
 - EX. DIRT OR GRAVEL ROADS
 - EX. NATURAL GAS LINE
 - EX. BUILDING
 - EX. STRUCTURES
 - EX. VEGETATION
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 - EX. MONUMENT
 - FEMA FLOOD ZONE
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 - PROPOSED SWALE
 - PROPOSED CULVERT
 - VEGETATION TO BE REMOVED
 - WATER TANK

MATCHLINE (SEE SHEET C201)



KEY MAP:



Westwood

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westwoodps.com

Westwood Professional Services, Inc.



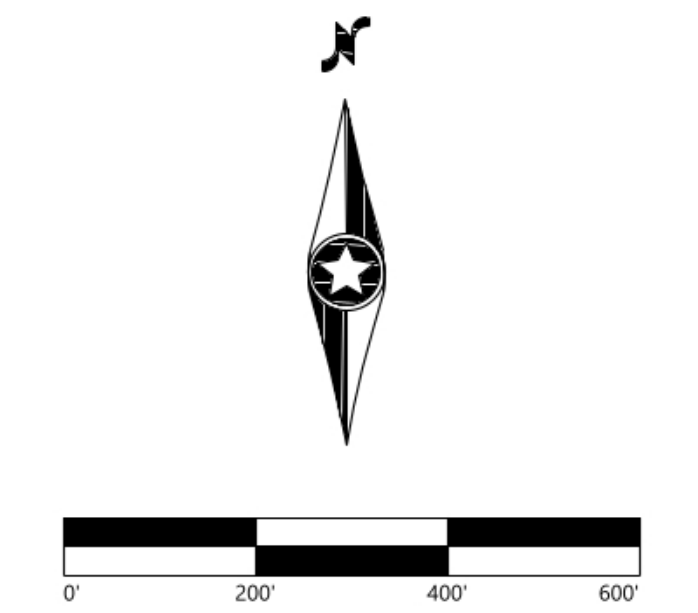
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Minneapolis MN, 55440

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CONTACT: PETER ROOD
EMAIL: REDEGRETBESS@SPEARMINTENERGY.COM
PHONE: 310-970-4068



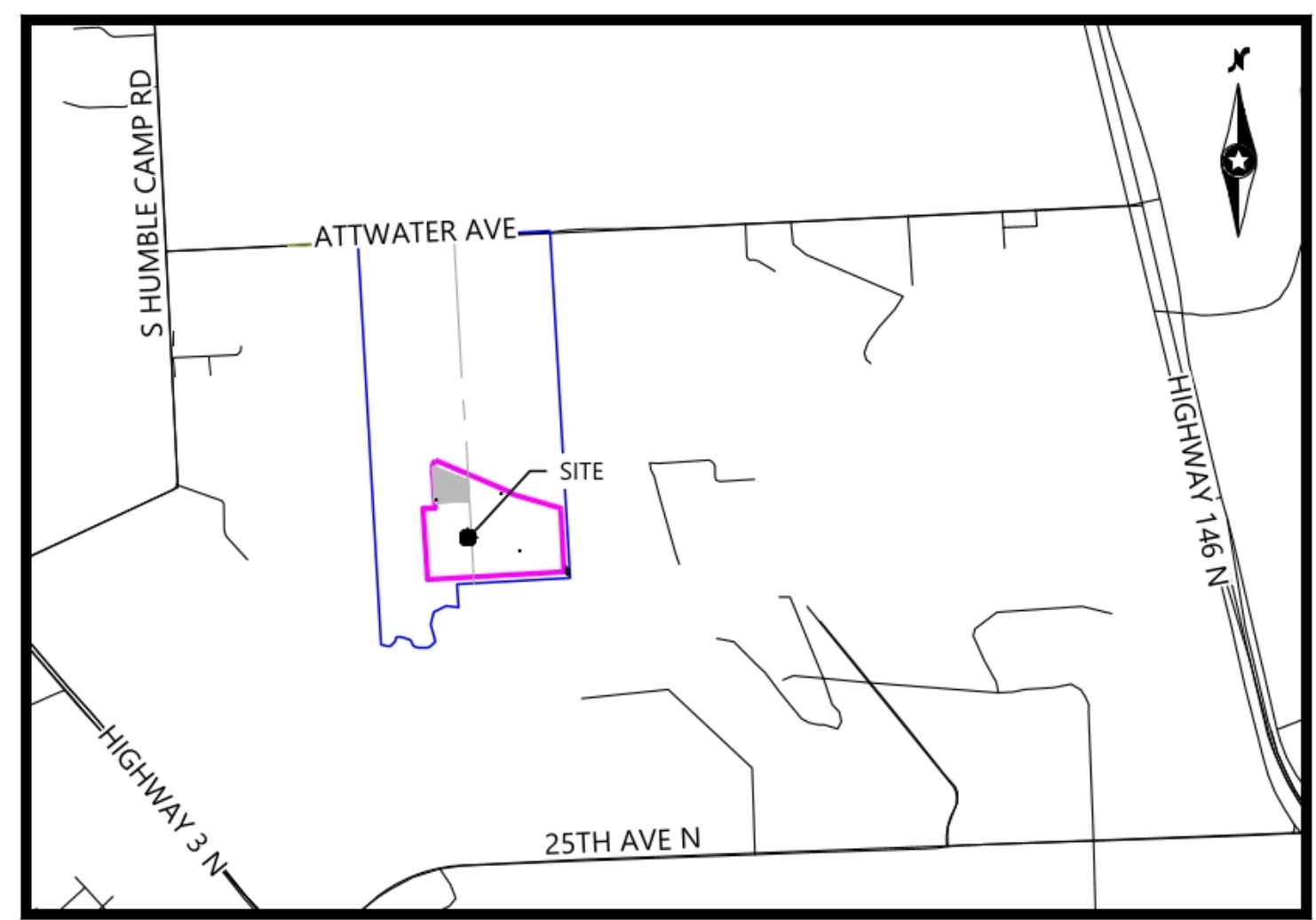
Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 1

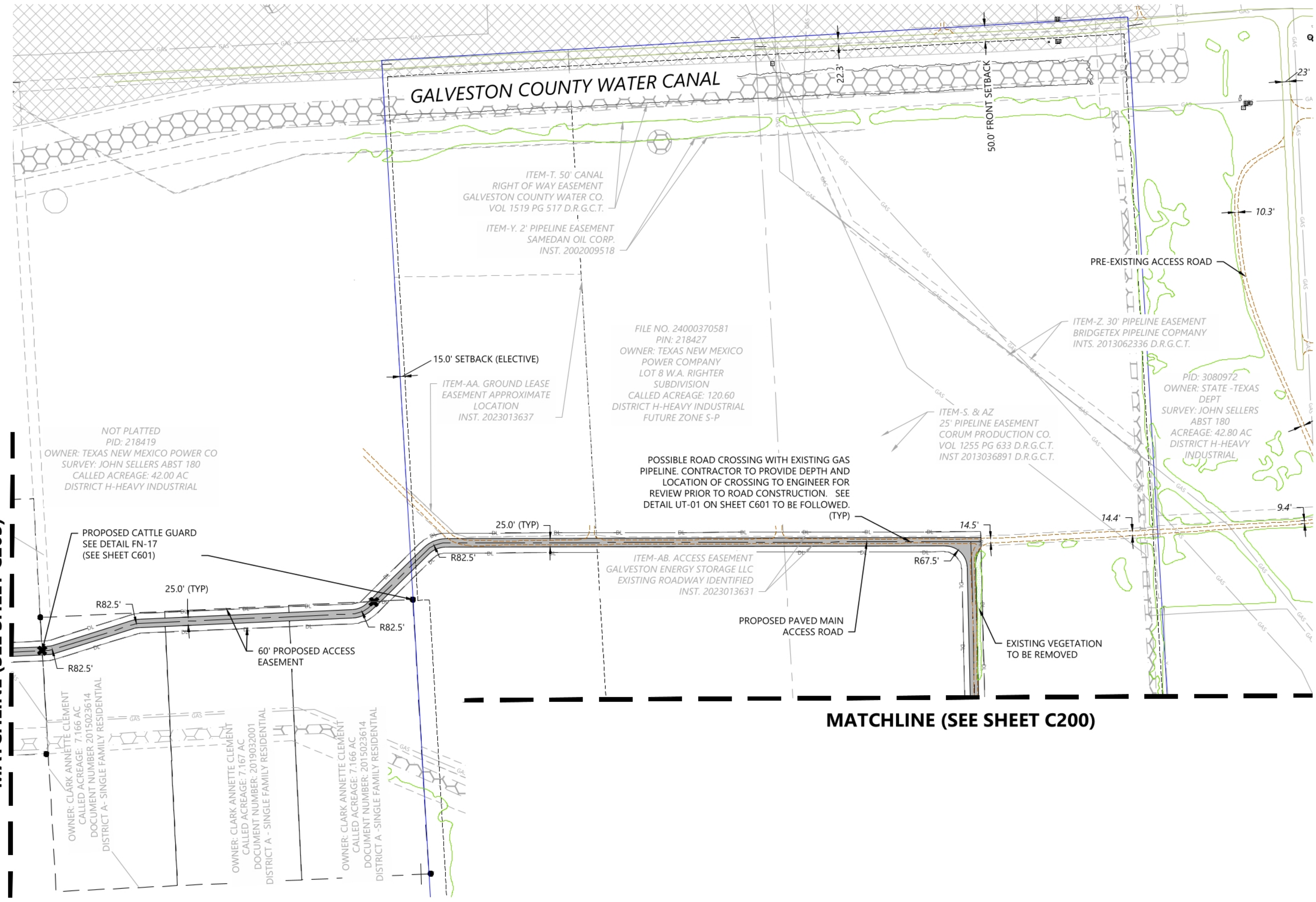
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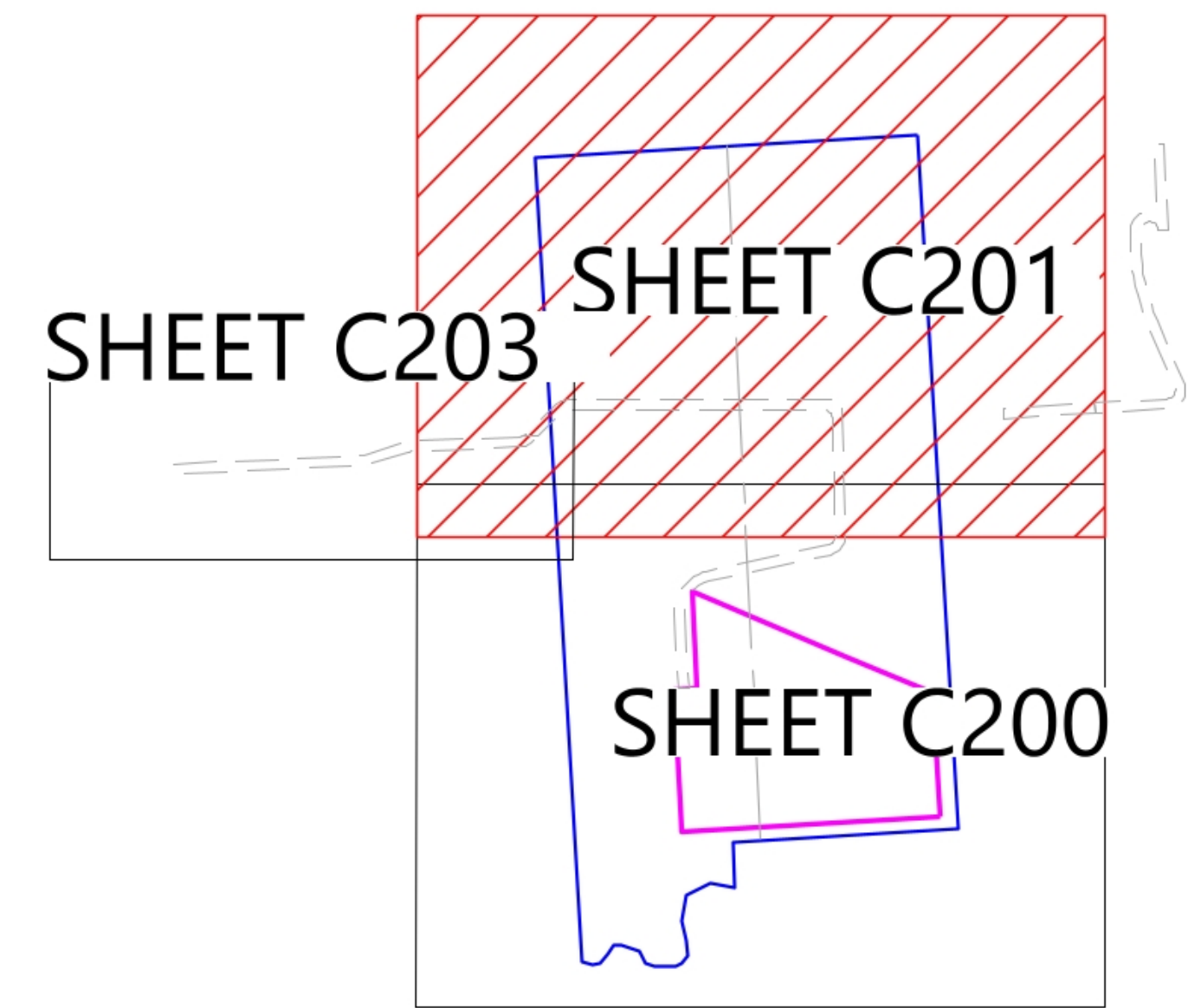


LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

- LEGEND:**
- PROJECT BOUNDARY
 - PROPERTY LINE
 - LOT LINE
 - ADJOINER PARCEL LINE
 - SETBACK LINES
 - EX. EASEMENTS
 - EX. PAVED ROAD
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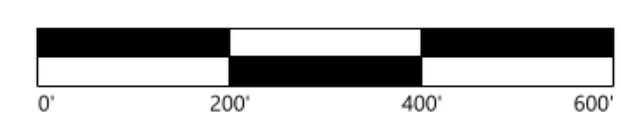
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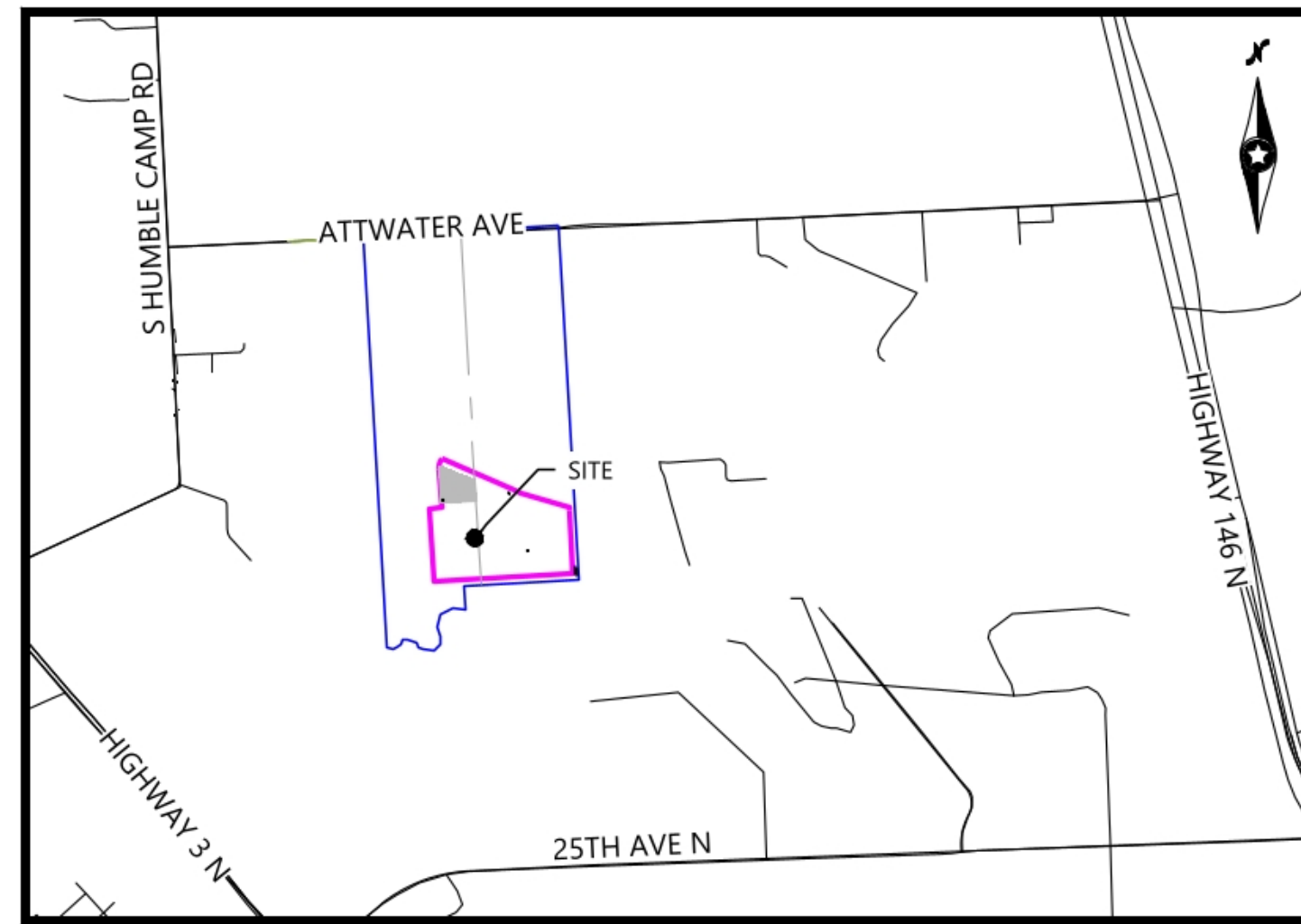


Red Egret BESS Project
Texas City, Galveston County, Texas

Detailed Site Plan - 2

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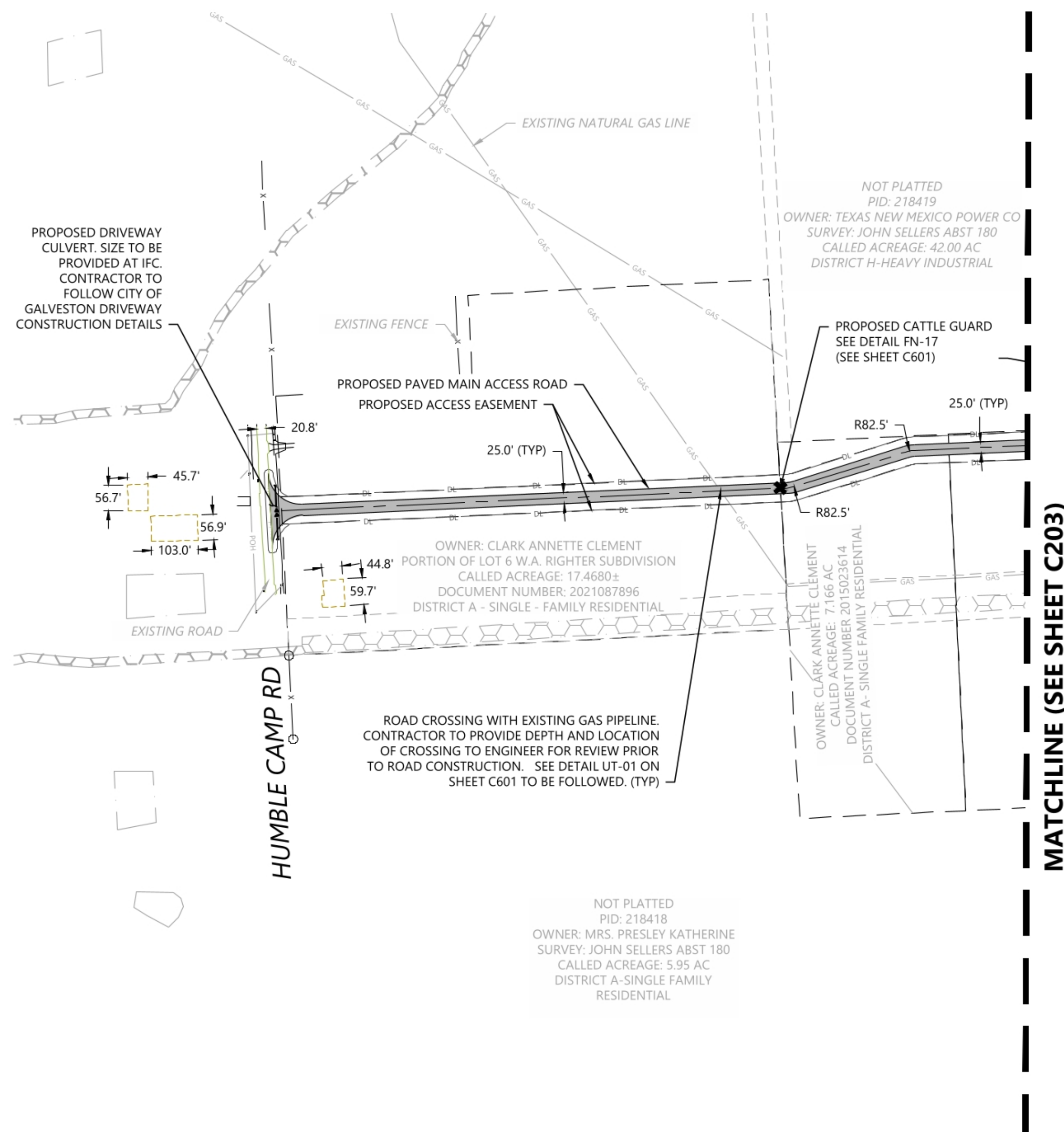
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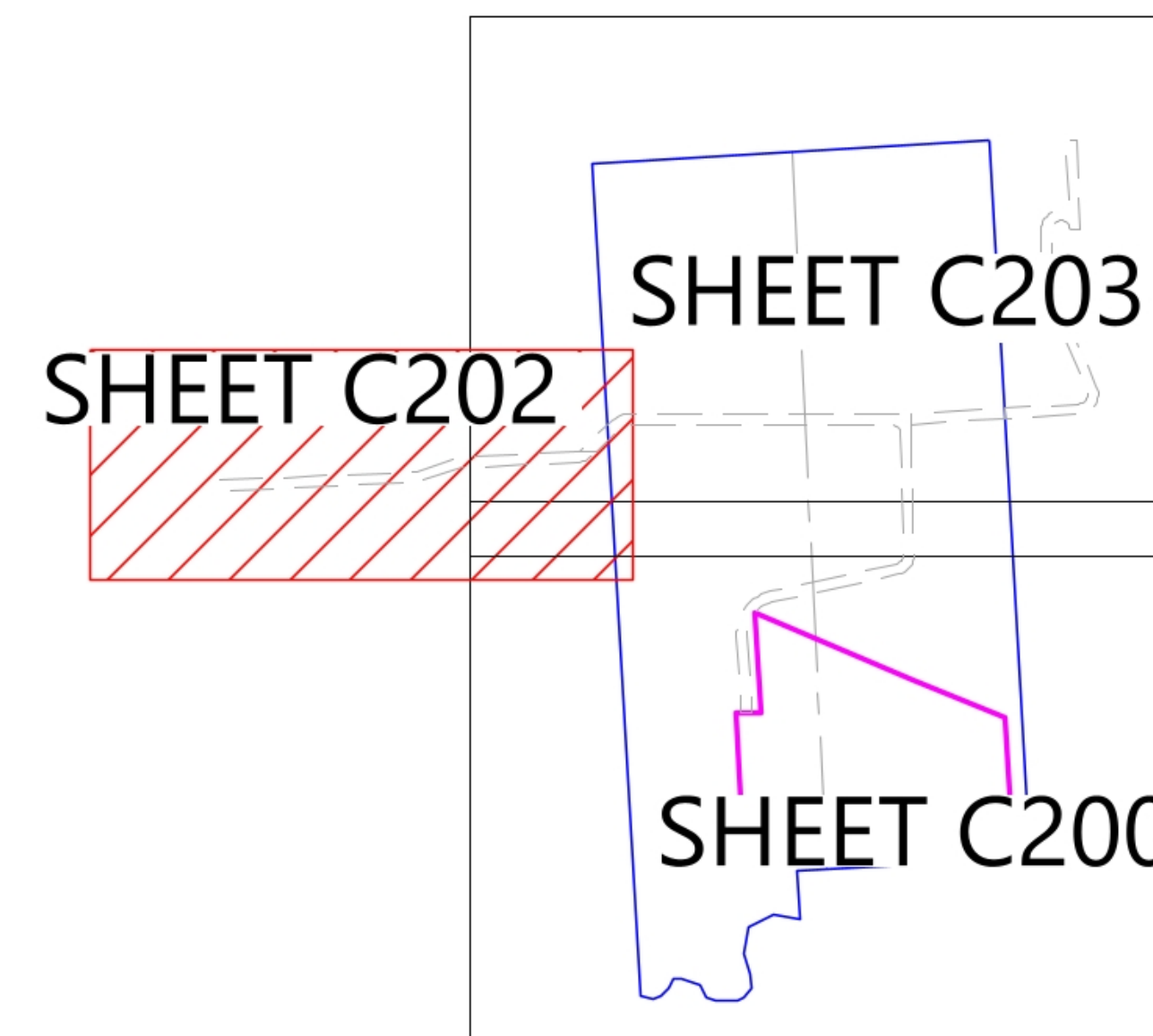
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

LEGEND:

- PROJECT BOUNDARY
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KEY MAP:



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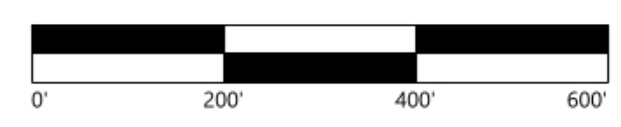


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Red Egret BESS Project

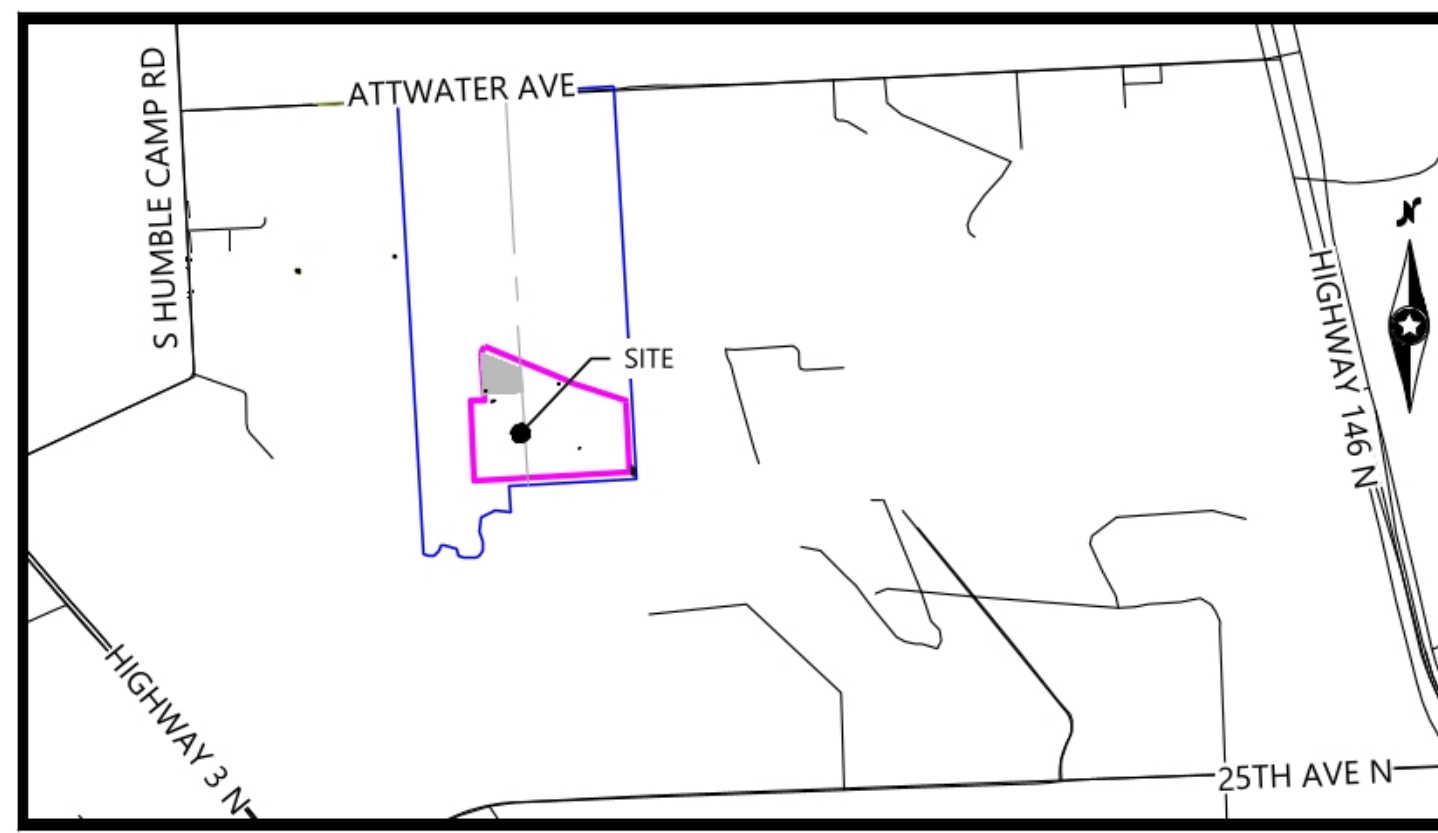
Texas City, Galveston County, Texas

Detailed Site Plan - 3.

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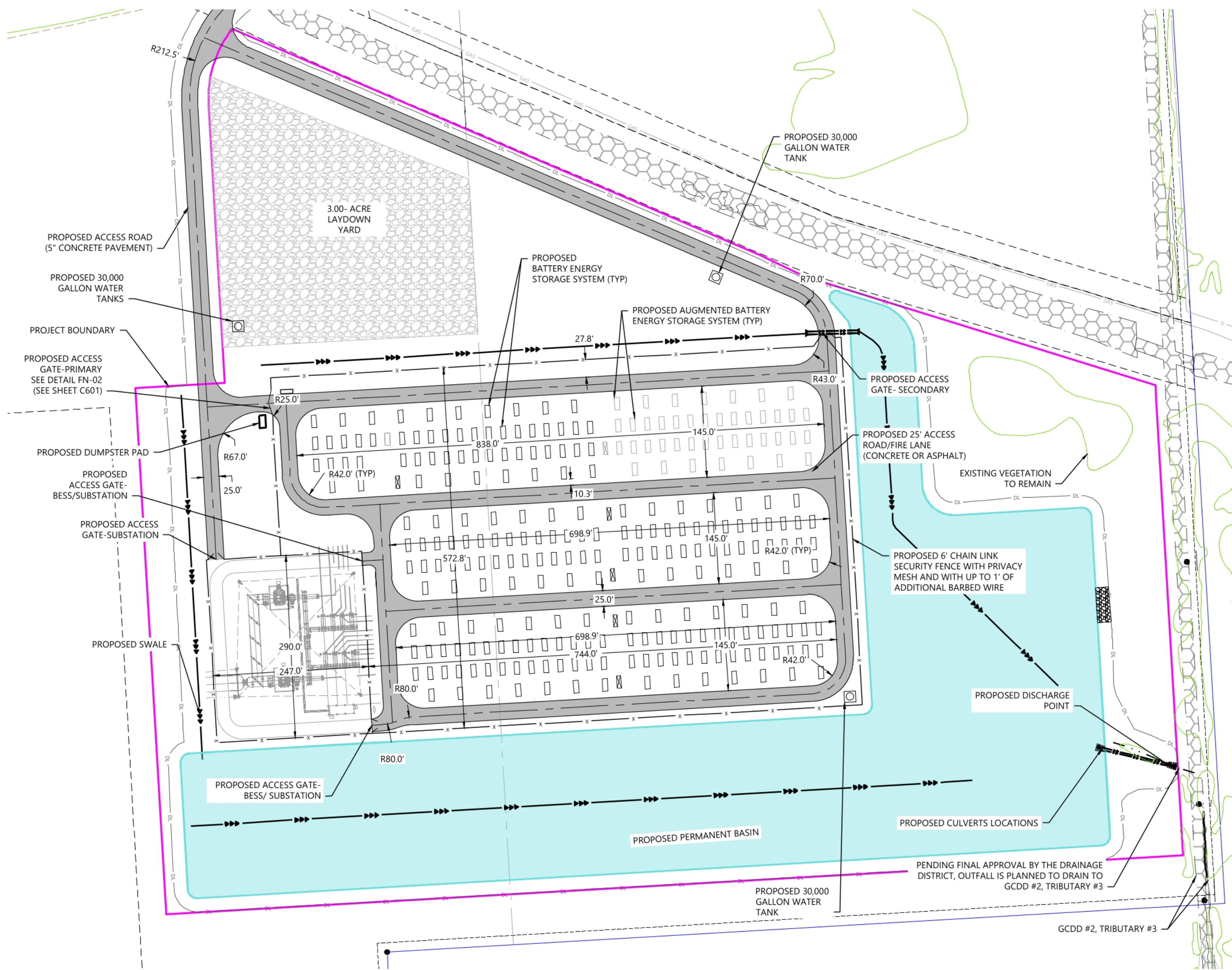
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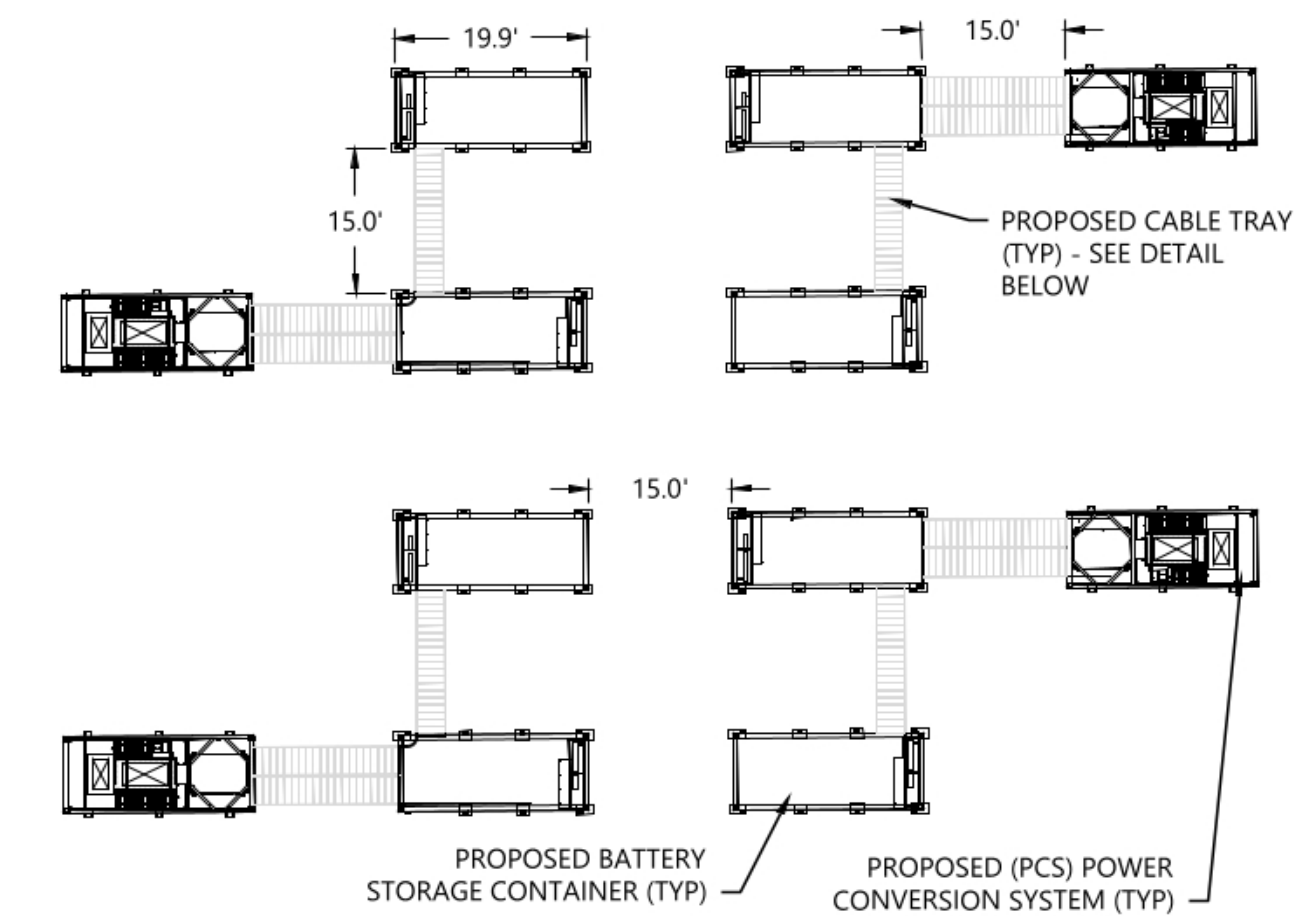
LOCATION MAP
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TEXAS CITY, GALVESTON COUNTY

LEGEND:

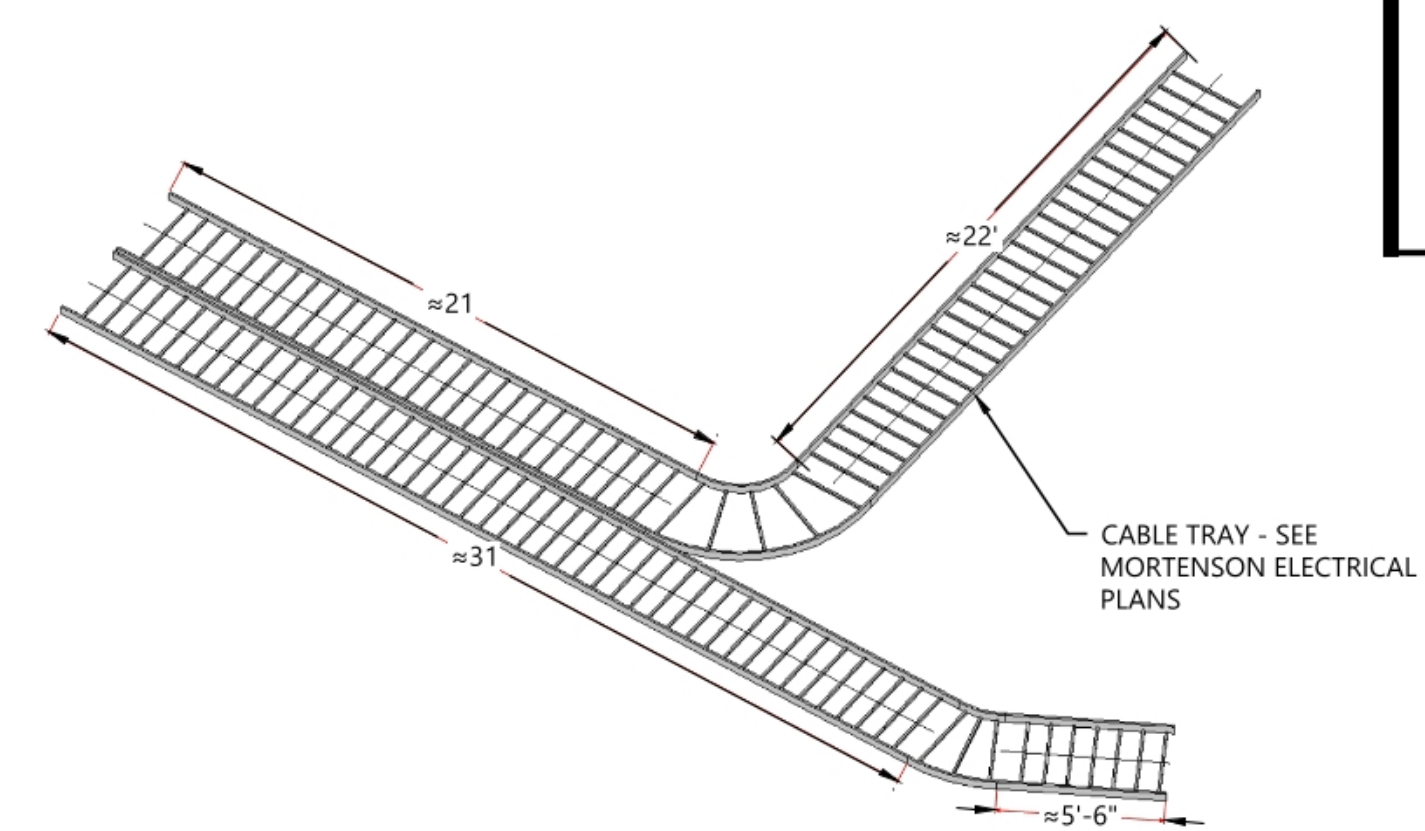
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- ▬ VEGETATION TO BE REMOVED
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TYPICAL EQUIPMENT LAYOUT:



CABLE TRAY DETAIL:



PREPARED FOR:

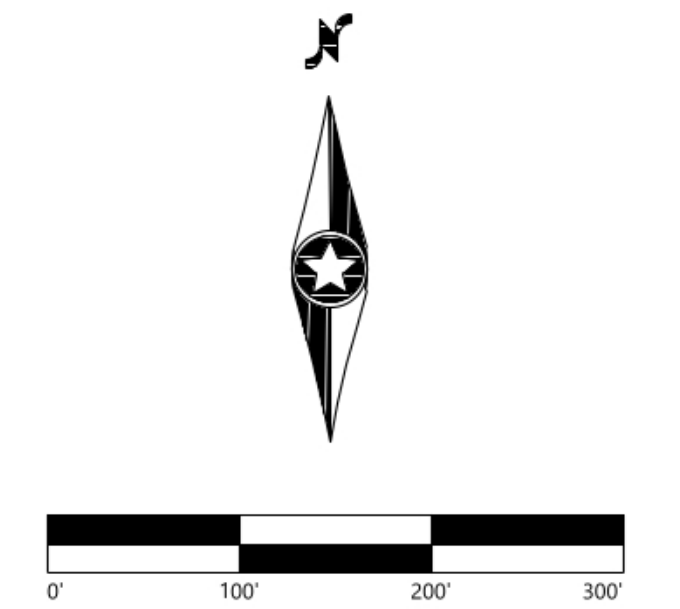
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Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 4

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DATE: 05/23/2025
SHEET: C203 D

SPEARMINT ENERGY CAPABILITIES AND EXPERIENCE

SpearMint Energy's team of more than 50 electrical engineers, construction managers, project developers, transmission planners, and market experts is one of the most experienced in the industry. The SpearMint team has developed over 15,000 MW of energy generation and storage projects.

We develop, build, own, and operate battery storage facilities with a focus on safety and professionalism at every step of the process. As an American company, we are dedicated to working in partnership with landowners, local government, and communities as well as creating good paying jobs and economic growth right here at home.

SpearMint owns and operates a 150MW/300 MWh BESS in Texas and has more than 20 projects in development across 10 US states.

KEY TEAM MEMBER EXPERIENCE AND QUALIFICATIONS

SpearMint Energy's team has experience across the United States and in all aspects of energy projects, including development, permitting, finance, construction and operations and maintenance. Key team members' experience is summarized below:



Peter Rood – Chief Development Officer

Peter has nearly 20 years of clean energy development experience, including over a decade of experience developing energy storage projects. Previously, he led the development of a 3,500 MW of battery storage portfolio at GlidePath Power Solutions, and earlier held roles at RES Americas, NRStor, Acciona Energy, and Gamesa Energy.



Jeff Jackson – SVP Project Execution

Jeff has more than a decade of experience in renewables and data center site development, project implementation, strategic partnerships, and leadership. In his prior role, Jeff formed and led the teams responsible for site development, engineering, procurement, construction, and origination for a data center startup that was ranked on the Inc. 5000 Top 100 list.



Gina Wolf – SVP, Strategy and Project Development

Gina Wolf is responsible for project strategy, mergers & acquisitions, and greenfield development for the Spearmint Energy portfolio. Gina brings more than 20 years of clean energy development experience with over 2GW of wind, solar and co-located battery storage projects constructed.



Nick Coil – Vice President, Development

Nick has nearly 15 years of experience developing renewable energy projects throughout the country. He began his career developing wind and solar at Tradewind Energy before managing a 20+ GW pipeline of renewable energy projects and a team of 45 developers as the Head of Development for Enel North America.



Courtney Timmons – Senior Director of Strategy and Origination

Courtney brings over 15 years of experience in energy development throughout the U.S. and internationally. Courtney has led the development of over 1,000 MW of installed energy facilities resulting in over \$1B in deployed capital. Courtney is also a military veteran who served a year-long deployment in Iraq for the Army National Guard.



Amber Zuhlke – Permitting Lead

Amber has 20+ years of experience in the energy sector, with the last 16 years focused on utility-scale clean energy projects, including battery energy storage. Focused primarily on the siting, development, and permitting side of the business, Amber has had the opportunity to participate in various industry work groups and task forces throughout her career and has worked on projects in every major region of the United States.



LIQUID-COOLED POWERTITAN 2.0 BATTERY ENERGY STORAGE SYSTEM

WHITE PAPER

TABLE OF CONTENTS

1. Executive summary	01
2. Introduction	02
3. Understanding the safety concerns with batteries	03
3.1. Overview of BESS quality risks and manufacturing defects.....	03
3.2. CEA's findings on fire safety and risks.....	03
3.3. Market response to BESS fire safety concerns.....	04
4. Liquid-cooled technology overview	05
4.1 What is liquid-cooled technology?.....	05
4.2. Advantages over traditional air-cooling lithium-ion technologies.....	05
5. Sungrow's fully liquid-cooled PowerTitan 2.0 BESS	06
5.1. Introduction to PowerTitan 2.0 BESS.....	06
5.2 BESS safety features for fire suppression and thermal management.....	08
5.3. Additional key features and innovations.....	11
5.4. Certifications and design standards.....	12
5.5. Quality assurance and factory acceptance testing.....	12
7. Conclusion	13

EXECUTIVE SUMMARY

Battery energy storage system (BESS) technologies are propelling us towards a net-zero economy. They're necessary for harnessing the full power of intermittent renewable energy sources without experiencing gaps in power.

However, while generally effective and reliable, some have expressed concerns over the quality and safety of batteries. Leaders in the fossil fuel industry, for example, have been quick to criticize this technology. And because batteries are relatively new, the media and public tend to treat any issues with heightened levels of attention and scrutiny, threatening the deployment of battery technology.

To address these concerns and increase the adoption of BESS technology, companies need to ensure that batteries are as safe, reliable, and powerful as possible.

Sungrow has recently introduced a new, state-of-the-art energy storage system: the PowerTitan 2.0 with innovative liquid-cooled technology. The BESS includes the following unique attributes:

- Offers an **easily scalable design** with plug-and-play architecture backed by pre-certified fire safety compliance testing.
- **Maintains consistent temperatures** – increasing performance, safety, reliability, and profitability.
- **Reduces installation time by 80%**, compared to a conventional ESS, requiring only one hour for cabinet installation due to its pre-integrated design.
- Ensures a **Ensures a high ROI by reducing auxiliary power consumption by 40%** (compared to a conventional ESS) – prolonging system life and mitigating unnecessary degradation.
- **Sustains top performance in harsh environments** – including high humidity areas, dusty deserts, or high elevations up to 3000 meters (9843 feet) above sea level.
- Includes **enhanced safety features for fire suppression and thermal management**.

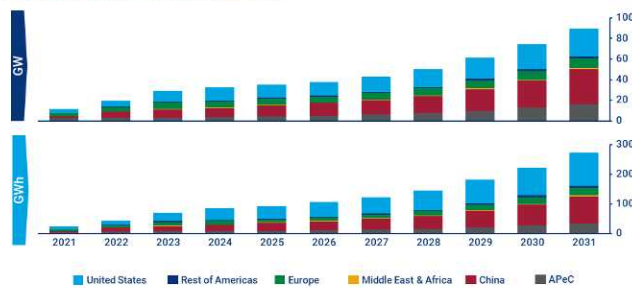
This white paper outlines the promise and criticisms of batteries, and highlights the key features, benefits, and market significance of Sungrow's liquid-cooled PowerTitan 2.0 BESS as an integrated turnkey solution from cell to skid.

INTRODUCTION

Energy storage is essential to the future energy mix, serving as the backbone of the modern grid. The global installed capacity of battery energy storage is expected to hit **500 GW** by 2031, according to research firm Wood Mackenzie.

The global energy storage ten-year market outlook is bright

Annual deployments by region: 2021-2031



Source: Wood Mackenzie

[Click to view chart](#)

The U.S. remains the energy storage market leader – and is expected to install **63 GW** of storage between 2023 and 2027, and exceed **130 GW** by 2030. The U.S. Inflation Reduction Act has further increased projected solar and onshore wind capacity by **40%** and estimated battery capacity by an additional 20 GW.

As the young industry rapidly grows, concerns about quality and safety have emerged – including the possibility of battery fires.

While rare, these issues can occur due to low integration of energy storage systems, inconsistent design standards and quality control, lack of experience in managing energy storage systems throughout the life cycle, and improper understanding and implementation of standards.

Ultimately, thermal runaway and system-level defects can result in costly delays and downtime – and in very unlikely scenarios, potential threats to safety.

Importantly though, batteries are overwhelmingly safe and effective. The California Public Utilities Commission, for example, estimates that only **2%** of grid storage facilities will experience “major safety-related” incidents.

Notably, the natural gas industry causes **thousands** of explosions every year in the United States. But these incidents often go unreported or do not face heavy scrutiny.

Nevertheless, given lingering skepticism about batteries, Sungrow recognizes the importance of providing cutting-edge solutions that meet top performance and safety standards. Sungrow’s PowerTitan 2.0 liquid-cooled BESS marks the next generation of highly integrated, plug-and-play, pre-certified grid-scale energy storage – offering unmatched reliability, efficiency, performance, and safety to invest in batteries with confidence.

UNDERSTANDING THE SAFETY CONCERNS WITH BATTERIES

3.1. OVERVIEW OF BESS QUALITY RISKS AND MANUFACTURING DEFECTS

Over the past decade, battery cells have [expanded](#) their capacity from under 100 Ah to 300+ Ah, transitioned from 12-meter walk-in containers to highly integrated, adaptable cabinets half the size, and incorporated liquid-cooled technology to support larger batteries. This rapid change and high growth rate has introduced new risks across the supply chain, such as manufacturing defects and complex subsystems with additional points of failure, which can lead to uncontrolled [thermal runaway](#) (a chain reaction that can cause fire, or rarely explosions).

As more novice players enter the energy storage industry, there are huge product variations, which can result in various fire hazards. Advanced components like the battery management system (BMS), energy management system (EMS), and power conversion system (PCS) are supplied by different companies – sometimes causing difficult on-site installation, long system commissioning cycles, poor operation adaptability, and frequent on-site operation and maintenance —negatively affecting the levelized cost of energy (LCOE).

3.2. CEA'S FINDINGS ON FIRE SAFETY AND RISKS

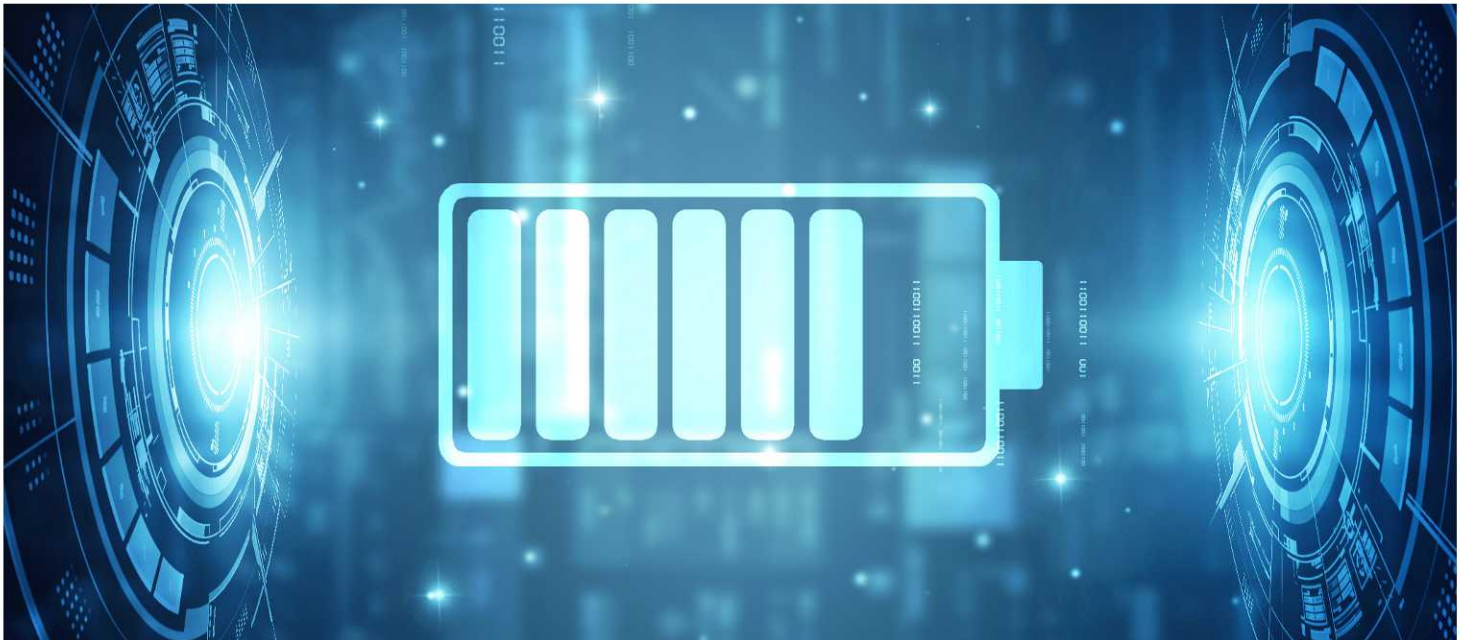
Clean Energy Associates (CEA), a leading renewable energy consultancy, conducted over [320](#) quality and safety inspection audits at 52 BESS factories worldwide, spanning 30 GWh of lithium-ion energy storage projects. Their extensive audit – published in February 2024 – revealed that **26% of BESS projects had quality issues related to fire detection and suppression systems and 18% had issues with thermal management systems.**

Nearly half of CEA's quality assurance (QA) findings were related to system-level defects, highlighting overlooked integration problems in the production process. The BESS integration of the cell and module is a highly manual, labor-intensive, and complex process, leading to QA vulnerabilities from lengthy production processes, high-performance sensitivity, and less strict quality control (QC) measures.

Notably, installers screen for and correct these malfunctions during the installation and commissioning process under the nationally recommended safety standard [NFPA 855](#).

But correcting these issues can delay projects for months and reduce profits. That makes it all the more important to prioritize pre-integrated systems and employ rigorous quality control measures throughout the manufacturing process.

3.3. MARKET RESPONSE TO BESS FIRE SAFETY CONCERNS



Batteries are overwhelmingly safe. The problem is: There are still renewable energy naysayers who hope to prevent the utilization of batteries. And as a newer technology, batteries are naturally subject to heightened public scrutiny.

At the [Energy Storage Summit](#) this past March 2024, Aron Branam, VP of development and construction for Arevon Energy, said, “One fire for one battery is a fire for everyone in the industry.” Mike DeSocio, founder and CEO of Luminary Energy, chimed in, saying, “...there has been a lot of trust lost in batteries in New York in the last few years.”

Some communities have imposed [moratoriums](#) on battery permits to assess safety concerns and enhance emergency response planning. Legislative measures, such as California’s [Senate Bill 38](#) signed in October 2023, aim to enforce safety standards and improve emergency response protocols for battery storage facilities.

Safety measures are still evolving in the energy storage industry, with strategies to prevent battery fires differing across each manufacturer as the industry evolves.

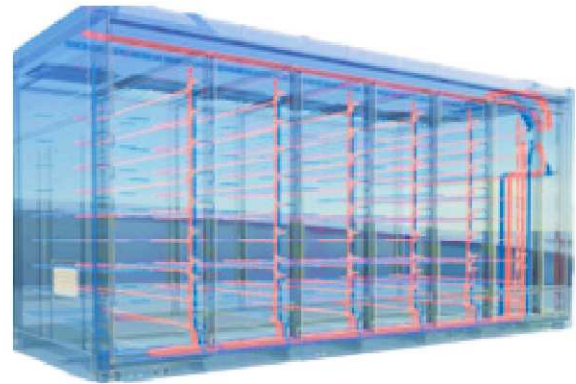
For example, in [Moss Landing](#), California (the [largest](#) operating battery storage facility in the U.S. at 750 MW) the BESS’ fire suppression systems – designed to prevent thermal runaway – were accidentally activated due to [rainwater intrusion](#) (i.e. water ingress), resulting in arcing and short-circuiting from flooding the batteries. Clearly continuous improvement is needed.

“To quell public concern, it’s critical to do everything in our power to reduce the risk of battery malfunctions. Sungrow has done precisely that.

LIQUID-COOLED TECHNOLOGY OVERVIEW

4.1. WHAT IS LIQUID-COOLED TECHNOLOGY?

Liquid-cooled technology is widely utilized in energy storage, electric vehicles, and other energy sectors due to its high energy efficiency ratio and temperature uniformity. The liquid-cooled system uses coolant to move heat from the battery cell enclosure to the ambient environment to lower the overall temperature.



As an ultra-efficient heat exchanger, liquid-cooled technology has a high specific heat capacity and excellent thermal conductivity, able to rapidly transfer more heat from the hotter to colder region and cool down the system more quickly and effectively.

4.2. ADVANTAGES OVER TRADITIONAL AIR-COOLING LITHIUM-ION TECHNOLOGIES

Conventional air-cooled systems use fans to pull in external air, potentially introducing humidity and condensation (i.e., water ingress) into the system, which can lead to short-circuiting and thermal events. Instead, liquid-cooled technology offers improved fire safety, among other benefits, by enabling faster and more efficient cooling.

	Liquid-cooled BESS	Air-cooled BESS
Enhanced efficiency	✓	
Improved thermal performance	✓	
Extended system life	✓	
High energy density	✓	
Low noise	✓	
More reliable operation	✓	
Better scalability	✓	

SUNGROW'S FULLY LIQUID-COOLED POWERTITAN 2.0 BESS

As the world's most [valuable](#) solar company and bankable inverter brand with over 27 years of experience, Sungrow's energy storage systems have exceeded 19 GWh of contracts worldwide. Sungrow has been at the forefront of liquid-cooled technology since 2009, continually innovating and patenting advancements in this field.

“As a system solution supplier and product OEM, as opposed to an integrator, Sungrow is able to achieve a tight integration that is reliably repeatable, high-quality, and system-level safe to adhere to strict third-party guidelines.”

5.1. INTRODUCTION TO POWERTITAN 2.0 BESS

[Sungrow's latest innovation, the PowerTitan 2.0 Battery Energy Storage System \(BESS\)](#), combines liquid-cooled technology with advanced power electronics and grid support features, marking a significant leap forward in BESS solutions.

This plug-and-play BESS uniquely pre-integrates all internal components—including the batteries, string PCSs, BMS, thermal management, and fire suppression systems—within a 20-foot container for easy installation, improved adaptability, and high performance.



Customer reviews highlight flexibility, reliability, safety, and ROI as key priorities. Sungrow's PowerTitan 2.0 not only meets these expectations but also effectively addresses fire safety concerns. Our standout offering includes a **complete turnkey solution, from cell to MV skid, supported by our local in-house service and backed by a 20-year system-level guarantee.** This integrated approach reduces project delays and eliminates the need for on-site system-level certification, setting us apart from competitors, such as DC lock providers, who lack system-level solutions.

The globally liquid-cooled system (encompassing the battery modules and patented PCS) provides top-level performance with a **round-trip efficiency (RTE) up to 92.5%** for 4 hour solutions, with long duration options of 2 to 8 hours available.

Easily scalable

The PowerTitan 2.0 is a **scalable plug-and-play solution backed by pre-certified fire safety compliance testing for fast deployment and reduced risk.**

The BESS also simplifies commissioning efforts and site-level integration. That's largely because it does not have to run conduit between the battery and PCS – lowering conduit by 50%, reducing project footprint, and increasing energy density relevant to traditional solutions.

High-performance

With liquid-cooled technology, the BESS **maintains consistent temperatures within 2.5°C across almost 5,000 battery cells in one container** and eliminates any outlier cells to maximize performance, safety, reliability, and profitability. The system boasts an RTE up to 92.5% for 4 hour solutions, with long duration options of 2 to 8 hours available. This is an enhancement of 2% from the first-generation PowerTitan 1.0, with its Cell to Grid technology (C2G) that simplifies the energy conversion between DC and AC power.

Fast deployment

The all-in-one AC-DC block design streamlines deployment with embedded PCSs, pre-assembled components, MVT, and comprehensive factory testing to reduce installation time by 80% (compared to a conventional ESS), requiring only one hour for cabinet installation.

Additionally, the system comes **pre-certified with AC-level UL 9540**, shortening grid interconnection processes, and adheres to various safety standards. Grid-debugging time is also cut by 50%, lasting only 15 days compared to conventional BESS systems due to necessary pre-installations.

High ROI

Using precise temperature control made possible with liquid-cooled technology, the PowerTitan 2.0 has a high ROI by reducing auxiliary power consumption up to 40% (compared to a conventional ESS), prolonging system life, and mitigating unnecessary degradation. Enhanced temperature balancing enables individual rack control – boosting usable capacity, optimizing system availability, and reducing the discharging barrel effect.

This advanced temperature balancing results in up to a **7% increase in system discharge** (depending on site conditions). In the case of a PCS fault, the system experiences only an 8% loss, as the remaining 11 PCS systems can remain online, unlike traditional centralized BESS setups where a shutdown leads to a 100% loss that can last for days.

Environmental resilience

By eliminating the need for external air to enter the system, the liquid-cooled BESS enhances resilience in harsh environments, such as **high humidity areas, dusty deserts, or high elevations up to 3000 meters above sea level.**

Enhanced safety

The liquid-cooled PowerTitan 2.0 BESS incorporates robust safety features superior to those required in NFPA (National Fire Protection Agency) standards, including separate partitions for power electronics and battery cabinets to prevent thermal runaway, fire-resistant bulkheads lasting up to two hours, and advanced fire protection mechanisms to minimize fire risks.

The battery energy storage system meets global liquid-cooled heat dissipation standards and employs technology to reduce short-circuiting and arcing risks. Also, without introducing foreign particles (such as dust) and humidity into the enclosure, the system mitigates short-circuiting and thermal events for added reliability. As the liquid-cooled system is low noise at or below 75 dBA, the BESS can also operate in noise-restricted environments.

The multi-level architecture of safety measures, such as inter-rack fusing protection, active anomaly detection, and millisecond-level arc detection, enhance overall safety, while multi-stage overcurrent protection and integrated BMS ensure rapid response to potential hazards.

NFPA 855 compliance design options of:
- NFP (Deflagration venting) as standard offer
- NFP (Explosion prevention system) as an optional choice

NFPA13 compliant Sprinkler and Dry Pipe as an optional choice

SMOKE/TEMPERATURE



NFPA 68 DEFLAGRATION PANEL FOR EXPLOSION RELEASE

NFPA 69 (OPTIONAL) GAS DETECTOR, AIR EXHAUST



FACP



PARTITION DESIGN (BATTERY VS PCS) (BATTERY VS LCU)

MULTIPLE LAYERS SPRINKLER



5.2. BESS SAFETY FEATURES FOR FIRE SUPPRESSION AND THERMAL MANAGEMENT

Effective fire suppression and thermal management are crucial for the safety and longevity of energy storage systems. Sungrow prioritizes safety, with a superb track record of zero reported BESS thermal events or explosions.

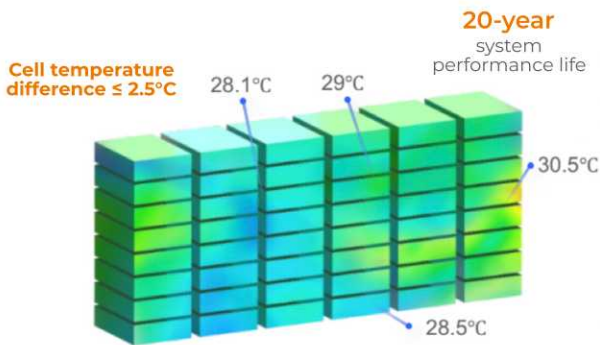
To uphold Sungrow's strict safety priorities, the PowerTitan 2.0 offers a comprehensive safety design across the cell, electrical, and system levels. From compartmentalized designs to advanced fire suppression systems, the system ensures the highest level of safety and reliability in various operating conditions.

As a liquid-cooled system, as opposed to air-cooled, humidity and condensation are not introduced into the system, removing water ingress – allowing for more control of the system's internal environment conditions and reducing the risk of short-circuiting.

Sungrow's PowerTitan 2.0 liquid-cooled BESS employs various features to address fire safety concerns:

Balanced temperature control:

A patented liquid-cooled heat dissipation scheme and 4D sensing technology maintain a balanced system temperature with a $\leq 2.5^{\circ}\text{C}$ temperature difference across all battery cells – prolonging battery life by two years, reducing degradation, improving auxiliary power efficiency, and enhancing system performance with a 15% increase in discharge capacity over the system's life cycle.



Professional integration:

Integrating BMS and string PCSs improves system compatibility and adaptability for elevated safety and performance – with an RTE up to 92.5% for 4 hour solutions (with long duration options of 2 to 8 hours available) and ease of commissioning.

Overcurrent protection design:

Multi-level fuse protection ensures reliable disconnection to minimize the risk of thermal runaway.

Integrated arc fault detection and arc fault circuit interruption:

Advanced algorithms detect electrical abnormalities, improving system safety by reducing short-circuit current by 75% in 10 microseconds and 100ms-level shutdown for 100% rack-level protection to mitigate thermal events.

Remote monitoring:

In the unlikely event of an electrical fire, the system automatically triggers multiple firefighting measures, preventing battery deterioration and eliminating thermal runaway at the early stage.

Compartmentalized design:

Partition design separates power electronics and battery compartments with fire-resistant walls to prevent fire from spreading for up to two hours, minimizing damage and avoiding fast contagion of thermal runaway.



Integrated AC-DC blocks:

Compared with traditional centralized PCS design, the built-in PCSs and factory-installed interior DC wiring reduces project footprint and safety risks by reducing the risk of short-circuiting and arcing.

System-level fire safety:

To minimize fire risks, reduce flammable gas concentrations, and ensure electrical safety, the system employs overcurrent fast-breaking and arc extinguishing protection, over-temperature protection, NFPA68-compliant deflagration venting, optional integrated sprinklers inside the BESS container, and optional NFPA69-compliant explosion prevention systems.



Manual switch disconnecter (MSD):

The technology mitigates the risk of short circuits for safer shipping, maintenance, and lower personal protection equipment, or PPE, classes, translating into faster project deployment with more efficient installation and commissioning.

Integrated AC-DC blocks:

Compared with traditional centralized PCS design, the built-in PCSs and factory-installed interior DC wiring reduces project footprint and safety risks by reducing the risk of short-circuiting and arcing.

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Rapid arc extinguishing:

Second-level arc extinguishing eliminates potential fire hazards by blocking thermal runaway at the source.

Pre-testing for fire safety compliance:

Various safety tests, including fire simulations and fire testing, ensure compliance above and beyond industry standards.

Inter-rack fusing protection:

The system reduces the incident energy with low arc energy and protects the safety of maintenance personnel with a lower class of required PPE by limiting exposure to high voltages and currents.

Self-sealing coolant loop connectors:

The system's patented plug connectors for liquid cooling have prevented 100% of leaks in over 100,000 industrial installations.

5.3. ADDITIONAL KEY FEATURES AND INNOVATIONS

In addition to fire safety, below are various other key benefits of the liquid-cooled PowerTitan 2.0 BESS:

Multi-level monitoring devices:

Multi-level sensors, from the module to the rack and system level, provide real-time insights into performance and system health to ensure system efficiency, safety, and reliability, with integration into third-party SCADA and control systems. These devices enable proactive fault detection and system optimization – decreasing downtime, maximizing performance, and prolonging the system’s life.

Increased capacity:

The high performance DC/AC inverter supports 0% to 100% depth of discharge with – enhancing overall efficiency, adaptability, and revenue with increased usable capacity.

Enhanced energy capacity and efficiency:

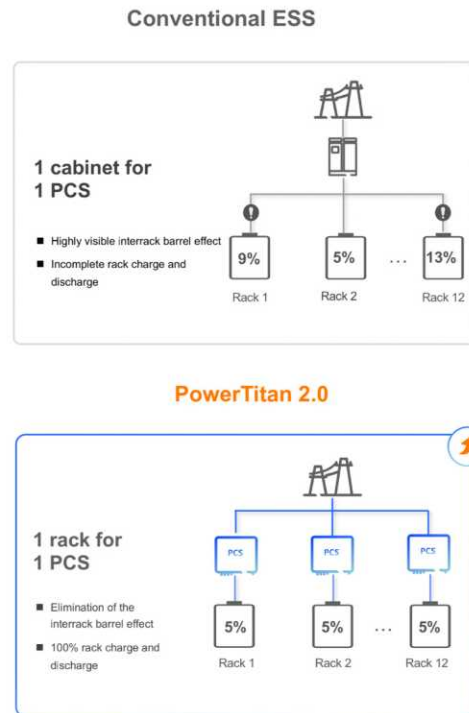
Innovative technologies such as C2G and liquid-cooled thermal management improve energy capacity and efficiency.

Quieter operation:

The system produces less noise than air-cooled systems, at or below 75 dBA, making the BESS suitable for noise-sensitive areas.

Individual rack-level management:

Independent control of charge and discharge in each battery rack increases discharge capacity by up to 7% (depending on site conditions) and improves system flexibility.



Higher energy density:

The system occupies 32% less footprint than a conventional energy storage system with a centralized PCS, improving the LCOE and system energy density with fewer containers, easier construction, and lower balance of plant costs.

Stable operation in weak grids:

Integrated with leading grid following and grid forming control algorithms, the BESS offers advanced grid support functions such as low voltage ride through, frequency and voltage support, black start capability (depending on site conditions), wind-band oscillation suppression, and flexible inertia support.

User-friendly O&M:

Automatic coolant replenishment, auto-calibration state of charge, and refined battery management minimizes O&M costs, enhances system longevity, ensures long-term system reliability, and reduces downtime to boost profitability.

5.4. CERTIFICATIONS AND DESIGN STANDARDS

Sungrow's commitment to quality and safety is reflected in the PowerTitan 2.0's adherence to rigorous certifications and design standards, including NFPA, IEC, and UL standards.

“Pre-certified with UL 9540, the PowerTitan 2.0 eliminates the need for on-site testing – preventing delays, additional costs, and uncertainties for an added layer of confidence.

The PowerTitan 2.0 BESS comes pre-certified with, but not limited to:

- UL 9540 (2023)
- UL 9540A (2019 4th edition)
- UL 1973 (2022)
- UN 38.3 & UN 3536
- UL 1741 SB (PCS) (2019 3rd Edition)
- IEEE 1547:2018 (PCS) (2018)
- CSA C22.2 No.107.1-16 (PCS) (2021 4th Edition)

The battery energy storage system also adheres to the below design standards:

- NEC (2023)
- NFPA 855 (2023)
- NFPA 72 (2022)
- NFPA 68 (2023)
- NFPA 69 (optional configuration)(2024)
- NFPA 13 (optional configuration)(2022)

For more information, refer to the PowerTitan 2.0's datasheet [here](#).

5.5. QUALITY ASSURANCE AND FACTORY ACCEPTANCE TESTING

Sungrow implements a comprehensive QA and QC process management (ISO 9001) to ensure the safety and reliability of the PowerTitan 2.0 energy storage system. This QA and QC includes rigorous procedures such as functional tests conducted in the factory and over 350 quality tests covering cell, pack, rack, PCS, ESS, and energy management strategy testing.

Additionally, Sungrow's state-of-the-art testing facility includes hardware-in-the-loop setups, an in-house lab, a temperature room, a noise room, and a 5 MW grid simulator. **Large-scale fire simulations exceeding UL 9540A standards are performed alongside IP55 liquid-cooled design testing to verify the PowerTitan 2.0 container's system safety under various conditions.** Factory acceptance testing further enhances developer and investor confidence, minimizing commissioning delays.



“*By the end of December 2023, Sungrow’s PowerTitan series had secured 19 GWh of global contracts, attributed to its exceptional security features and advanced efficiency.*”

7. CONCLUSION

Customer feedback consistently points to flexibility, reliability, safety, and return on investment as the most critical factors when choosing a BESS solution. Sungrow’s liquid-cooled PowerTitan 2.0 BESS excels in these areas, while also effectively addressing fire safety concerns.

What truly sets us apart is our Turnkey Solution Value. From cell to MV skid, we provide a complete, end-to-end solution, supported by a local in-house service team and backed by a 20-year system-level guarantee. This integrated approach not only reduces the risk of project delays but also eliminates the need for on-site system-level certification, enabling faster and smoother deployment.

As the energy storage industry continues to evolve, Sungrow remains at the forefront of innovation, delivering system-level solutions that meet the highest standards of quality, safety, and performance. To learn more about how our liquid-cooled PowerTitan 2.0 BESS can drive the success of your next utility-scale project, [reach out to our customer service specialists today.](#)

ABOUT SUNGROW

Sungrow Power Supply Co., Ltd. ("Sungrow") is a global leading PV inverter and ESS supplier with over 515 GW of power electronics equipment installed worldwide as of December 2023. Founded in 1997 by University Professor Cao Renxian, Sungrow is a leader in the research and development of solar inverters with the largest dedicated R&D team in the industry and a broad product portfolio offering PV inverter solutions and ESS for utility-scale, commercial & industrial, and residential applications, as well as internationally recognized floating PV plant solutions, NEV driving solutions, EV charging solutions and renewable hydrogen production systems. With a strong 27-year track record in the PV space, Sungrow products power over 170+ countries worldwide. For more information about Sungrow, visit: www.sungrowpower.com.



An aerial rendering of a sustainable city. The scene features a large body of water in the foreground, with a city built on a peninsula. The city includes modern buildings, a large solar farm, and several wind turbines. In the background, there are mountains and a clear blue sky. The overall aesthetic is clean and futuristic, emphasizing renewable energy and green infrastructure.

SUNGROW
Clean power for all

SUNGROW USA CORPORATION
3200 Park Center Drive, Suite 850,
Costa Mesa, CA 92626

www.sungrowpower.com

BUILDING FOR THE GREATER GOOD

ENERGY STORAGE QUALIFICATIONS

Q1 2025



ENERGY STORAGE EXPERIENCE SUMMARY

From gigawatt-scale renewable energy generation and storage to commercial microgrids and more, we offer extensive expertise in designing and executing complex energy projects.

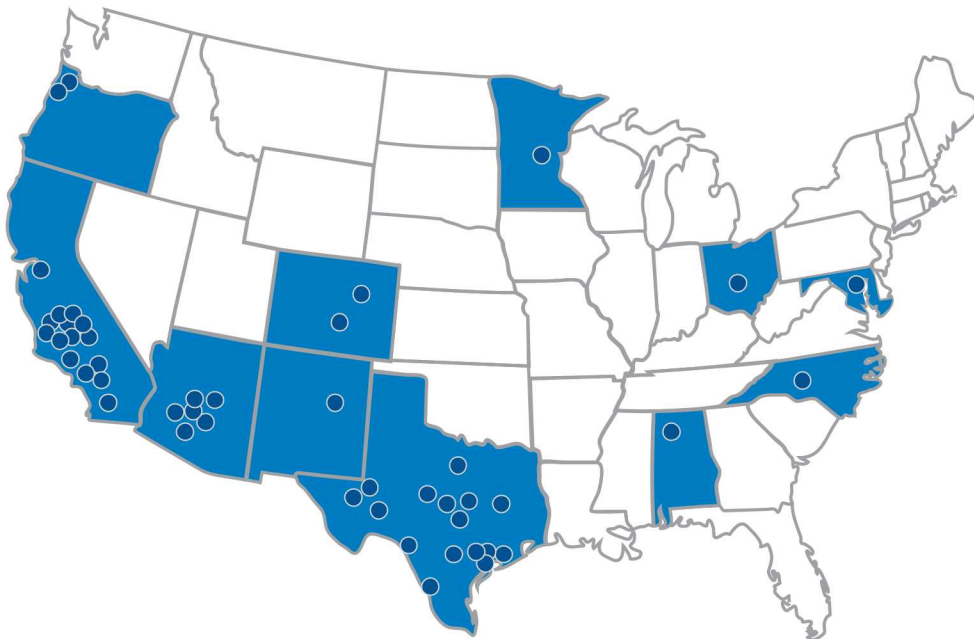
As one of the most experienced builders of energy storage systems, we are revolutionizing the energy landscape through our team's integrated solutions – constantly expanding the breadth of our EPC capabilities to lead the industry with efficient execution.

10
years

50+
projects

32+
gigawatt-
hours

#1
ENR
ranking



Status	# of Projects	Total MW	Total MWh
Completed	22	3,117	8,966
Under Construction	17	2,426	8,086
Under Contract	13	4,210	15,206
Totals	52	9,753	32,258

By Technology	# of Projects	Total MW	Total MWh
Tesla	7	2,165	8,660
BYD	11	2,350	9,071
Sungrow	11	2,265	6,200
Canadian Solar	2	300	800
LG	2	397	1,588
Powin	3	254	1,016
Fluence	1	500	2,000
Custom Enclosure	3	559	1,390
Other*	12	963	1,534
Total	52	9,753	32,258

In Texas	# of Projects	Total MW	Total MWh
Completed	6	790	1,030
Under Construction	7	1230	3,160
Under Contract	3	900	1,800
Totals	16	2,920	5,990

ENERGY STORAGE EXPERIENCE HIGHLIGHTS

NOVA POWER BANK | 2,720 MWh MENIFEE, CA



Mortenson was chosen as the EPC contractor for both the battery storage and substation scopes for Calpine Corporation's Nova Power Bank energy storage project.

The 680-megawatt project, one of the largest standalone projects in the country, is being built on the site of a decommissioned gas plant.

REVOLUTION ENERGY STORAGE | 300 MWh CRANE, TX



Mortenson was the EPC contractor for Spearmint Energy's 150 megawatt, 300 megawatt-hour battery energy storage project in West Texas.

Mortenson designed and built the battery storage facility, substation, and transmission line connecting the project to the Electric Reliability Council of Texas (ERCOT) grid.

EDWARDS & SANBORN | 3,287 MWh MOJAVE, CA



Terra-Gen, LLC selected Mortenson as the full EPC contractor for both the solar and energy storage scopes of the Edwards & Sanborn solar and energy storage project located in Kern County, California.

The project consists of 864 megawatts of solar and 3,287 megawatt-hours of energy storage. It is currently the largest operational solar and battery energy storage project in the US.

DECORDOVA ENERGY STORAGE | 260 MWh GRANBURY, TX



Vistra and Mortenson successfully completed the DeCordova Energy Storage Facility, bringing 260 MW/260 MWh battery energy storage to Texas. The facility is now operational, storing and distributing electricity to the grid across the region.

The project provides resiliency in Texas by being co-located on the Luminant (a subsidiary of Vistra) DeCordova gas power plant.

LET'S EXPAND THE UNIVERSE OF BIG IDEAS

Founded in 1954, Mortenson is a U.S.-based, family-owned construction and development services company. Over the last 70 years, Mortenson has grown to over 7,000 team members with project operations extending across 48 states and Canada. With revenues surpassing \$5.5 billion, Mortenson is recognized as the 27th largest construction firm in the United States, according to *Engineering News-Record* (ENR) rankings. Our financial position is exceptionally strong and is among the best in the construction industry.



FAMILY-OWNED FIRM

Founded by M. A. Mortenson, Sr.
Incorporated in Minnesota in 1954



REGIONAL OFFICE LOCATIONS

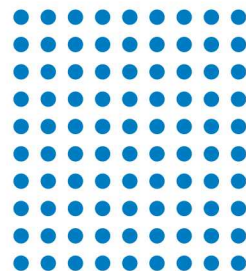
27TH TOP BUILDER IN THE UNITED STATES



ENR Top 400 Contractors every year since 1969



BEST WORKPLACE AWARDS
in the last 5 years across our offices



7,000+

TEAM MEMBERS
2,500 salaried team members

\$5.5 IN ANNUAL REVENUE



Nationwide O&M Services

Pearce Renewables is a forward-thinking organization committed to a clean energy future. With over a decade of experience managing utility-scale and DG projects, we are uniquely qualified to be the Operations and Maintenance service partner for your projects.

WHO WE ARE

Community, safety, and perpetual improvement are core values at Pearce Renewables. We employ local, thoroughly trained, and full-time employees with an unwavering focus on safety, quality and responsiveness. We incorporate the latest technologies and procedures, ensuring that our team has the tools, knowledge, and training to not only quickly and safely identify, communicate, and resolve issues, but also apply industry-best maintenance practices to maximize uptime and ROI.

WHY CHOOSE US

Nationwide Coverage

Pearce is the largest independent service provider in the renewables space in the country. We have full time technicians dedicated to your assets or that can be mobilized quickly nationwide to meet your needs

Single Point of Contact

Pearce provides dedicated Project Managers to keep your projects organized and on time wherever your project is we're just a phone call away.

Experience and Training = Quality, Reliability, and Consistency

With 500 SMEs, over 75-years of experience, and two fully staffed and equipped training centers Pearce has the experience and training chops to provide quality, value-added services to your portfolio of critical renewable assets.

Technology

Pearce's in-house designed CMMS platform, 'Insite', provides seamless ticket issuance, work completion, reporting and an asset service historian, that is stand-alone or can integrate a customer's own platform.

OUR SERVICES

Preventive Maintenance

- Visual inspections
- Scheduled repairs and replacements
- Calibrations
- Daily work reports and activity logs

Corrective Maintenance

- Fault diagnosis
- Repairs and replacements
- Calibration and testing
- System revalidation

ROC Monitoring

- 24/7 active monitoring of operations
- Remote diagnosis and self-dispatch
- Active power control, ramping, and curtailment
- Forecasting and reporting

NERC Services

- Registration as GOP
- Reporting and documentation
- Compliance monitoring and auditing
- Cybersecurity and physical security
- Training

Spare Parts Management

- Spare parts procurement and inventory management

Warranty Management

- Management of the warranty process
- Consultation with OEMs for repairs

Battery Energy Storage (BESS) 101

Battery Architecture

Li-Ion Cells



Li-Ion Module



Li-Ion Rack



Li-Ion Enclosure



Battery Energy Storage (BESS) 101

Battery Architecture

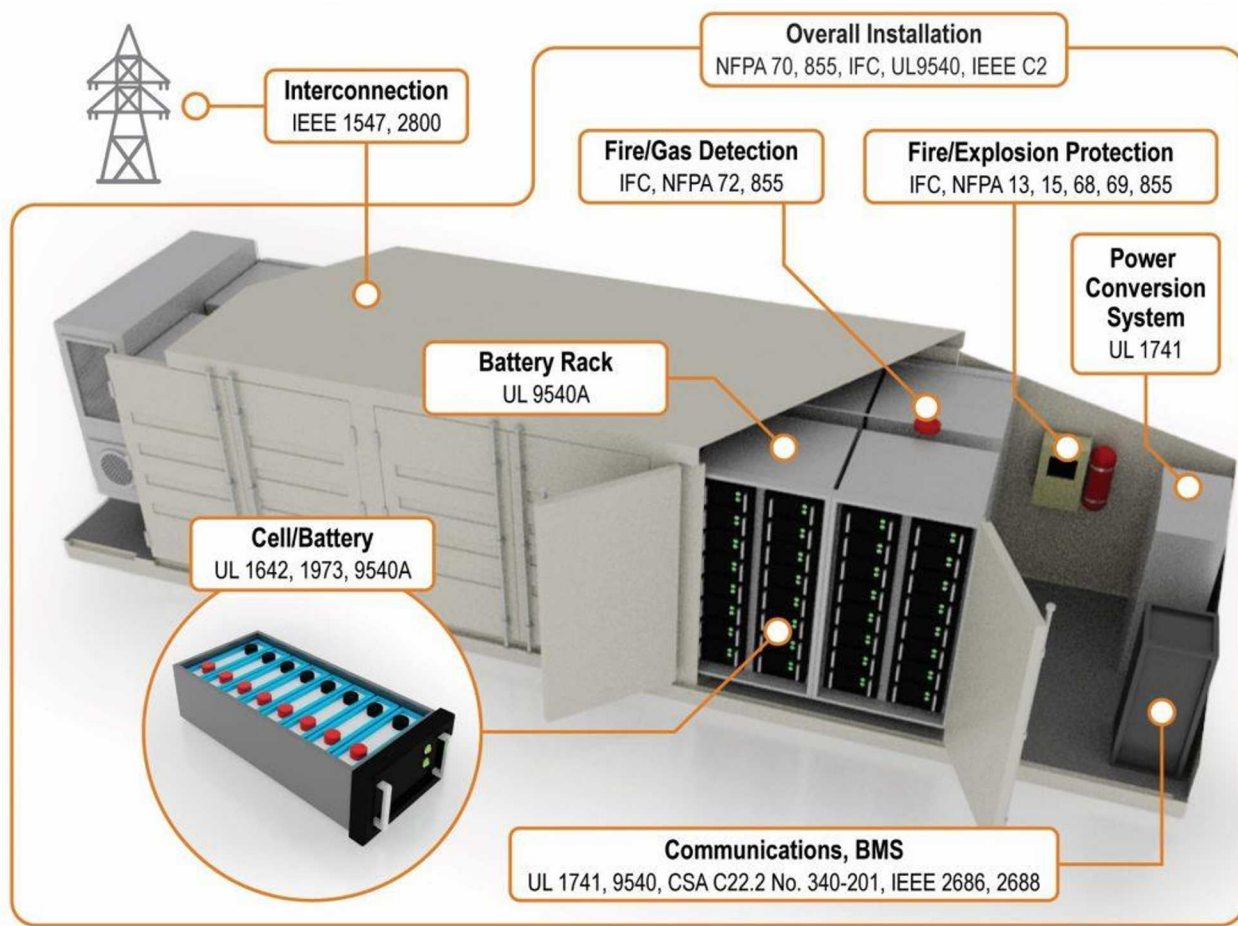
Li-Ion Enclosure



Safety is the #1 Priority

Highly regulated industry:

Energy storage technology has evolved rapidly over the last several years, and largely due to the level of regulatory pressure and lessons learned from previous generation of BESS



STANDARDS

IEEE: Institute of Electrical and Electronics Engineers

NFPA: National Fire Protection Association

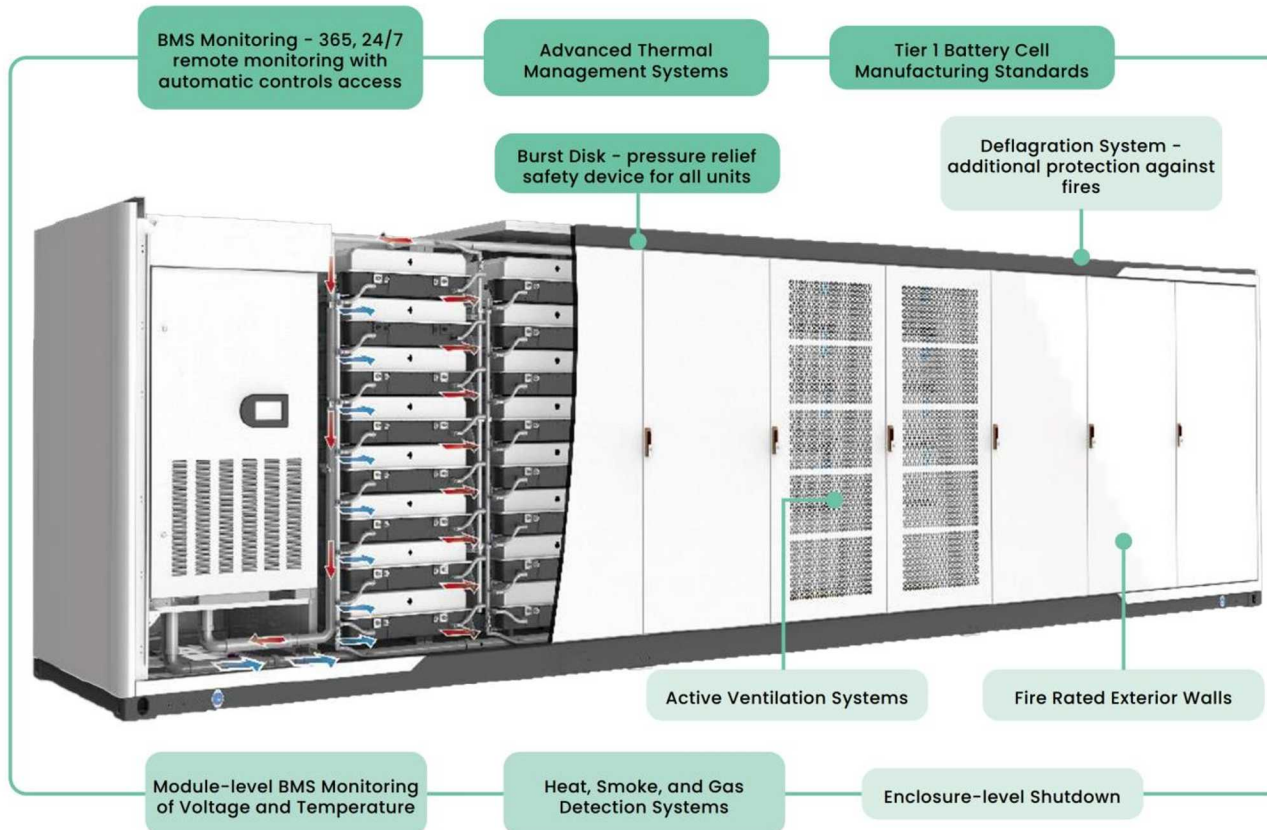
IFC: International Fire Code

UL: Underwriters Laboratories



Safety is the #1 Priority

Safety as a tiered approach: Prevention, Detection, Mitigation



PREVENTION

- Battery cell burst disk
- Tier 1 battery cell manufacturers
- Advanced thermal management systems
- Battery Management System (BMS) monitoring
- Compliance with latest applicable codes and standards

DETECTION

- Heat, smoke, and gas detection systems
- Voltage, current, and temperature monitoring.
- State-of-Charge and State-of-Health monitoring and assessment.
- Cell Balancing: maximizes overall performance and lifespan.
- Protection against overvoltage, overheating, etc.
- Thermal Management: activates cooling systems if necessary.
- Communication Systems provide real-time data and receive commands.

MITIGATION

- Deflagration system
- Fire rated exterior walls
- Enclosure level shut down
- Active ventilation systems
- Automatic shut down at the component level if an issue is identified.



LEGAL DESCRIPTION

DESCRIPTION OF A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9 OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS, SAID 38.653 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4 INCH IRON PIPE FOUND AT AN INTERIOR ELL CORNER OF SAID LOT 8, AND BEING AT THE NORTHWEST CORNER OF THAT CERTAIN CALLED 7.38 ACRE TRACT OF LAND CONVEYED TO TEXAS GULF COAST HOLDINGS I LP RECORDED IN DOC. NO. 2004020691, GALVESTON COUNTY OFFICIAL PUBLIC RECORDS ,

THENCE NORTH 80 DEGREES 20 MINUTES 24 SECONDS WEST, OVER AND ACROSS SAID LOT 8, A DISTANCE OF 356.00 FEET TO THE SOUTHWEST CORNER AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT;

THENCE OVER AND ACROSS SAID LOT 8 AND SAID LOT 9 FOR THE FOLLOWING COURSES AND DISTANCES:

NORTH 03 DEGREES 19 MINUTES 18 SECONDS WEST, A DISTANCE OF 836.79 FEET TO A POINT;

NORTH 86 DEGREES 40 MINUTES 24 SECONDS EAST, A DISTANCE OF 142.12 FEET TO A POINT:

NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET TO A POINT AT THE END OF SAID CURVE;

SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;

SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;

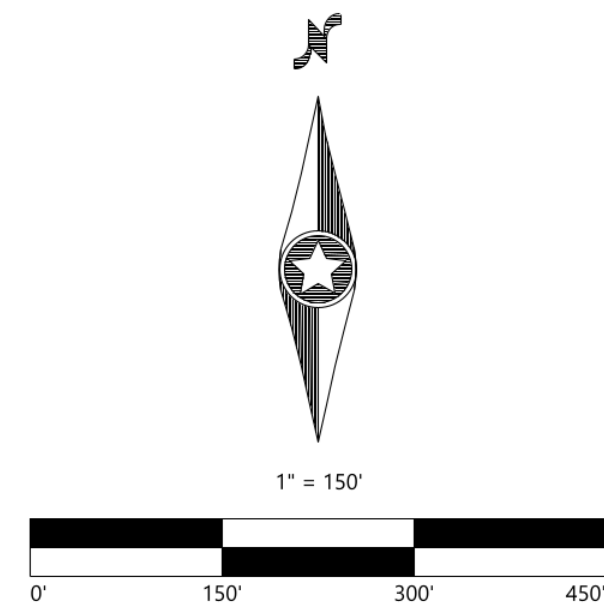
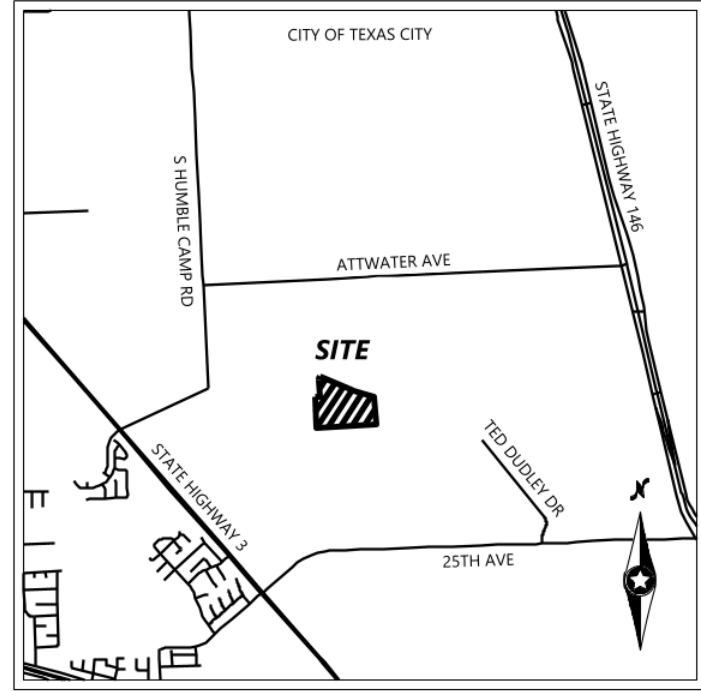
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;

SOUTH 03 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 747.55 FEET TO A POINT;

SOUTH 86 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 1616.59 TO THE POINT OF BEGINNING;

CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

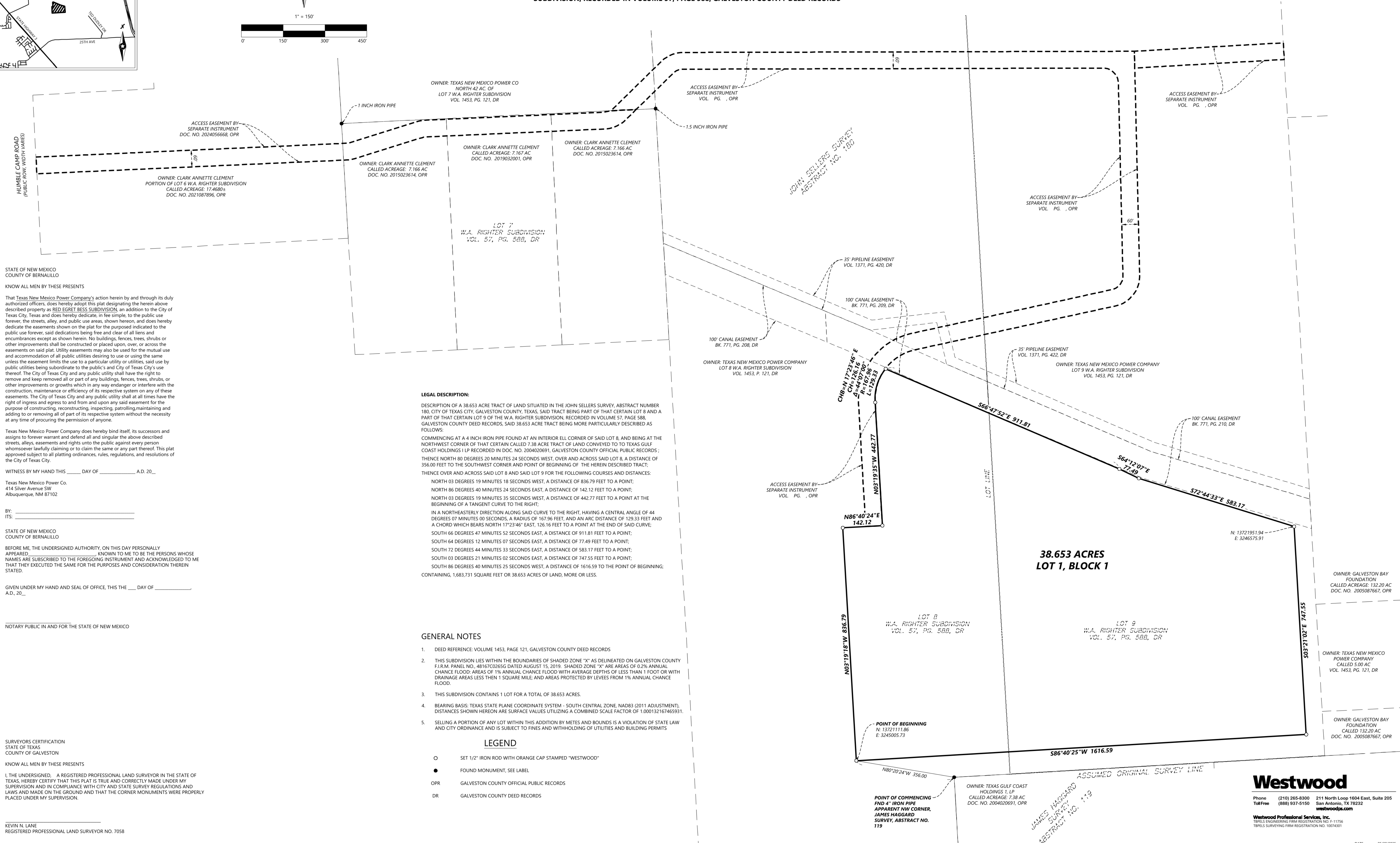
VICINITY MAP
(NOT TO SCALE)



FINAL PLAT
RED EGRET BESS SUBDIVISION

BEING A REPLAT OF A PORTION OF THE
W.A. RIGHTER SUBDIVISION
CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS

A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9, OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS



STATE OF NEW MEXICO
COUNTY OF BERNALILLO

KNOW ALL MEN BY THESE PRESENTS

That Texas New Mexico Power Company's action herein by and through its duly authorized officers, does hereby adopt this plat designating the herein above described property as RED EGRET BESS SUBDIVISION, an addition to the City of Texas City, Texas and does hereby dedicate, in fee simple, to the public use forever, the streets, alley, and public use areas, shown hereon, and does hereby dedicate the easements shown on the plat for the purposes indicated to the public use forever, said dedications being free and clear of all liens and encumbrances except as shown herein. No buildings, fences, trees, shrubs or other improvements shall be constructed or placed upon, over, or across the easements on said plat. Utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to a particular utility or utilities, said use by public utilities being subordinate to the public's and City of Texas City's use thereof. The City of Texas City and any public utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its respective system on any of these easements. The City of Texas City and any public utility shall at all times have the right of ingress and egress to and from and upon any said easement for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all of part of its respective system without the necessity at any time of procuring the permission of anyone.

Texas New Mexico Power Company does hereby bind itself, its successors and assigns to forever warrant and defend all and singular the above described streets, alleys, easements and rights unto the public against every person whosever lawfully claiming or to claim the same or any part thereof. This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Texas City.

WITNESS BY MY HAND THIS ____ DAY OF _____ A.D. 20__

Texas New Mexico Power Co.
414 Silver Avenue SW
Albuquerque, NM 87102

BY: _____

ITS: _____

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED _____, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS ____ DAY OF _____ A.D., 20__

NOTARY PUBLIC IN AND FOR THE STATE OF NEW MEXICO

SURVEYORS CERTIFICATION
STATE OF TEXAS
COUNTY OF GALVESTON

KNOW ALL MEN BY THESE PRESENTS

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE UNDER MY SUPERVISION AND IN COMPLIANCE WITH CITY AND STATE SURVEY REGULATIONS AND LAWS AND MADE ON THE GROUND AND THAT THE CORNER MONUMENTS WERE PROPERLY PLACED UNDER MY SUPERVISION.

KEVIN N. LANE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 7058

LEGAL DESCRIPTION:

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NORTH 03 DEGREES 19 MINUTES 18 SECONDS WEST, A DISTANCE OF 836.79 FEET TO A POINT;
NORTH 86 DEGREES 40 MINUTES 24 SECONDS EAST, A DISTANCE OF 142.12 FEET TO A POINT;
NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET AND A CHORD WHICH BEARS NORTH 17°23'46" EAST, 126.16 FEET TO A POINT AT THE END OF SAID CURVE;
SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;
SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;
SOUTH 03 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 747.55 FEET TO A POINT;
SOUTH 86 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 1616.59 TO THE POINT OF BEGINNING;

CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

GENERAL NOTES

- DEED REFERENCE: VOLUME 1453, PAGE 121, GALVESTON COUNTY DEED RECORDS
- THIS SUBDIVISION LIES WITHIN THE BOUNDARIES OF SHADED ZONE "X" AS DELINEATED ON GALVESTON COUNTY F.I.R.M. PANEL NO. 48167C0265G DATED AUGUST 15, 2019. SHADED ZONE "X" ARE AREAS OF 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THEN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD.
- THIS SUBDIVISION CONTAINS 1 LOT FOR A TOTAL OF 38.653 ACRES.
- BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM - SOUTH CENTRAL ZONE, NAD83 (2011 ADJUSTMENT), DISTANCES SHOWN HEREON ARE SURFACE VALUES UTILIZING A COMBINED SCALE FACTOR OF 1.000132167465931.
- SELLING A PORTION OF ANY LOT WITHIN THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF STATE LAW AND CITY ORDINANCE AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS

LEGEND

- SET 1/2" IRON ROD WITH ORANGE CAP STAMPED "WESTWOOD"
- FOUND MONUMENT, SEE LABEL
- OPR GALVESTON COUNTY OFFICIAL PUBLIC RECORDS
- DR GALVESTON COUNTY DEED RECORDS

38.653 ACRES
LOT 1, BLOCK 1

Westwood

Phone (210) 285-8300 211 North Loop 1604 East, Suite 205
TollFree (888) 937-5150 San Antonio, TX 78232
westwood.com

Westwood Professional Services, Inc.
TPELS ENGINEERING FIRM REGISTRATION NO. F-11756
TPELS SURVEYING FIRM REGISTRATION NO. 10074301

STAFF REPORT

TO: Planning Board

FROM: Kim Golden, P.E., City Engineer



CC: Doug Kneupper, P.E., Consulting Engineer

DATE: June 28, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights.

Requested action: The applicant, Red Egret, LLC, has two applications presented for Planning Board action:

- (i) Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.
- (ii) Development Plan (Site Plan) for the District "S-P" rezoning of the proposed BESS installation.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT "H" (HEAVY INDUSTRIAL) TO DISTRICT "S-P" (SITE PLAN): The application is being processed as a District "S-P" (Site Plan) rezoning consistent with Section

"the place where COMMUNITY MATTERS"

160.051(A)(1)(f) provide for the development of specific uses which are not normally found in zoning districts, and (h) provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community. The District "S-P" process also provides some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

DEVELOPMENT PLAN (Site Plan): The project will start with 149 individual battery containers for the designed 300 MW, 600 MWh two-hour capacity at the site. The project will be augmented with more containers over the life of the project to maintain the design capacity as the battery units age and decrease in charging capacity. The two-hour designation is in reference to the time to fully charge and fully discharge under standardized conditions. The applicant estimates the fully charged capacity of the project equates to powering an estimated 200,000 homes for up to a 2-hour duration. The stated aim of the project is to reduce grid volatility, increase system resiliency and help minimize carbon emissions in a responsible and efficient way.

This proposed BESS installation is approximately 50% larger in battery capacity than the largest previously approved BESS installation in Texas City which is the Southern Select Energy project at 701 Hwy 146 at 205 MW and 410 MWh with 106 containers. The site is also approximately 5 times as large as the Southern Select Energy project which was 6.29 acres with 5.71 acres in use for batteries. The two projects previously approved before the Southern Select Energy project were 0.48 acres and 1.5 acres respectively with fewer than 10 containers at each site.

Existing site – The existing site is vacant, wooded, and landlocked with no access by public street, no frontage on a public street and no access to public water or sewer services.

Proposed Site Improvements – The site improvements will include a 20ft concrete perimeter fire lane with access to all containers and two points of access approved by the Fire Marshal. Proposed container spacing is the 15ft spacing required by the Fire Marshal and the local amendments to the 2024 International Fire Code.

Water and Sewer – The site improvements will NOT include water or sewer service. Applicant represents the site will be un-manned with **no office or restroom facilities provided on site.**

Offsite Access and Improvements - The applicant proposes to access the site via private access easement agreements with no public access to the Project. Paved access drive and fire lanes to be

designed as 25ft. The City standard in Chapter 159 is 30ft wide concrete street with curb and gutter in a 60ft publicly dedicated right of way. The private access easement is shown as 60ft on the detailed site plan. **Any recommendation to approve the applications should be conditioned upon the easements being in form satisfactory to the City Attorney and City Engineer.**

Construction related damage and maintenance of S. Humble Camp Rd. - Site preparation will require a significant amount of heavy traffic transporting dirt which is likely to damage S. Humble Camp Rd., which is not built for heavy loading. Alternate access is not available through Attwater Ave., which also has limited load carrying capacity due to the existence of several pipeline crossings. It is recommended that consistent with prior practice the Applicant provide a maintenance bond for repairs to maintain access during construction and then either restore or pay for restoration of the roadway to pre-construction conditions. The Applicant has indicated support for this concept with details to be worked out in coordination with Public Works consistent with prior practice. **Staff recommend any recommendation to approve the applications be conditioned upon the Applicant providing a bond to maintain access during construction and be responsible for the cost of any repairs needed to restore the roads to pre-construction conditions after construction of the project is complete.**

Drainage – The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Security fencing - Proposed security fencing is not yet compliant with the standards applied to the previously approved projects which had masonry walls and at least 15% improved landscaping. Proposed fencing is chain link with plastic inserts, which Applicant cites as the existing fencing at TNMP substations. However, for reasons of security and weather resilience TNMP is replacing the chain link fencing at existing substations with masonry walls and is building masonry walls at all new substations. **Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall and/or a decorative metal fence with masonry columns which has been deemed an acceptable alternative to the full masonry screening wall in some applications.** The Applicant advised it is committed to working with the City to reach a solution that meets the City's needs and concerns, but requires additional time to review the engineering, design and feasibility of a masonry wall. The Applicant advises a final commitment on a screening wall can be presented for review and recommendation before presentation to the Zoning Commission.

Landscaping - Proposed site improvements do not include any landscaping improvements. The applicant maintains the existing foliage of the site supports an exception for the landscaping requirement citing the comparability standard embedded in Section 160.051(D)(12). The Applicant proposes instead to **defer the installation of landscaping until the City approves and permits residential development on adjacent properties and provided such development is actually installed within 500 feet of the property line.** This deferral is consistent with the provisions recommended in the proposed BESS ordinance and recommended by staff.

Fire Protection – The site does not have access to a public water supply. The nearest water main is 8,000ft from the site, would require boring under Moses Bayou and would need to be looped to

provide the required pressure and flow for fire protection. Although current best practices would not use water for fire suppression of BESS fires, other events may occur at occupied facilities such as work injuries, vehicle fires, grass or vegetation fires, or other events that would need access to water for fire suppression. The applicant has coordinated with the Fire Marshal and amended **the site plan to add three (3) 30,000-gallon water tanks with alarms and enunciator to alert when water volume is below 75% capacity**. Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

On site Access - The applicant proposes two gated access points to the BESS area. Primary access gate on the west side of the BESS and secondary access gate on the east side of the BESS. The primary and secondary access points will be separated by more than 800ft, with another 500ft from the nearest intersection point. The access point locations have been reviewed and coordinated with the Fire Marshal and Texas City emergency response officials. The NFPA requires a separation of 100ft from exposures.

Adjacent Properties – The site is adjacent to the GCWA canal which supplies the Texas City reservoir and the Thomas Mackay Water Treatment Plant. Access to the site will require a crossing agreement from GCWA to use an existing crossing of the canal. Applicant indicates initial contacts with the GCWA presented no initial concerns and a willingness of the agency to work with the Applicant. All other adjacent properties are vacant. The applicant indicates the nearest occupied structure is 2,000ft from the site.

Flood Plain/Coastal Environment – The site is not located in a designated flood plain (Special Flood Hazard Area). It is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

The coastal environment (additional atmospheric corrosivity) is accounted for by the BESS enclosures having NEMA 3R ratings and by having all of the BESS enclosures specified with “C5” Marine Coating on the exterior to mitigate any type of external corrosion of the enclosures from the salt spray or corrosive atmosphere. A NEMA rating is the numeric standard created by the National Electrical Manufacturers Association (NEMA) to indicate the level of protection for electrical and electronic enclosures. NEMA 3R is the standard enclosure rating for outdoor equipment which needs to be protected in an outdoor environment.

Battery Chemistry and Manufacturer – The applicant states an intent to use the Sungrow PowerTitan 2.0 system for the Project. The Battery Management System (BMS) is included in the PowerTitan 2.0 system from Sungrow. The Project will also employ an Energy Management System (EMS) provided by Indie Energy, Inc.

The BMS is the brain of the BESS enclosures, focusing on monitoring, protecting, and optimizing battery performance. It continuously tracks essential parameters such as voltage, current, temperature, and state of charge ensuring the batteries operate within safe limits. The EMS oversees the entire BESS facility as the operational brain. It coordinates the interaction between the BESS and the power grid and acts as the master controller responsible for the overall coordination and control of the subsystems. It provides visibility into the BMS data for all units. Ultimately, the EMS ensures that the BESS operates safely and in compliance with grid requirements.

Applicant's Experience/Company History – **Red Egret LLC**, is a subsidiary of Spearmint Energy (Spearmint Renewable Development Company, LLC) and is the intended developer, owner and operator of the Red Egret BESS project at the Attwater location. Both Spearmint Energy and Red Egret LLC were formed in November 2022 in Delaware. Spearmint Energy headquarters are located in Miami, FL with a second office in Eden Prairie, MN where the Chief Development Officer and many development and operations staff are located. Spearmint Energy is a rapidly growing company with over 80 employees as of July 1, 2025. The Spearmint Energy team is identified as having a strong history of developing energy generation and storage projects with a total of 15,000MW of installed capacity.

Notwithstanding the individual qualifications of its leadership and staff, Spearmint Energy owns and operates one project which is half the size of the proposed Red Egret Attwater project in Crane County, TX. It has 20 other projects in 10 states under development with two of those currently being in construction in Texas. **Mortenson** has been selected as the engineering and construction partner responsible for project design and construction of the Red Egret Attwater project. Mortenson has been the EPC contractor for all of Spearmint's projects and is represented by Applicant as being one of the largest BESS Engineering, Procurement and Construction contractors in the United States, having completed more than 35 BESS projects with over 12 GW combined capacity. It is ranked #1 in the BESS category by Engineering News-Record. **Pearce Renewables** is operator of the Crane County project and is the expected Operations and Maintenance (O&M) provider for the Red Egret Project and the other projects Spearmint Energy has in development. Pearce Renewables is represented by Applicant as being the largest independent services provider in the United States with a total O&M capacity of 4.5GW with includes 8,600MWh of operating energy storage projects. It is a large organization with 500 subject matter experts available as resources and has two fully staffed and equipped training centers.

Commissioning and Decommissioning - Applicant affirms testing, inspections, and commissioning will occur at periods during construction and upon completion of the construction period. During operations, there will be one (1) full-time technician dedicated to the Red Egret BESS Project. At the end of commercial operations, Red Egret will be responsible for removing all BESS components and associated facilities. In collaboration with Texas City a detailed Decommissioning Plan will be provided prior to the application for Building Permits. The plan will include a proposed financial security in a form agreeable to Texas City, to provide sufficient resources to cover the cost of decommissioning in the event the Project does not meet its decommissioning obligations. Applicant agrees to provide the necessary security prior to the issuance of a Certificate of Occupancy or other authorization to operate the facility. This condition is consistent with the provisions recommended in the BESS ordinance and recommended by staff.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the following conditions being memorialized in a development agreement, staff have no objection to approval of the proposed site plan and the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan):

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

PLANNING BOARD MINUTES
July 7, 2025

The Planning Board of the City of Texas City met in a regular meeting on Monday, July 7, 2025, at 5:00 p.m. Staff members present: Ms. Kimberly Golden, P.E. (City Engineer, Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician) and Caroline Luke (Administrative Assistant). Guests were: Megan Van De Pitte (Mastec Communications Group), Maria Valenzuela (AT&T), Nick Coil (Spearmint Energy), Amanda Latkany (Spearmint Energy), Terry Lee (KAOH Media), Erin Knesek (SPI Engineering), Eric Joseph (Del Papa Distributing), and Felix Herrera (Awesome Auto Accessories).

Chairman Dickey Campbell indicated a quorum was present and called the meeting to order.

(1) ROLL CALL

The following members answered roll call: Commissioner Jami Clark, Co-Chairman Perry O'Brien, Chairman Dickey Campbell and Commissioner Thelma Bowie.

* * * * *

(4) REGULAR AGENDA

- a. Consider and make recommendation to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue.

Ms. Kimberly Golden introduced the project and noted the location for the project as a vacant site north of Moses Bayou. She reminded the Planning Board this was a different location from the previously considered application for a site at SH3 and 25th Ave N which the Planning Board had declined to recommend about two years previously.

The significant challenge for location is there is no access to public water. Even though using water is not recommended for fighting fire at a BESS location, a site which is occupied or used by humans needs to have access to water for public safety reasons. The Applicant has coordinated with the Fire Marshal and revised its proposed site plan to add three (3) 30,000-gallon water tanks with alarms and enunciators to alert when water volume is below 75% capacity. The Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. The Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

Another issue of concern is the project site being remote from any other development and landlocked with no access to municipal water or sewer. The Applicant proposes to provide a very long private access easement to be obtained from three (3) property owners, the longest part of the easement being granted by TNMP. The site is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the area around the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

Nicholas Coil, Spearmint Energy, added that access easement is made possible by two (2) property owners in front of the site.

Ms. Golden stated staff's concern about construction traffic on Humble Camp Road. Because the road as existing is not intended for heavy construction loads, the development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Attwater Avenue is in poor condition and is also not built for heavy traffic. There are pipelines present that prevent the construction of a heavy-duty road. The post-construction restoration of damages caused to Attwater Avenue by the heavy construction vehicles should also be in the development agreement. Ms. Golden believes there will be minimal issues in this agreement process because the developer has been willing to negotiate thus far, and it is a process familiar to Public Works which has made similar agreements with other developers and contractors.

The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Ms. Golden regarded the composition of the security fence. Security fencing should be masonry but doesn't necessarily have to be as nice as a brick fence. Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall. Landscaping requirements can be deferred in the development agreement until the surrounding area develops eventually and probably as residential.

The site is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

Red Egret LLC is a startup company started in 2022 and is a subsidiary of Spearmint Energy. Although it is a startup company, it is an experienced team of individuals creating a new company. The developer is also proposing a project team of experienced companies. Mortenson will be the engineering, procurement and construction contractor, with Pearson Renewables as the proposed Operations and Maintenance (O&M) provider for the Red Egret Project. These are recognized as experienced providers in the industry.

Ms. Golden added that when dealing with a startup company, the soundness of the financial security posted for performance is very important and will be addressed during the building permitting process.

Staff are recommending the six conditions listed in the staff report as conditions for the approval of the site plan to be memorialized in the development agreement.

Commissioner Jami Clark stated that there was obviously a lot of work put into this project.

Chairman Campbell had questions about the financial security of the city in this situation and BESS as a whole. Ms. Golden replied that the security would be discussed and decided upon between BESS and City of Texas City.

Chairman Campbell asked about the BESS ordinance and the financial security aspect and wanted to know whether the securities would be bonds or deposits. Ms. Golden responded that the type of security will be sorted out through the permitting process. The development agreement will have the same language as the ordinance which allows the form of security to be worked out

with the City on a case-by-case basis in a form that is acceptable to the City Attorney, City Engineer and Mayor.

Chairman Campbell stated there will be two security provisions tied to two different pieces of the puzzle. How does this comply with the new BESS ordinance now that the first reading has been completed? Was it included in the current ordinance or will revisions be made to include them.

Ms. Golden replied that the security provisions in the development agreement will be the same as in the proposed ordinance. There are two things in the proposed BESS ordinance which will not apply to this project because the ordinance has not yet been adopted. First is the required application fee of \$5,000.00 for BESS applications. Currently, BESS applicants are just paying the normal zoning fee of \$300/\$350. Also, the ordinance as introduced makes provision for a payment in lieu of taxes if the appraised value of the property ever goes below the average value of commercial property in Texas City. This provision established a floor for the valuation of the property. There is also a reimbursement agreement that the proposed ordinance will require the application which will be applied to this project as part of the building permitting process. The reimbursement agreement will reimburse the city for its cost to have a third-party expert review the applications, but anything paid to reimburse for the 3rd party will be applied as a credit on the building permitting fee. The purpose of the reimbursement agreement is to be sure the City is not caught with unreimbursed out of pocket expenses if for any reason the project does not receive a building permit.

Chairman Campbell spoke about the potential of depreciation to negatively impact the school district. State comptroller gauges a value; local CAD has to be between 97 to 103 percent of the state comptroller value or the school district gets penalized. He then asked if Ms. Golden was saying that the new proposed ordinances for BESS will contain a multiplier to offset any penalty.

Ms. Golden replied, yes, the provision for a payment in lieu of taxes is in the proposed ordinance but will not apply to this project because the new ordinance has not yet been approved.

Chairman Campbell asked how close the project site is to the Kohfeldt tract. Ms. Golden replied the project lies north of Moses Bayou and most of the Kohfeldt tract is located south of Moses Bayou, although there is a small part of one parcel which is north of the bayou.

Chairman Campbell noted this would be a zoning recommendation. Ms. Golden reminded him that they are also considering a site plan in Item 4d to approve as a basis for the rezoning.

Chairman Campbell commented that this BESS project is certainly in a better location than the previous application.

A motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to recommend to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 2) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**

- 3) **Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 4) **Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.**
- 5) **Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

All other members present voted aye. Motion carried 4-0.

- b. **Consider and take action on the Development Plan/Site Plan for Red Egret, LLC to construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.**

After discussion of Agenda Item 4a, a motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to approve the Development Plan/Site Plan for Red Egret, LLC construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.

All other members present voted aye. Motion carried 4-0.

END OF EXCERPT

ZONING COMMISSION

JULY 15, 2025

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, July 15, 2025, at 5:00 p.m. Zoning Commission members present were: Chairman Perry O'Brien, Commissioner Thelma Bowie, Member Bruce Clawson, and Alternate David Zacherl. Staff members present were: Kim Golden (Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician), Jason Brown (Fire Marshal), Joe Tumbleson (Emergency Management), and Caroline Luke (Administrative Assistant). Guests were: Amber Zuhlke, Amanda Latkany, Felix Herrera, Nick Coil, and Henry Gomez.

Chairman Perry O'Brien indicated a quorum was present and called the meeting to order.

1) ROLL CALL

The following members answered roll call: Chairman Perry O'Brien, Commissioner Thelma Bowie, Alternate David Zacherl, and Member Bruce Clawson.

2) APPROVAL OF MINUTES

A motion to approve the minutes of March 25, 2025, was made by Chairman Perry O'Brien/ Member Bruce Clawson. All other members present voted aye.

3) PUBLIC COMMENTS

There were no public comments.

4) PUBLIC HEARING

- a. Red Egret LLC seeks to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for construct and operate a proposed Battery Energy Storage System (BESS).**

Ms. Kimberly Golden stated the Applicant, Red Egret, LLC has requested to rezone the property at P6911 Attwater Avenue from District "H" (Heavy Industrial), and the application was to change the zoning to District "S-P" (Site Plan) to allow the development and operation of a battery energy storage system (BESS).

Ms. Kimberly Golden acknowledged Fire Marshal Jason Brown and Emergency Manager Joe Tumbleson and said they were in attendance to answer any questions about the project.

This is the largest BESS Texas City has considered so far. The property is land-locked, has no public access by road, is not served by city water or sewer, but has proximity to

a TNMP electrical substation. The area around the proposed site will eventually be developed residential. To address the unique condition of the property, six conditions were developed as part of a proposed development agreement between the Applicant and the city.

Ms. Golden gave a recap of the six conditions that have been negotiated between the city and the applicant to address concerns. The conditions are that (1) Red Egret will be required to post sufficient financial security for Texas City during commissioning and in the event of decommissioning/ (2) There will be three 30,000 gallon water tanks that were approved by Fire Marshal installed on site. Red Egret will connect to city water if it ever extends to the area; (3) When development extends to neighboring properties, landscaping and platting requirements which have been deferred will come into effect and be satisfied by the project; (4) Red Egret LLC will provide 25ft paved access through a private easement to ensure access for emergency vehicles; (5) the BESS installation will also be enclosed by a masonry fence to provide security for the batteries and deter unauthorized entry. Ms. Golden informed the board that an updated development plan has been submitted to reflect the change of the fence from chain-link to masonry.

Ms. Golden explained the final condition of the development agreement concerns the potential damage done to streets impacted by construction. After construction has been completed, Red Egret LLC will be responsible for paying to return the impacted roads to their pre-construction condition.

All these conditions will be memorialized in a development agreement that will be presented to City Commission as a condition for zoning approval.

Ms. Golden informs the board that Red Egret representatives are present in the meeting. Notices of hearing were sent to adjacent property owners, but no one responded with comments or opposition.

Mr. Nick Coil, a BESS representative, spoke about the process of addressing the city's concerns and expressed gratitude for making it this far in the process. He then asked if any of the board members had questions for him.

Member Bruce Clawson asked Mr. Coil about the ability of the soil to support construction weight. Mr. Coil said there have been geotechnical surveys completed to assess the quality of the subsoil. Red Egret LLC plans to bring in 4-7 feet of gravel fill to build up the site to meet elevation requirements. The battery enclosures will also be built across metal beams to distribute the weight evenly across the ground's surface. Mr. Coil said he would take note of these concerns and address them with engineers.

Member Clawson then inquired as to why there are water tanks if water is not used to put out these potential battery fires. Fire Marshal Jason Brown said the water tanks are

to protect other assets on the property. If anything else catches fire, emergency response personnel will need water access.

Member Clawson voiced concerns about the site being so close to the water canal. Is there any way to make sure you're as far as possible from the canal with anything that might harm the water supply? Mr. Coil said there are two options for the detention basin and there is nothing in the batteries that would leech into soil and damage the water system. Member Clawson reinforced to Mr. Coil that this is where the city gets its water. Mr. Coil further reassured Member Clawson by saying that Red Egret LLC has been collaborating with the water authority and drainage district to ensure that the development plans do not pose a threat to the water systems. The slope of the development site accommodates stormwater runoff not draining into the water canal. Even if the site flooded, there wouldn't be any liquid from the batteries that would contaminate the water canal.

Ms. Golden informed Member Clawson that Red Egret LLC would have to get a permit from the Gulf Coast Water Authority to use the existing canal crossing to access the site. If the Authority had any issues whatsoever with Red Egret LLC using the crossing, they wouldn't be able to get the crossing permit.

There were no further questions to which a motion was made by Alternate David Zacherl/Member Bruce Clawson to close the Public Hearing. All other members voted aye.

5) PRELIMINARY ZONING APPROVAL

- a. Consider and take action on a Zoning Change Request from Red Egret, LLC to rezone property from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a Battery Electric Storage System (BESS) utilizing lithium-ion battery technology. Located at P6911 Attwater Avenue, Texas City, TX 77590 - south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Road and west of property owned by the Galveston Bay Area Foundation.**

Ms. Golden informed the Zoning Commission that the Development Plan was approved by the Planning Board last week. Staff recommended approval of the development plan to the Planning Board and she is now recommending it to the Zoning Commission. There are no objections to the rezoning based on the conditions that were outlined during the open public hearing and will be memorialized in a development agreement. All safety agreements will be sorted out when Red Egret LLC begins the permitting process.

Chairman Perry O'Brien made a note that there is a discrepancy in the name being used for the substation. TNMP refers to it as the Freeway Park Substation instead of

the Freeway Substation as referenced in the staff report. Ms. Golden took note of this comment and advised corrections would be made in the report to the City Commission.

A motion was made by Alternate David Zacherl/Chairman Perry O'Brien to approve the zoning change request from Red Egret LLC to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.**
- 2) Installation of three (3) 30,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 5) Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process.**
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

There were no further questions, all members voted Aye.

(9) ADJOURNMENT

A motion was made by Member Bruce Clawson/Alternate David Zacherl to adjourn. All members present voted aye.

Kimberly Golden, Secretary

Date

Minutes approved by the Zoning Commission at its meeting on

_____.

DRAFT

CITY COMMISSION REGULAR MTG

(6) (b)

Meeting Date: 08/06/2025

Consider and take action on request for an extension of time to Preliminary Zoning Approval for Lakeside Bayou Subdivision.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Applicant requests an extension of time from May 6, 2026, until August 18, 2026, on the preliminary zoning approval to complete the processes of bidding, financing, and starting construction of the infrastructure improvements for Phase I of the Lakeside Bayou Subdivision. This extension is necessary to sync up with a time extension being requested from the City Commission for the reservation of utility capacity in the Utility Services Agreement with GCMUD 53.

BACKGROUND (Brief Summary)

On August 18, 2021, the City Commission held a public hearing upon advertised notice and at thereafter voted to give preliminary zoning approval to the request by 418 Southlake LTD to rezone from "A" (Single Family Residential) to "I" (Planned Unit Development) approximately 438 acres of undeveloped land located north of FM517, south of FM 646 and west of FM 3436. Planning Board reviewed and recommended the master plan and development agreement for approval at its meeting on June 21, 2021, and the Zoning Commission held a public hearing and recommended approval of the zoning change at its meeting on July 20, 2021.

In 2022, the developer requested and received a 12-month extension to the preliminary zoning approval, which was effective through August 18, 2023. In 2023, the developer requested a second extension of time, which was effective through August 18, 2024. On November 6, 2023 received final plat approval for Sections 1, 3, and 4, which constitute all of Phase I. The final plat approvals are effective for thirty months and extended the viability of the preliminary zoning approval until May 6, 2026.

Contemporaneously with this request for extension of time of the Preliminary Zoning Approval, the Developer is requesting an extension of time to the Utility Services Agreement. The purpose of this extension of time for the preliminary zoning approval is to sync up with the extension of time to the Utility Services Agreement. The extension will prompt the efficient administration of the subdivision development.

RECOMMENDATION

Upon review, staff recommends approval of the extension of time to the preliminary zoning approval of the Lakdeside Bayou Subdivision from District A (Single Family Residential) to District I (Planned Unit Development) from May 6, 2026 to August 18, 2026. The request for extension is timely because the preliminary zoning approval has not yet expired. The extension appears warranted because the project is large and complex, and Applicant has diligently continued its development activities and remained in satisfactory contact with city staff. No significant changes have occurred which warrant a reconsideration of any of the infrastructure development. The terms and conditions of the approved PUD remain compliant with current city planning and development policies.

The Planning Board considered the third request for extension of time at its meeting on July 21, 2025, and recommends approval of the extension based upon the justification provided by the applicant.

Fiscal Impact

Attachments

Approved PUD

PUD Exhibits

Approved Master Plan

**SOUTHLAKE
PLANNED UNIT DEVELOPMENT**

+ 438.3 Acres

**Prepared For:
418 Southlake, LTD.**

PREPARED BY:

META
PLANNING + DESIGN

24275 Katy Freeway, Suite 200
Katy, TX 77494

APPROVED: XXXXX, 2021

TABLE OF CONTENTS

1.	INTRODUCTION	3
2.	PROJECT DESCRIPTION	3
	Project Overview	3
	Existing Conditions	3
	Area Mobility	4
3.	ROADWAYS & CIRCULATION	4
	Neighborhood Collector	4
	Local Streets	4
	Development Agreement	4
	Director Qualifying Lots	5
4.	PROPOSED LAND USE	5
	Table 1: Composition of Land Usage	5
	Open Space/Parkland	6
	Land Uses	6
	Table 2: Land use Zones – Area Calculations	6
	Zoning	7
	Proposed Zoning	7
	Residential	7
	Commercial	7
5.	Utilities	7
	Water & Wastewater	7
	Detention	7
	Storm Drainage	7
	Flood Levels & Potential Flooding	7
6.	Exhibits	
	A. Area Map	
	B. Conceptual Land Plan	
	C. Parks & Open Space Plan	
	D. Parks & Open Space Character	

1. INTRODUCTION

Purpose

This application has been prepared on behalf of 418 Southlake, LTD., pursuant to the City of Texas City's ordinances related to a Planned Unit Development (PUD). The purpose of the PUD is to encourage flexibility in the development of land, promote the most appropriate uses, and encourage a cohesive development. This PUD will establish development regulations and standards that will ensure a quality development, consistent with the intent of the Texas City Subdivision and Zoning Ordinances.

2. PROJECT DESCRIPTION

Project Overview

Southlake is a ± 438.3 acre Master Planned Community within the City of Texas City, between FM 646 and FM 517 and west of FM 3436. The development will create a unique neighborhood with a strong sense of community. Southlake will boast serene views and ample recreational opportunity for residents with a large lake developed in the southwestern portion of the property along with various parks within the community. The project will be largely composed of residential development along with commercial sites fronting FM 517 and FM 3436 to provide an opportunity for neighborhood retail developments and/or similar commercial uses. This PUD will establish a comprehensive overview of the intended development of the project, including the necessary roadways, drainage and storm water detention improvements. These elements all work together to ensure harmonization of the functional needs of the community (storm water detention along with pedestrian and vehicular circulation) with neighborhood amenities (lakes, trails, parks, community gathering areas) and transportation opportunities (trails and roadways) for residents.

Existing Conditions

As previously addressed, Southlake is located north of FM 517, south of FM 646 and west of FM 3436. Gum Bayou (an extension of the Dickinson Bayou) runs along the southwestern boundary of the property and creates a natural buffer from the existing and future development of neighboring tracts. See Location Plan Exhibit A

A CenterPoint Energy Easement runs east/west along the northern boundary of the site, but no other significant utility corridors traverse the site.

With the exception of Kranz Jr High School on FM 3436 and limited commercial uses along FM 646, the majority of the land immediately surrounding the project is either residential or undeveloped. Therefore, the proposed development is compatible with the surrounding land uses.

Area Mobility

FM 646 and FM 517 provide east/west circulation to the area around Southlake, while FM 3436 provides north/south circulation.

In addition to the surrounding thoroughfares, a neighborhood collector road will be developed within the property to provide circulation in and through the development. The neighborhood collector will connect from FM 646 to FM 3436 as seen on the Southlake Conceptual Land Plan attached as Exhibit B. This road will be built in phases as the project develops over several years.

3. ROADWAYS & CIRCULATION

A Traffic Impact Analysis has been completed and approved by City of Texas City and Texas Department of Transportation for Southlake. This analysis takes into account the traffic generated from the project on the surrounding roadways based on the circulation shown in the Conceptual Land Plan, Exhibit B.

Neighborhood Collector

A Neighborhood Collector road will extend from FM 646 in the north to FM 3436 along the eastern boundary. This will be a 70' wide right of way with a 37' paving section, and either a 4' wide sidewalk on both sides of the roadway, or an 8' wide multi-use path on one side of the roadway. This roadway will be built in two phases with initial access from FM 646. No single-family residential lot will access directly from this roadway. Block lengths do not apply to the Neighborhood Collector. This Neighborhood Collector will be dedicated to the City of Texas City.

Where homes are adjacent to the Neighborhood Collector, they will have a masonry fence.

Local Streets

There will be Local Streets that are internal roadways providing access to residential lots. Local Streets will have a 60' right of way with a 37' paving section. Sidewalks shall be installed by the homebuilder at the time each home is constructed. Block lengths will not be less than 300' or more than 1,200 feet. Local Streets will be dedicated to Texas City.

Within the Local Streets there may be cul de sacs. Cul de sac streets in excess of 600' in length will be limited to local traffic only and limited to a maximum of 30 lots.

Development Agreement

It is acknowledged that the land within the PUD is subject to an existing Development Agreement dated March 15, 2006 with the City (the "Initial Development Agreement"). The City and Developer confirm and agree that as of the effective date of this PUD the Initial Development Agreement is void and of no further effect. A new Development Agreement will be entered into between City and 418 Southlake, LTD, concurrent with this PUD.

Director Qualifying Lots

The conveyance of property within the PUD to any person for the purpose of qualifying such person to be a member of the board of directors of the MUD shall not be considered a subdivision of land requiring a plat or otherwise requiring the approval of the City of Texas City; provided, however, no structure (except for two (2) HUD-certified manufactured homes which may be temporarily located within the PUD for the purpose of qualifying voters or directors of the MUD) shall be constructed on any property conveyed for such purpose unless and until a plat of such portion has been approved by the City.

4. PROPOSED LAND USE

The proposed Conceptual Land Plan for the Southlake development, as illustrated on Exhibit B, shows the preliminary location of all residential, commercial and open space/recreational areas. Density in the project based on 1200 units at full buildout would be 2.74 units per acre.

Primary access to the site will be the Neighborhood Collector road which will be built in phases as development progresses through the community. Upon completion, this new road will connect FM 646 to FM 3436 as well as provide the necessary circulation within the community. In planning for growth of this project and surrounding communities, the developer has planned for commercial sites along FM 3436 and FM 517.

The largest of the storm water detention/lake improvements will be located in the southwest portion of the tract, adjacent to Gum Bayou. The proposed infrastructure will create on-site storm water detention utilizing a permanent lake or lakes that will also be recreational amenities and open space features. A community recreation center is preliminary planned along the Neighborhood Collector road and will be easily accessible to all residents of Southlake.

In conjunction with the standards established within the PUD, the developer intends to create a quality development with cohesive design standards and deed restrictions that will result in a strong sense of community and consistent architectural theme within the project.

Table 1 below illustrates the composition of land uses proposed for the development.

Table 1: Composition of Land Usage

Land Use	Total Acres (approximate)	Percentage (approximate)
Single Family Residential	239.7	55%
Commercial	15.3	3%
Drainage and Storm Water Detention	157.5	36%
Stream	4.4	1%
Parks/Landscape/Open Space	8.3	2%
Collector Right-of-way	13.1	3%
TOTAL	438.3	100%

Open Space/ Parkland Dedication

Significant recreational space, landscape and open space will be included within the Southlake PUD. In total, over 40 percent of the overall community is planned to be developed into lakes, storm water detention, parks and/or other open spaces. This includes, as preliminarily planned, an approximately 130-acre lake that provides storm water detention along Gum Bayou in the southwestern portion of the community. The recreation center, with proximity to the lake, will create an oasis for residents to relax and enjoy time with family and neighbors. Smaller pocket parks are proposed for various locations within the residential areas with convenient access for residents as shown on Exhibit C and Exhibit D.

The City of Texas City parks and open space requirement states that one half acre for every 200 proposed dwelling units to be dedicated to the City for the use of parks. Based on the estimated number of single-family residences, the project will be required to provide 4.8 acres of park land. Compliance with the parks and open space requirements for land dedication will be accomplished by constructing numerous parks throughout the community including linear parks, and neighborhood parks. There will also be a private recreational center for the residents of the community. This private facility will start construction no later than with the 300th home and be completed no later than the completion of 500th home. Neighborhood (pocket parks) will have sidewalks and planted open space areas suitable for impromptu games. Trails and linear parks are planned to have pathways, seating areas, and an exercise circuit track. See Exhibit D.

Other neighborhood amenities will consist of entry monumentation at both FM 646 and FM 3436. Wet bottomed amenity/detention ponds with aeration to prevent stagnant water. Recreational opportunities at the large lake at the southwestern end of the project.

Pipeline easements, drainage easements and other areas not already included as open space will, when possible, be incorporated into the community open space plan for use as pedestrian corridors and greenbelts. These areas will then be maintained by the Home Owner's Association or the District.

Land Uses

The Southlake PUD will be divided into two land use zones.

1. Residential
2. Commercial

Table 2 below illustrates the total areas within each zone.

Table 2: Land Use Zones – Area Calculations

Land Use	Total Acres	Percentage
Residential	239.7	55%
Commercial	15.3	4%

Zoning

The existing zoning district for the subject property is Single Family Residential A-1 and Open Space. The surrounding undeveloped property is currently also zoned as Single Family Residential A-1 and Open Space.

Proposed Zoning

Each of the proposed land uses have been assigned zoning district categories consistent with the current Texas City Zoning Ordinance regulations as of the date of this document.

Residential

The following is the percentage breakdown of the Residential Lots within Southlake:

Lot Size (Zoning Designation)	% of Total Residential Lots
45' x 120' (A-2)	10%
50' x 120' (A)	40%
60' x 120' (A)	40%
70' x 120' (A-1)	10%

All one-story homes shall be 3 sides masonry (includes brick, stone and stucco). For two-story homes, the requirement will be 3 sides masonry on the first floor with a minimum of 60% masonry overall.

Homes adjacent to the lake detention area will have open decorative fencing in lieu of standard good neighbor fencing.

Commercial

There will also be 15.3 acres of Commercial land. This land will conform to District E General Business (this includes any permitted use in O-P, D, D-1) along with the following uses from E-3, E-4, and LGBD as follows: plant nursery and greenhouses, lumber yards, miniwarehouses, convenience stores/gas stations.

Zoning districts shall be regulated on the basis of the total gross acreage of the project. The zoning district and/or land uses may be altered increased or decreased by up to five percent (5%) by the developers without further approval from the Planning and Zoning Commission or City Commission. This increase shall be applied to the 1200 single family residential lot count and the 15.3 acres of commercial land. The percentage land use area change is required to ensure the success of the development by maintaining the flexibility to modify land use sizes in response to changes in economic and market conditions. This ability to vary the percentage of land use will allow the project to remain competitive in the real estate market over the life of the project and the ability to adjust to market needs in a timely manner.

Land uses may be relocated within the boundaries of the PUD provided they conform to the Texas City requirements for such changes as outlined in this document.

5. UTILITIES

Water & Wastewater

All water and sewer utilities for the development will be provided by the City of Texas City. The City has adequate wastewater collection and treatment capacity for the project. Any upgrades and/or improvements will be addressed in the Development Agreement or the Utility Services Agreement entered into between Developer, City and District as applicable, for the project to be approved concurrently with this PUD.

Detention

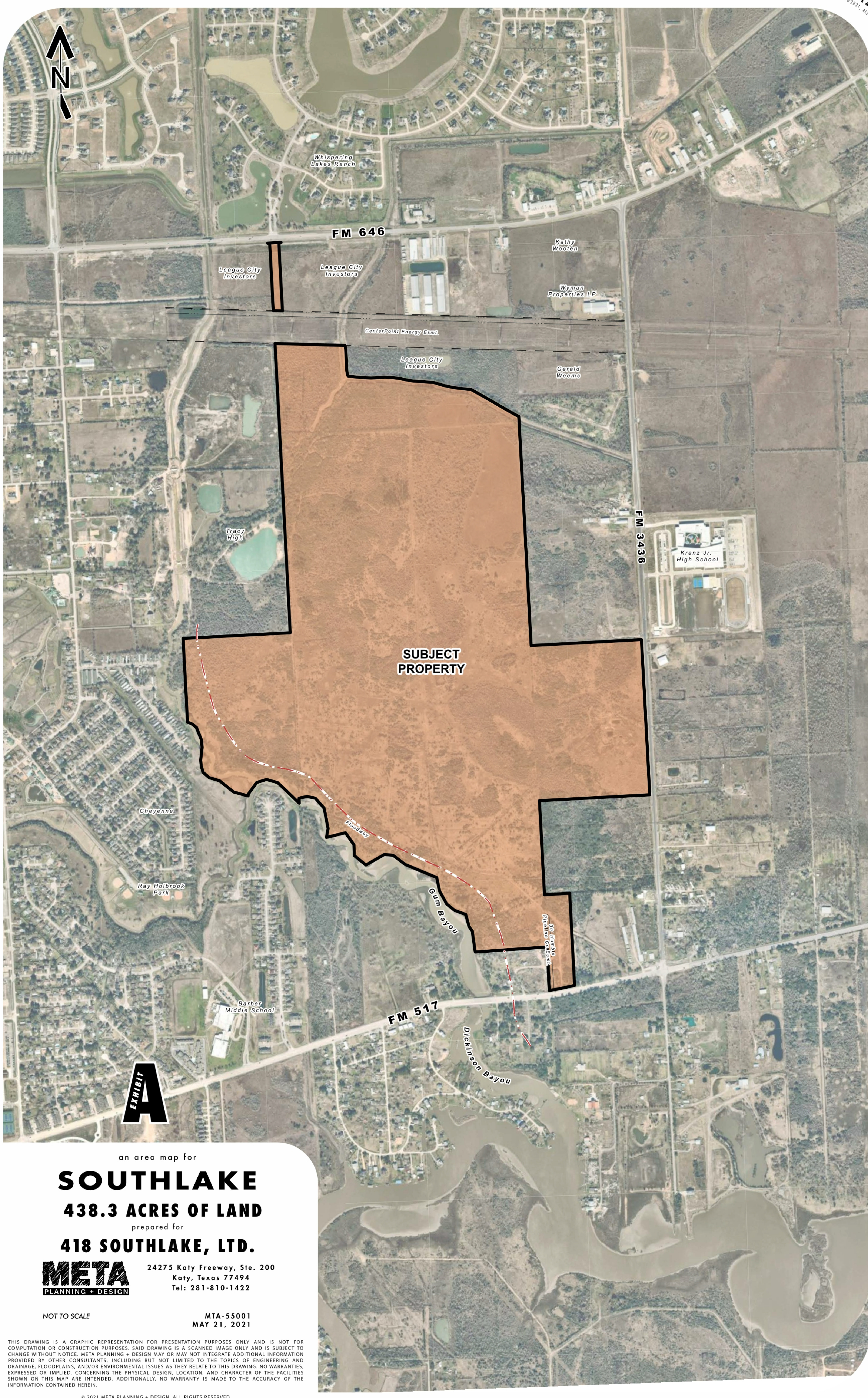
It is contemplated that on-site storm water detention will be provided throughout the project utilizing permanent lakes. One or more of these lakes may be conveyed to the City of League City, Galveston County or other regional entity in fee simple for the purposes of implementing post-Hurricane Harvey regional drainage and detention improvements. Any such conveyance shall require written consent from the City of Texas City. Galveston County Municipal Utility District No. 53 shall maintain the detention areas and may enter into a maintenance cost-sharing agreement with the appropriate entity for their portion of the maintenance expenses.

Storm Drainage

The project will utilize a number of detention basins along with a large lake to detain storm water runoff for the project. There will be a series of swales, culverts, and roadway conveyance systems that will move storm water runoff to these basins. The storm water will discharge into Gum Bayou and ultimately drain into Galveston Bay. A drainage study for the project has been completed and approved by the City of Texas City.

Flood Levels and Potential Flooding

The tract is entirely located within zone AE based on the FEMA Flood Insurance Rate Map number 48167C0235G. Development located within zone AE will be raised above the base flood elevations.



**SUBJECT
PROPERTY**

**EXHIBIT
A**

an area map for
SOUTHLAKE
438.3 ACRES OF LAND
prepared for
418 SOUTHLAKE, LTD.



24275 Katy Freeway, Ste. 200
Katy, Texas 77494
Tel: 281-810-1422

NOT TO SCALE

MTA-55001
MAY 21, 2021

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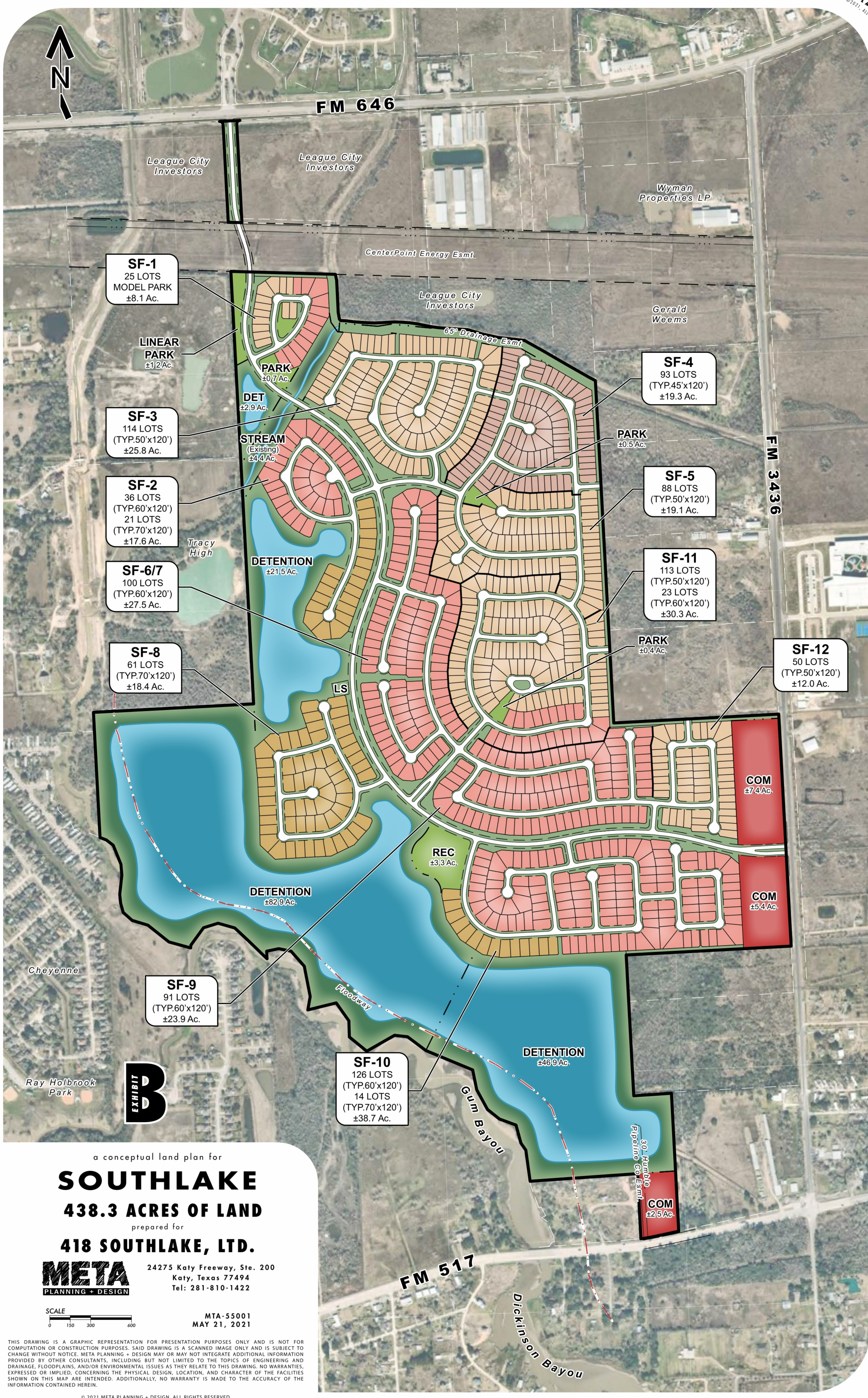
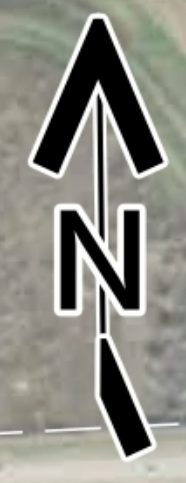
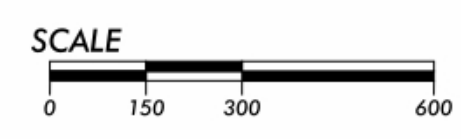


EXHIBIT B

a conceptual land plan for
SOUTHLAKE
438.3 ACRES OF LAND
prepared for
418 SOUTHLAKE, LTD.

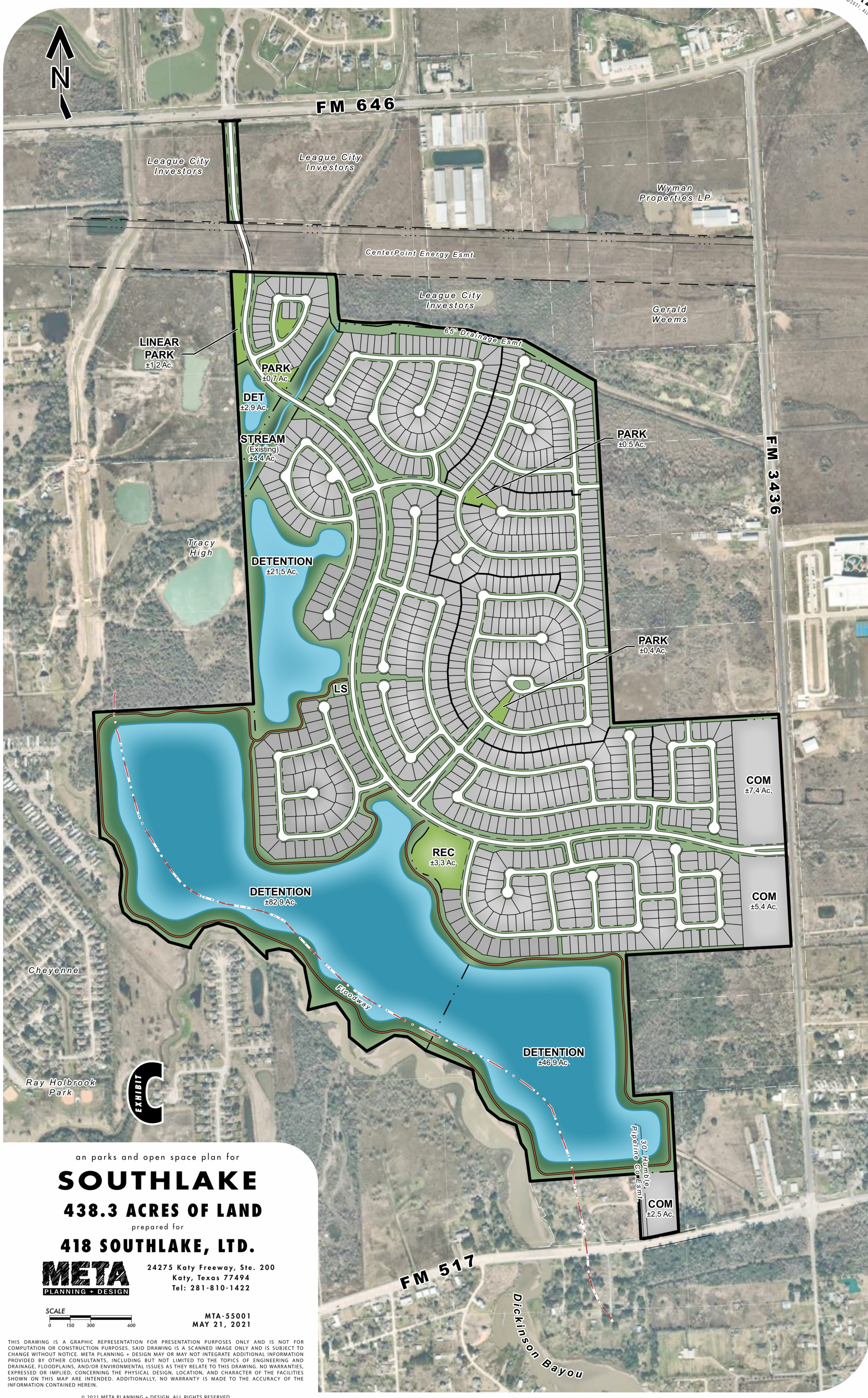
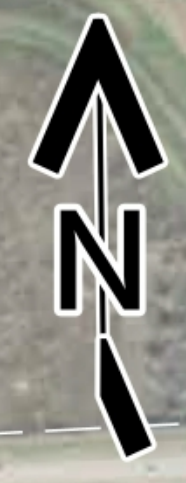


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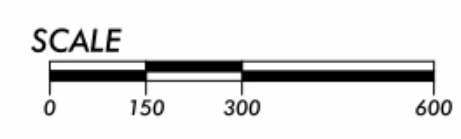
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an parks and open space plan for
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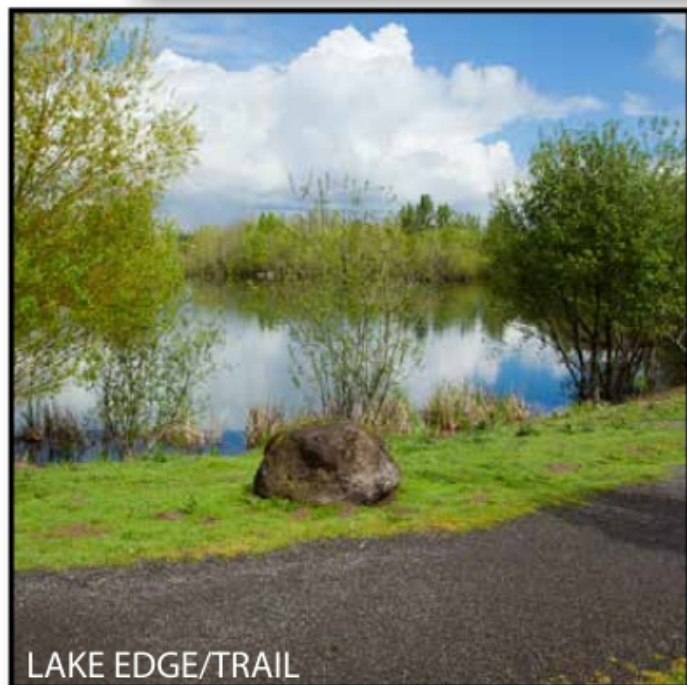
NEIGHBORHOOD GARDEN



LITTLE FREE LIBRARY



LAKE EDGE/TRAIL



LAKE EDGE/TRAIL



FIELDS



PLAYGROUND



LAKE EDGE



FITNESS CIRCUIT

a park and openspace character for
SOUTHLAKE
438.3 ACRES OF LAND
prepared for
418 SOUTHLAKE, LTD.



24275 Katy Freeway, Ste. 200
Katy, Texas 77494
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SCALE: NTS

MTA-55001
JUNE 01, 2021

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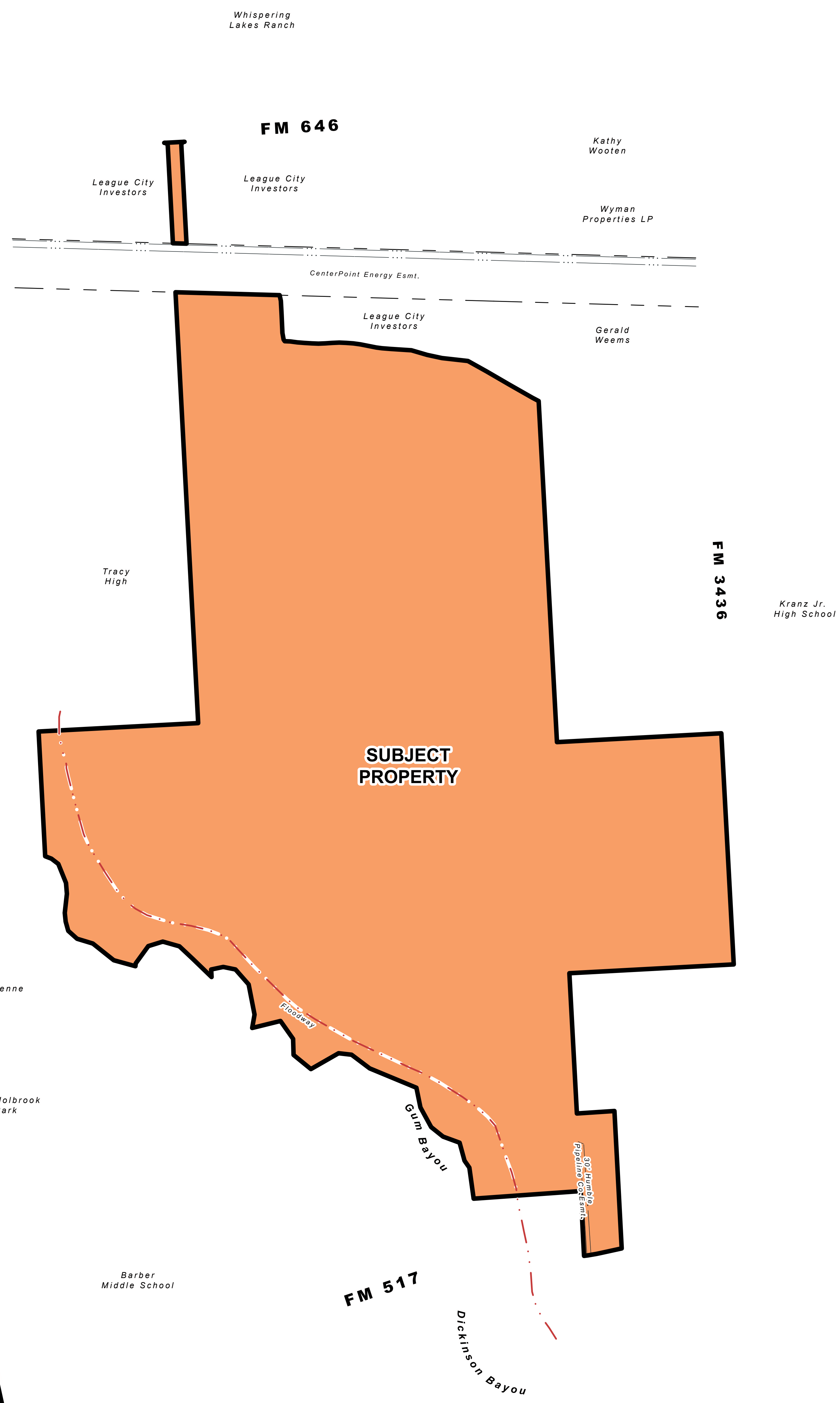
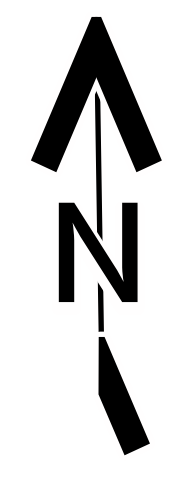


EXHIBIT A

an area map for
SOUTHLAKE
4438.3 ACRES OF LAND
 prepared for
418 SOUTHLAKE, LTD.

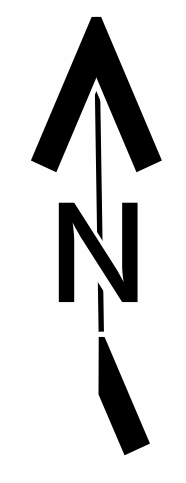


24275 Katy Freeway, Ste. 200
 Katy, Texas 77494
 Tel: 281-810-1422

NOT TO SCALE

MTA-55001
 MAY 21, 2021

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FM 646

League City Investors

League City Investors

Wyman Properties LP

CenterPoint Energy Esmt.

SF-1
25 LOTS
MODEL PARK
±8.1 Ac.

LINEAR PARK
±1.2 Ac.

SF-3
114 LOTS
(TYP.50'x120')
±25.8 Ac.

SF-2
36 LOTS
(TYP.60'x120')
21 LOTS
(TYP.70'x120')
±17.6 Ac.

SF-6/7
100 LOTS
(TYP.60'x120')
±27.5 Ac.

SF-8
61 LOTS
(TYP.70'x120')
±18.4 Ac.

SF-9
91 LOTS
(TYP.60'x120')
±23.9 Ac.

SF-10
126 LOTS
(TYP.60'x120')
14 LOTS
(TYP.70'x120')
±38.7 Ac.

SF-4
93 LOTS
(TYP.45'x120')
±19.3 Ac.

PARK
±0.5 Ac.

SF-5
88 LOTS
(TYP.50'x120')
±19.1 Ac.

SF-11
113 LOTS
(TYP.50'x120')
23 LOTS
(TYP.60'x120')
±30.3 Ac.

PARK
±0.4 Ac.

SF-12
50 LOTS
(TYP.50'x120')
±12.0 Ac.

FM 3436

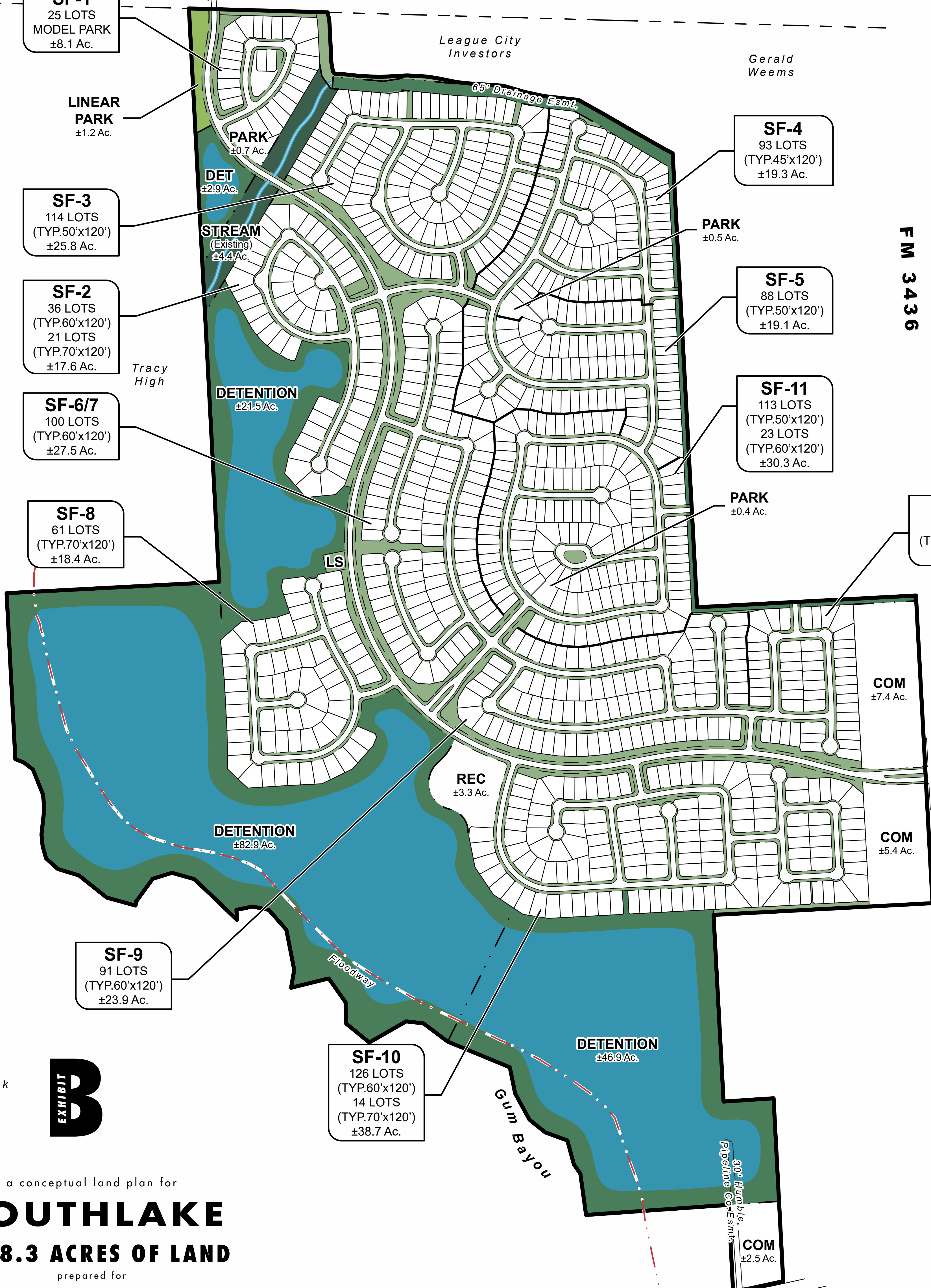
COM
±7.4 Ac.

COM
±5.4 Ac.

COM
±2.5 Ac.

FM 517

Dickinson Bayou



Cheyenne

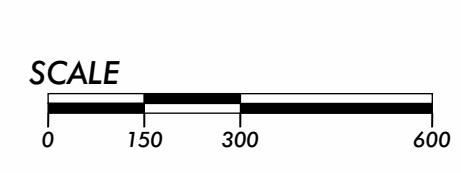
Ray Holbrook Park

EXHIBIT B

a conceptual land plan for
SOUTHLAKE
4438.3 ACRES OF LAND
prepared for
418 SOUTHLAKE, LTD.

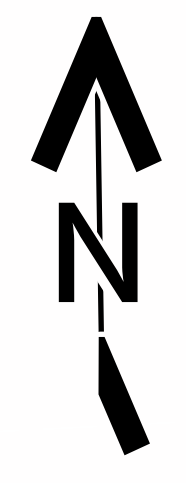


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Tel: 281-810-1422



MTA-55001
MAY 21, 2021

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FM 646

League City Investors

League City Investors

Wyman Properties LP

CenterPoint Energy Esmt.

League City Investors

Gerald Weems

65' Drainage Esmt.

LINEAR PARK
±1.2 Ac.

PARK
±0.7 Ac.

DET
±2.9 Ac.

STREAM
(Existing)
±4.4 Ac.

PARK
±0.5 Ac.

FM 3436

Tracy High

DETENTION
±21.5 Ac.

PARK
±0.4 Ac.

COM
±7.4 Ac.

REC
±3.3 Ac.

COM
±5.4 Ac.

Cheyenne

DETENTION
±82.9 Ac.

LS

DETENTION
±46.9 Ac.

30" Humble
Pipeline Co-estm't

COM
±2.5 Ac.

Ray Holbrook Park



an parks and open space plan for

SOUTHLAKE

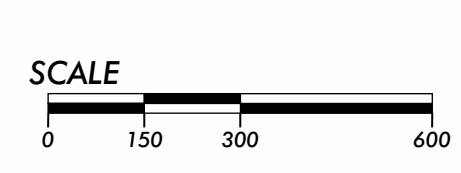
4438.3 ACRES OF LAND

prepared for

418 SOUTHLAKE, LTD.



24275 Katy Freeway, Ste. 200
Katy, Texas 77494
Tel: 281-810-1422



MTA-55001
MAY 21, 2021

FM 517

Dickinson Bayou

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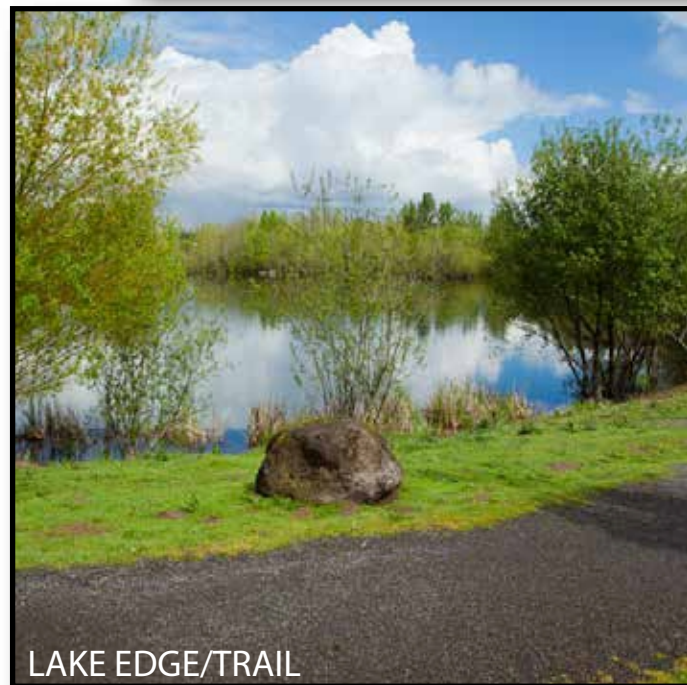
NEIGHBORHOOD GARDEN



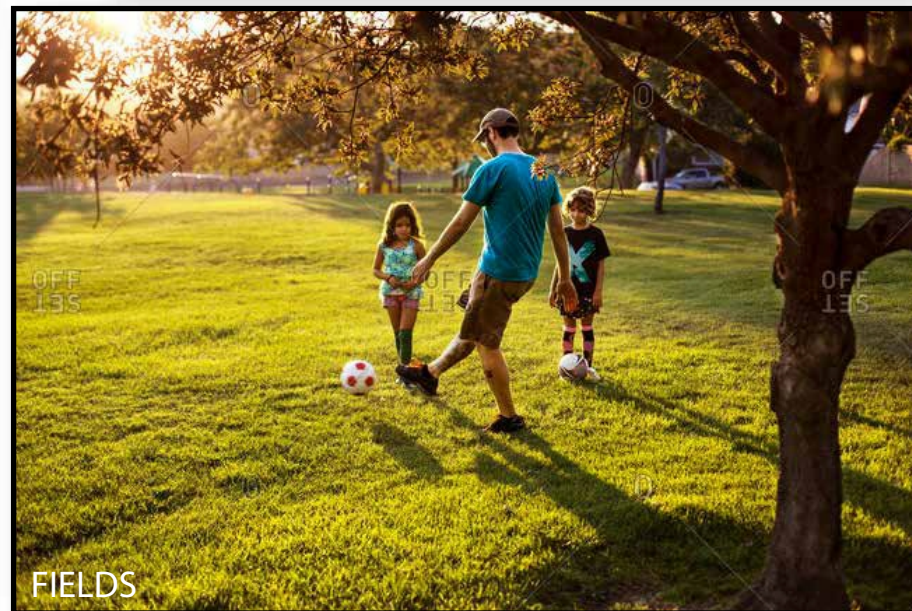
LITTLE FREE LIBRARY



LAKE EDGE/TRAIL



LAKE EDGE/TRAIL



FIELDS



PLAYGROUND



LAKE EDGE



FITNESS CIRCUIT

a park and openspace character for
SOUTHLAKE
4438.3 ACRES OF LAND
prepared for
418 SOUTHLAKE, LTD.

EXHIBIT **D**

META
PLANNING + DESIGN

24275 Katy Freeway, Ste. 200
Katy, Texas 77494
Tel: 281-810-1422

SCALE: NTS

MTA-55001
JUNE 01, 2021

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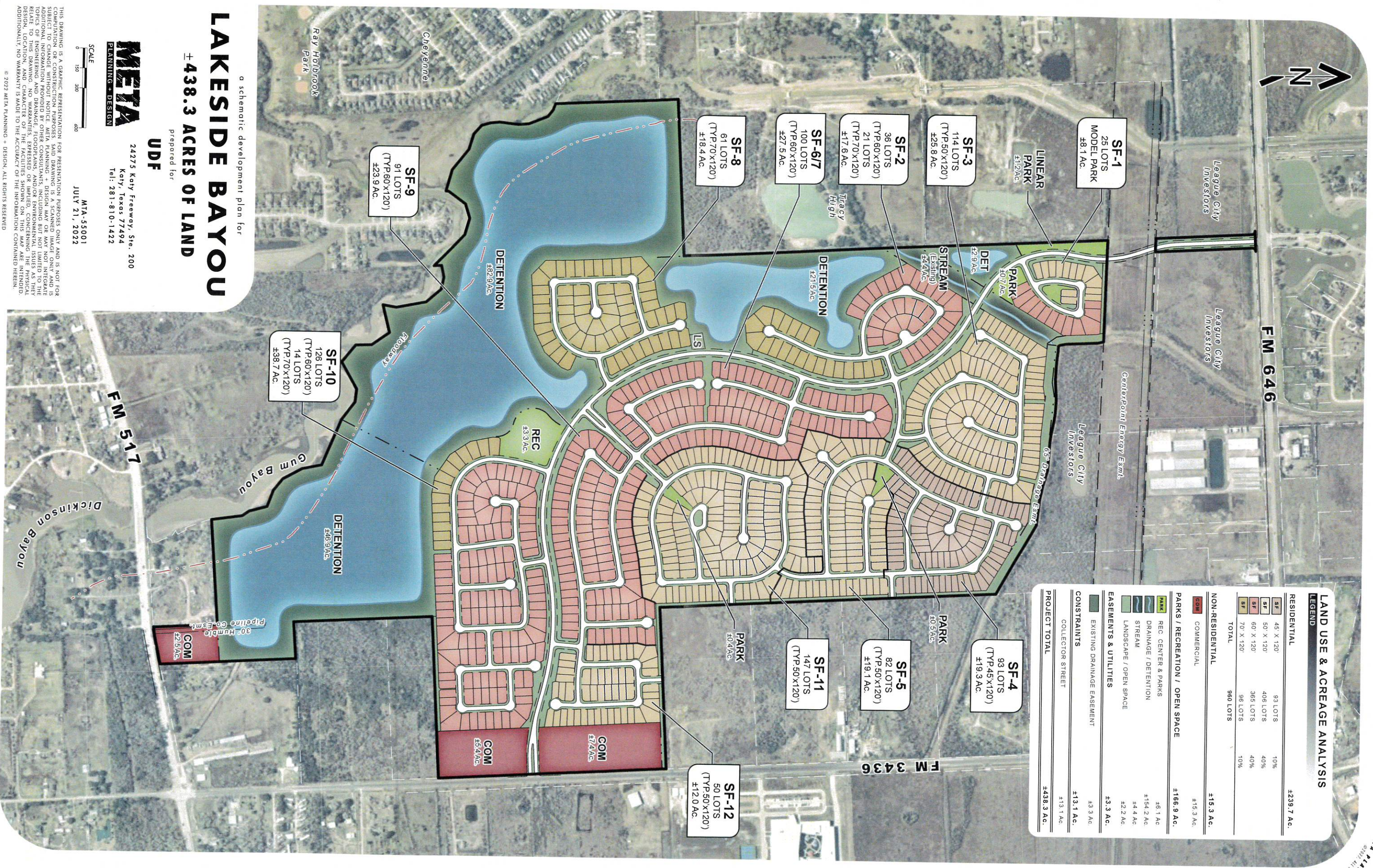


LAND USE & ACREAGE ANALYSIS

LEGEND

RESIDENTIAL	NON-RESIDENTIAL	TOTAL
SF 45' X 120'	93 LOTS	10%
SF 50' X 120'	406 LOTS	40%
SF 60' X 120'	365 LOTS	40%
SF 70' X 120'	96 LOTS	10%
TOTAL	960 LOTS	

RESIDENTIAL	NON-RESIDENTIAL	TOTAL
	COMMERICAL	\$15.3 AC.
	PARKS / RECREATION / OPEN SPACE	\$166.9 AC.
	REC CENTER & PARKS	\$6.1 AC.
	DRAINAGE / DETENTION	\$154.2 AC.
	STREAM	\$4.4 AC.
	LANDSCAPE / OPEN SPACE	\$2.2 AC.
	EASEMENTS & UTILITIES	\$3.3 AC.
	EXISTING DRAINAGE EASEMENT	\$3.3 AC.
	CONSTRAINTS	\$13.1 AC.
	COLLECTOR STREET	\$19.1 AC.
	PROJECT TOTAL	\$438.3 AC.



a schematic development plan for

LAKE SIDE BAYOU

± 438.3 ACRES OF LAND

UDF

prepared for



24275 Katy Freeway, Ste. 200
Katy, Texas 77494
Tel: 281-810-1422

MIA-55001
JULY 21, 2022

SCALE
0 150 300 450

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CITY COMMISSION REGULAR MTG

(6) (c)

Meeting Date: 08/06/2025

Request for Extension of Time to Preliminary Zoning Approval for Alpha Omega Power, LLC to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) for development of a BESS project to be located at 701 Hwy 146 N.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Extension of time from September 4, 2025, until September 4, 2026, on the preliminary zoning approval for Alpha Omega Power, LLC to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) for a BESS project to be located at 701 Hwy 146 N., west of Hwy 146 N., and north of the existing Golden Rule Logistics. to allow additional time to complete the permitting process for the requested uses.

BACKGROUND (Brief Summary)

The applicant, Alpha Omega Power, seeks additional time to move forward with the submission of a building permit application for the BESS project to ensure all application materials and supporting documents are properly completed and submitted prior to expiration of the preliminary zoning approval on September 4, 2025. The additional time will allow the applicant to uphold the integrity of the permitting process and avoid any unintended delays.

At its regular meeting on September 4, 2024, the City Commission held a public hearing upon advertised notice and voted to give preliminary zoning approval upon certain conditions to the request by AOP Holdings, LLC d/b/a Alpha Omega Power, to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) approximately 6.29 acres of undeveloped land located at 701 S.H. 146 which is on the west side of SH 146, north of Golden Logistics, LLC, and south of Baker Distributing.

At its regular meeting on July 22, 2024, the Planning Board voted 3-2 to approve the proposed Detailed Site Plan and to recommend approval of the zoning change upon certain conditions to the Zoning Commission. At its regular meeting on August 6, 2024, the Zoning Commission held a public hearing and following consideration voted 4-1 to recommend approval of the requested zoning change upon certain conditions.

RECOMMENDATION

Upon review, staff recommends approval of the extension of time to the preliminary zoning approval of the Alpha Omega Power, LLC request to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) for development of a BESS project to be located at 701 Hwy 146 N., west of Hwy 146 N., and north of the existing Golden Rule Logistics.

The Planning Board is scheduled to consider the request for extension of the preliminary zoning approval at its regular meeting on Monday, August 4, 2025. Staff will inform the City Commission of the Planning Board recommendation at the Commission's meeting.

Fiscal Impact

Funds Available Y/N:

Amount Requested:

Source of Funds:

Account #:

Fiscal Impact:

No Fiscal Impact

Attachments

07-22-24_PB_Minutes.pdf

ZC Minutes 8.6.24

Easement

Exhibits

Legal Description

Planning Board - Staff Report

Zoning Commission - Staff Report

Extension Request

PLANNING BOARD MINUTES

JULY 22, 2024

The Planning Board of the City of Texas City met in a special-called meeting on Monday, July 22, 2024, at 5:00 p.m. Planning Board members present: Chairman Dickey Campbell, Co-Chairman Perry O'Brien, Commissioner Jami Clark, Alternate Member Aric Owens, and Alternate Member Jose Boix. Staff members present: Kimberly Golden (Secretary), Casey Bennett (Chief Building Official), David Kinchen (Deputy Building Official) and Veronica Carreon. Guests were: Joel Rodriguez (Air Products); CW Scheibe and Paula Drnevich (LAN Inc.); Sherri McElwee (Quiddity Engineering); Ricardo Cuellar (RDLR); Daniel Ortiz (RPCR); Carlos Sotelo (Kirksey); Felix Herrera (Awesome Auto Accessories); Andres Delgado; Deano Merrigan; Guillaume Dufay and Karl Harris (AOP Renewables); Jason Richards (Vaughn Construction); Moises Weber (Cannon Design); Stephanie Tabor (A&S Engineers); Carlos Pacas (Dally Associates); Bo Bacon (College of the Mainland); Jerry LeBlanc (Binnacle Development); and Julie Tovar (SHIP Intern).

Chairman Dickey Campbell indicated a quorum was present and called the meeting to order.

1) APPROVAL OF MINUTES

A motion to approve the minutes of July 1, 2024 with corrections noted below, was made by Jose Boix/Commissioner Jami Clark. All other members present voted aye.

- Page 1, paragraph 6 – corrected Chairman Dickey Clark to Chairman Dickey Campbell
- Page 1, paragraph 6 – corrected Mr. Bryan Clark to Mr. Bryan Carnes
- Page 2, paragraphs 1, 2, 3, and 5 - corrected Mr. Clark to Mr. Carnes

2) PUBLIC COMMENTS

There were no public comments.

3) REGULAR AGENDA

a. Consider and take action on the Development Plan Air Products Temporary Modular Construction Offices. Located at 14 4th Street South, Texas City.

Ms. Golden stated this project sits on a little more than a ½ acre site. The site was vacant and previously used for the lunch tents and emergency assembly area. Because Air Products is doing a second project at the facility in Texas City they will need the construction offices for a longer duration. Since the temporary construction facilities will be in place for more than six months, they will be required to meet all the code provisions and zoning requirements, so Air Products has brought a site plan forward. The temporary construction offices are already assembled at the site because Air Products was not aware that a permit was required. When notified of the requirement, Air Products acted immediately to correct the oversight.

Air Products will be paving the lot, adding landscaping, screening the dumpster, and providing an ADA compliant entrance.

The location of the temporary modular offices encroaches over an existing public alley that goes through that area. Rather than require the temporary modular offices be relocated to remove the encroachment, staff recommends Air Products apply for an abandonment of that alley.

The modular offices are currently installed at a 10 ft. setback. Although the IBD district does not have a specific setback stated in the ordinance, staff applies a policy standard of the setbacks which apply to similar uses in the basic districts. For this use, that would be the light industrial setback of 25 ft. for anything permanent. Air Products has indicated if they do something permanent, they will abide by the 25 ft. setback.

Chairman Dickey Campbell asked Joel Rodriguez (Air Products) if he could show them the location on the map, to which he did. He then asked Ms. Golden about the 25 ft. setback from streets and the 10' setback from the property line to which Ms. Golden replied there aren't any setbacks in the IBD ordinance, but staff are trying to adhere to its policy.

Mr. Jose Boix asked where the alley is that will need to be abandoned. Ms. Golden indicated it on the exhibit.

Chairman Campbell than asked if the property is leased or greenbelt, to which Mr. Rodriguez replied it is leased from Eastman Chemical till the end of 2026, fourth quarter.

Chairman Campbell asked if there were any additional questions. There were none.

A motion was made by Alternate Member Jose Boix/Commissioner Jami Clark to approve the Development Plan for Air Products Temporary Modular Construction Offices. All other members present voted aye.

b. Consider and take action on the Development Plan for College of the Mainland Site Projects. Located at 1200 N. Amburn Road, Texas City.

i. Overall Site Plan

Ms. Golden stated College of the Mainland (COM) has a 2023 bond program for which voters approved a property tax back in 2023. There are six projects, but three that will entail brand new buildings that will be constructed fairly close in time over the next three years. Due to this, staff have asked COM to submit an overall site plan so the overall impact could be considered on parking, traffic, landscaping and detention.

Ms. Golden stated that they wanted to do this so that they could accommodate COM's growth without chopping because the program included demolishing some buildings, renovating some existing buildings, extending some existing buildings and adding some new buildings. Staff thought the overall analysis would work better for COM as the effects of the net changes in detention, parking, landscaping and traffic were considered and addressed, rather than looking at each project as a standalone.

COM provided the requested overall site plan. A preliminary analysis of the impact on traffic showed that Monticello Drive is going to need to have some improvements and upgrades to accommodate the new construction south of Monticello and the other developments in the area, specifically the new elementary and junior high schools to the east. Staff is moving forward and scoping this project, but in the meantime, staff knows there is a possibility there will be some issues with vehicles stacking at the stop-controlled intersection with Amburn Street during the morning peak hour. Staff have discussed this with COM and recommended moving the driveways for the new parking lots at least 500 feet away from the intersection. COM declined the recommendation because the parking lots each have secondary means of ingress and egress.

The overall site plan has been tweaked a little per staff's comments. They have looked at landscaping campus wide for compliance with the landscaping ordinance to give COM the greatest flexibility to balance its landscaping throughout the campus for a uniform, beautiful experience.

Staff have no objections to approval of the site plan for COM.

Chairman Campbell stated that he had some questions about the staff memo and then asked the other board members if they had any questions.

Co-Chairman Perry O'Brien stated he had some questions about the timeline and stages of this project. Paula Dnevich (LAN Inc.) replied that there are three parking lot projects and one of the parking lots is currently under construction. This will be a 15-month project that will be done in three phases. Ms. Golden reminded everyone that the parking lot project had been approved by the Planning Board in May 2024 so they could expedite the start of the project this summer.

Mr. CW Scheibe (LAN Inc.) then gave an outline of the other projects, which includes the WELD/IE building renovation that was also approved by the Planning Board in May 2024. This project will start construction this week. There is very minimal impact to the footprint because it is a renovation.

Mr. Scheibe added that the Public Safety Career Center (PSCC) and the Corporate & Continuing Education Center (CCEC) are both new buildings and are being brought to the Planning Board as one development application. The building permits will be issued separately for each building, based upon the approved joint development plan. The timeline of construction on both projects is November 2024. Construction will be self-contained within that site. PSCC will take about 15 months to construct and the CCEC will take about 12 months.

Ms. Drnevich then reported that the Library/Classroom Building would be constructed on the site of the demolished Technical Vocational building, with construction scheduled to begin in April 2025 and would take about two years to complete. This new 4-story building will include a new library, auditorium and classrooms. There will also be a penthouse.

Mr. Boix then asked about a statement in the Staff Report regarding the driveway and entrances and that the design team decided not to accept staff recommendations.

Ms. Golden replied that the intersection at Amburn Road and Monticello Drive is stop-controlled with a 4-way stop. In the future, Monticello Drive will act as a thoroughfare. There has not been a TIA study done because the elementary school east of COM is not in session, so staff plans to do one in the fall. Their prediction is during morning peak there will be a lot of stacking at the stop sign that may interfere with the entrances into the COM parking lots indicated on the exhibit. Staff also anticipates that the morning peak will be when the CCEC building will most likely be starting its sessions. Staff brought this to COM's attention and recommended the driveways into the parking lots be spaced at least 500ft away from the intersection. COM feels that being aware of that information, they did not want to move their driveways further down. Ms. Drnevich replied this is because there is a second entrance between the buildings. Ms. Golden added that this intersection will eventually have to be enhanced with a road improvement project on Monticello Drive. COM is looking at having the issue for a few years until the improvements are made.

Ms. Golden then pointed out an incorrect draft of the site plan was included in the agenda packet. The correct site plan would show no additional parking next to Lot A, but that area is to be retained as additional green space. Additional parking is not required to satisfy the City's requirement and COM is satisfied the parking is adequate. Ms. Drnevich replied they plan to add landscaping there.

Chairman Campbell then asked about the Library Classroom Building. Ms. Golden replied that she was planning to discuss each item separately, but if Chairman Campbell preferred to discuss the items together, she was good with that. Chairman Campbell indicated he would like to consider all of the items together.

ii. Library/Classroom Building

Ms. Golden then stated that the Library Classroom Building is a 160,000 sq. ft. building, which will be four stories. This will be a multi-use building that will include 42 classrooms, a theatre with a capacity of 299, and offices. The schedule for construction of this building is further out and is expected to start in August 2025. There will be approximately a two-year construction period. It will be located where the previously located Technical Vocational building was. The new parking lot for this building will include 283 spaces with entrances from Monticello Drive. The building will have an approximate ground area of 38,715 sq. ft., and a finished floor elevation of 18.55 ft. The approximate building height is estimated to be 80 ft.

The site plan has been modified to provide full circle access by fire lane as requested by the Fire Marshal.

COM has responded to all of staff's comments and staff have no objection to approval of the development plan for the Library and Classroom Building.

Commissioner Jami Clark asked if they would be tearing down the other theatre or was this an addition. Ms. Drnevich replied there is an auditorium inside the existing Limited Resource Center and Library, and that building would be torn down. This building will be slightly larger than the current theatre.

Chairman Campbell asked if there were any additional questions about the Library Classroom Building. There were none and Ms. Golden moved on to the next item.

iii. Continuing & Corporate Education Center (CCEC) and Public Safety Careers Center (PSCC)

Ms. Golden stated that the CCEC and PSCC projects are presented together as a joint application, but there are two different design teams. A joint application was requested due to the shared parking and detention. But the projects will apply for building permits separately when they are ready to move on to construction.

The CCEC building will be 20,400 sq. ft and one-story. The PSCC is 33,681 sq. ft. and also one-store. With the shared parking and shared detention, they have basically offset their impact. Staff have discussed their landscaping requirements, both of which are being accommodated. Staff have also discussed with COM that the landscaping can be extended along Monticello Drive to the west to provide a more uniform effect along the corridor.

All review comments have been addressed. The only thing staff thought to mention to them that is not considered a problem is the location of those driveways. Staff also talked to them about the eventuality of when the city does street improvements to Monticello Drive that, if needed, any additional ROW will have to come from the south side because there are a bunch of pipelines and existing infrastructure north of Monticello Drive. This might be an opportunity for COM to consider pushing their buildings further back, but they were not inclined to do that.

Mr. Boix then asked about the setback and if it complies with the ordinance. Ms. Golden replied that it does and that a 100 ft. ROW is typically enough for a three-lane project. On paper everything they know says it's not a problem, but again it's what's on paper. When they get out there and start digging, they don't know what's actually out there. She just wants everyone to be alert, especially when there are existing pipelines and existing drainage structure so they absolutely know it cannot come from the north side, but COM is compliant with the ordinance.

Chairman Campbell then asked how far the ditch runs. Mr. Carlos Pacas (Dally Associates) indicated the ditch on the exhibit.

Mr. Boix asked if the detention pond is new and how it is managed. Ms. Drnevich replied yes, and it is being constructed because of the two new buildings. Mr. Daniel Ortiz (RPCR) replied that it is a restrictor pipe that would eventually gravity flow into the city's ditch, without pumping.

Ms. Golden also acknowledged that COM is giving a 75 ft. easement on an existing canal that is along the east boundary. Mr. Scheibe added that this was approved by the Board of Trustees earlier in the day. Ms. Golden thanked him for this news.

Chairman Campbell wanted to make sure he understood the recommendation in the staff memo and asked about the last sentence of the memo that read, "For that reason only staff offer no objection to approval of the site plan". He asked if someone did offer objection to which Ms. Golden stated staff is saying they are complying with the ordinance and there is no objection.

A motion was made by Co-Chairman Perry O'Brien/Commissioner Jami Clark to approve the Overall Site Plan and the Development Plans for the following College of the Mainland projects: Library Classroom Building, Continuing & Corporate Education Center and Public Safety Careers Center. All other members present voted aye.

- c. Consider and take action on the Preliminary Plat for Brookwater Sections 1A and 1B. Located to the east of Park Place Subdivision on FM 2004 and northwest of Mainland City Centre (formerly Mall of the Mainland) in Texas City.**

Ms. Golden stated Brookwater Subdivision Sections 1A and 1B are part of a master planned residential development that will consist of 201 lots and a commercial area on FM 2004. The Master Plan was approved by City Commission in 2021 and it is still a valid master plan to consider this preliminary plat.

Sections 1A and 1B were previously submitted as a preliminary plat for all of it as just Section 1 and was previously approved by the Planning Board as Section 1. The Applicant is changing the Section into Phases 1A and 1B because they want to be able to buildout the smaller sections, record the final plat of the smaller area and sell the lots in Section 1A before then moving on to 1B.

Staff have received a complete set of construction plans for the full section that the Applicant will be presenting in phases. They have their approval for a combination of 50 ft., 60 ft., and 70 ft. wide lots.

Ms. Golden repeated that the only difference between this and what was previously approved is that it is now broken down into Sections 1A and 1B.

Chairman Campbell asked if there were any questions.

Co-Chairman O'Brien asked if the lot sizes changed. Ms. Golden replied they are exactly the same.

Chairman Campbell asked which ditch the rainfall would flow to. Ms. Stephanie Tabor replied that it would flow to the northwest corner. He then asked about an area to the south. Ms. Tabor replied that it is the sanitary sewer easement and also indicated a manhole that the sanitary line would tie in to.

Ms. Golden reminded everyone that the Applicant would have to get an easement, which is a little piece of property owned by the EDC. This is in the process of being worked out, but it will not hold up the preliminary plat. The easement will have to be in place before the final plat can be brought forward for consideration and approval.

Mr. Boix then asked about the mapping of sections. Ms. Tabor indicated on the master plan where Sections 1A and 1B would be located. She then indicated Sections 2 and 3.

Ms. Golden added that the park would be located in Section 1B. Staff do have a suggestion for a schedule as far as that park being built which is only 40% of the building permits would be issued and then construction would commence on the park. There is also a deadline for when the plans for the park will be submitted. Ms. Tabor replied that would happen before Section 2 plat is recorded.

Mr. Boix asked if there were any other amenities. Ms. Tabor stated there would only be the park, but it would include a picnic area, sidewalks and a splash pad.

Staff have no objections to approval.

A motion was made by Commissioner Jami Clark/Alternate Jose Boix to approve the Preliminary Plat for Brookwater Sections 1A and 1B. All other members present voted aye.

d. Consider and take action on the Preliminary Plat for Lago Mar Pod 9 Section 3. Located north of Pod 9 Sections 1, 2 and 4, and west of Pod 10 Section 3 on Hughes Road in Texas City.

Ms. Golden stated this is Lago Mar Pod 9 Section 3 and we are getting to the end of this project on the west side of I-45. This is Phase 3 of their development. This section will include 203 lots on 59.41 acres. Section 1 is almost built out with houses and in Section 2 the infrastructure is under construction. This is helping the Applicant to make progression in Pod 9.

The area being developed as a park in Pod 9 was originally going to be used for a school site, but DISD passed on the smaller scattered sites and instead chose the bigger site and so Pod 9 Section 4, which the board has not yet seen, will now have the community park. Staff have asked the Applicant to provide some construction plans, to which Ms. Sherri McElwee stated they are getting close to submitting those plans.

Chairman Campbell asked if the school was still going on the 30-acre site, to which Ms. McElwee replied it is. He then inquired about Hughes Road and where it meets Lago Mar and understands that Santa Fe has shut down any outlet to Bruce Hall Road, which is correct. He then added that Mr. Collin

Campbell told them they were looking for another outlet further east. Ms. McElwee replied that the city once had her look at Lago Front and maybe connecting to La Marque. She added that Mr. Doug Kneupper had her put together a cost estimate some time back. She did all of that, but she doesn't believe it went anywhere with La Marque, but she did indicate a turnaround and stated that it is ready for a connection to be made.

Ms. McElwee then stated they have four sections left to construct.

Staff have no objections to approval of the preliminary plat for Lago Mar Pod 9 Section 3 upon condition the plans for the park site be finalized before any more plats receive final approval and that construction of the park be commenced before any more plats are recorded.

A motion was made by Alternate Jose Boix/Commissioner Jami Clark to approve the Preliminary Plat for Lago Mar Pod 9 Section 3 upon condition the plans for the park site be finalized before any more plats receive final approval and that construction of the park be commenced before any more plats are recorded. All other members present voted aye.

e. Consider and take action on the Development Plan for Southern Select Energy, a Battery Energy Storage System (BESS). Located at 701 Hwy 146 N., Texas City.

Ms. Golden stated this site is across from the existing TNMP Substation and north of Golden Rule Logistics. This is a BESS project. The site is 6.29 acres, and the Applicant will be using 5.71 acres of the site for this project.

The Applicant has revised the site plan to have the 15 ft. spacing around the batteries that the Fire Marshal requires as part of the city's fire code. They have accommodated a pipeline that runs through the property. They have provided a paved ring road and paved access to all of the batteries. They are providing 15% landscaping, which is what staff is applying to the BESS projects. They are also providing masonry fencing along Hwy 146.

The Applicant is looking at providing a second access. The second access, however, is currently through property they will not own or will have control over, so staff have asked them for an easement plat showing that the second access will actually stay open and be available if the Fire Department ever needs it. These documents are in the works, but staff haven't seen anything signed and they actually haven't had time to review what has been submitted in terms of the first form of it and so there may be some comments staff may want to offer on those.

There has been a lot of progress on this, and the Applicant has provided some of their company information but that was not provided till today, which has been provided to the Planning Board for review. Staff have not had time to digest it or do any due diligence on background information. This is why this project is being brought to the Board without a recommendation.

Ms. Golden stated, in her opinion, that this is the right place to be looking for these types of projects to be placed because they are not interfering with residences, but there are still some concerns about the site that should be considered.

This is a larger project than what the Board has been asked to consider or approve before. The other two that have been approved were 10MG. These are for 200MG, so it is a much larger project. This is the first one that is of the utility size.

For context, Ms. Golden reminded the Board of the Red Egret project that was considered and recommended denial was also a large project. She believes that project was denied because of its location and size.

Ms. Golden then stated that the Developer and Property Owner were in attendance and would be glad to answer any questions the Board may have.

Co-Chairman O'Brien asked if he could hear more information on the secondary access.

Mr. Guillame Dufay introduced himself as one of the cofounders of this BESS project and stated he has built 25 of these BESS projects just in Texas. He added that they are one of the most experienced companies in Texas. Regarding the secondary access, they have worked together with the owner, Mr. Deano Merrigan, and have spec'd out an access easement that goes around the storage property to ensure that they do not disturb any operations of the logistics company and that the access stays open with no obstruction 100% of the time. They also obtained a signed agreement on the easement and will have that in place as needed. He indicated a lockbox for emergency-only access will be provided. Another requirement by the city was to have 15 ft. spacing between containers, which is not a standard requirement, but it allows first responders to go across the site as needed. This is an extra safety design that they have included.

Co-Chairman O'Brien asked what the surface between the batteries is. Mr. Dufay replied that it would be gravel. Chairman O'Brien asked if this would support a fire truck to which Mr. Dufay replied no Fire Marshal would bring a \$1M truck in between containers to get stuck, but they will stick to the concrete road. If they wanted to, they could bring in a smaller vehicle between the batteries.

Mr. Boix expressed his concern and the number of issues about the batteries everywhere. He is concerned about having these concentrated in one area as opposed to being everywhere with one or two little pods here and there. He doesn't know how power is bought and sold, but he's also concerned if there is a power failure, what is the potential of the BESS draining that substation and creating another issue for the city. He also read something about contamination of the ground. He doesn't understand how the monitoring wells will work. He also doesn't understand how the buying and selling of power work if there is a failure of the drainage of power. Is there a check valve? He does not have a full grip on what this will bring or not bring to the city.

Mr. Dufay replied that he was part of the project in 2019 that is currently on 34th Street North in Texas City. It was online during the winter storm of 2021 and this location pushed power when everyone needed it. He stated they are always super open about the way these batteries work. They work with the best insurance companies, lenders and banking companies. He likes to say they are prime developers. With these batteries, which are connected to the grid through that substation, if there is a ground failure, there is a breaker that will shut down the site. There are also some sub-breakers on the median voltage center that will isolate each of the subcircuits. If there is a ground failure that is happening anywhere on the site, they will isolate it. If for some reason they do not isolate it there is a second layer of breakers that will shut down the site. In the case they don't take it, which should never happen, but if it does, the power line that goes into the mid substation from TNMP (another utility breaker), has a protection plan to shut down any issue at their site. The sites are fully vetted and designed and used by TNMP in this case.

Mr. Felix Herrera asked if this is three layers of protection, to which Mr. Dufay stated yes – two by the BESS and one by the TNMP grid.

Chairman Campbell recalled the first BESS and how the power goes into the grid, but it's not really designated for Texas City – it goes wherever it is needed and asked if this is correct. It helps the company and the landowner, and he understands this.

Mr. Dufay replied that the reason they are developing physically in Texas City is because it is one of the largest industrial nodes in Texas - where there is the most power demand in Texas. A lot of the power for Texas PC comes from Fort Bend County, Brazoria and from West Texas. So, there is a rush of power coming to Texas City from all these power lines. The power lines are all congested and it is a major problem in Galveston County. The utilities cannot upgrade fast enough to get all the power needed for industrial use.

When there is a rush of power need (i.e., 5:00 PM) what happens is that the way the grid is set up there is a price signal for every node in the grid, so when's there's a rush of demand the price goes up for all the consumers and there is no way to get more power. These locations charge during the night or when there is plenty of power available and then at 5:00 PM they provide the power to the industries that need it in Texas City. This does two things – 1) it allows for the utility to need less

transmission upgrades in the future, and 2) it cuts millions of dollars, and they are straight across the rate of payers through everybody's power belt. Will this save millions for everybody? Probably not, but this thing probably will contribute to a few dollars of savings on your power bill every month.

Mr. Owens asked if they are doing this for tax credit or are they doing this out of their dollar only. He stated because if not then it's coming out of our pocket regardless, right? He added that if they could tell him that they are funding 100% of this project he can see that, but if they are getting something back in return then what Mr. Dufay is telling them is not accurate.

Mr. Dufay replied that renewable energy projects are qualified under the Inflation Reduction Act that was passed three years ago for a tax credit of 30%. Mr. Owen stated that this doesn't really do much for the local guy as they are suggesting making it cheaper, it makes it beneficial to them as an investor.

Mr. Dufay stated that what it does for the local guys is that you take federal money, and you make a local investment. Mr. Owen replied that he is making his point for him.

Mr. Dufay stated that power in the United States has always benefited from politics and policies, and everybody has their own political view. He added that the Biden administration and the Trump administration have maintained tax credit on renewable energy, and it is what it is. They are funding these projects and the rest of the 70% that does not come from tax credits is funded by a group of investors called Fengate which is also cofounded by the owners of the company, which he is a part of. They have a direct interest in making these projects intrinsically safe and it's going to come back to one of the previous questions.

They also don't really look at proliferation of these assets as a good thing for anybody because when you have twenty 10MW assets anywhere they have to be managed and they usually end up needing a little bit of tender loving care. These 200 MW assets are going to have a dedicated team on the project that will be located in an office that will be somewhere between here and La Marque. These guys are going to be dedicated to this project. Whenever there's something happening at the project it will usually send a message about a small thing like a fuse that is out or a piece of the transducer that needs to be changed. It will come to this location, and they will replace it. They also create more benefit for the local community because you've got 200MW of grid support here as opposed to smaller projects that have a limited impact.

Chairman Campbell asked Mr. Dufay if he stated a few minutes ago that this project would directly put electricity into the local industrial complex.

Mr. Dufay replied that this project provides power at the TNMP Heights substation and as such, all the electrons that come out of this project are not subject to all the congestion. It is going to the grid, but it's going to the grid at this location where it's needed.

Chairman Campbell asked Co-Chairman O'Brien to help the Board understand what is being said about the power going to local industry.

Co-Chairman O'Brien stated that TNMP is in the process of upgrading every station right now by removing 69K and putting up 138K. It has been 69K for a long time. TNMP's power goes all over their service area. Industry within Texas City takes a lot of TNMP's juice from Heights, from Cattail and from the ones that are close to the sites - they directly feed into it. At the same time, TNMP's electricity goes on to the big grid that services all our houses. So, to say that that power exclusively will go to industry is inaccurate. A portion of it may go to industry, especially during peak times. So, where these things are extremely helpful is storm situations and peak times during the extreme high temperature days or cold temperature days and that's where these are beneficial, in his opinion.

Co-Chairman O'Brien continued by saying the nice thing about this project is its size. Mr. Dufay stated it is 200MW, so that's a large one. It's not the little 10K that is on 34th Street North. Co-Chairman O'Brien continued that what he sees in West Texas where they have the large ones - Reeves County is just covered with these things. You see large developments like this, the 100MW and 200MW, and there are always people there in those stations. It seems like when he goes by them, there's some sort of truck with a team working on them. He doesn't know what they're doing there, but the fact is

that they are attended to. The other smaller ones, they're not really attended unless there's a light that goes off somewhere and then somebody has to go to it. From this standpoint he prefers the bigger stations and believes there is a need for this type of development all across our state.

Co-Chairman O'Brien stated TNMP cannot tell them [the BESS project] "no". If a company makes a request for a tie-in, they [TNMP] nor any other provider can't say no. If a developer is willing to make the tie in and pay what it cost to make the tie in, TNMP can't say no. So, if a company or a city or a development or whatever is going to object it is not coming from the power company because they can't say no.

Mr. Owens stated he had two other questions he would like to ask. [First], 10MW was a good thing in your investment a couple years ago and now 200MW is much better. But now 10MW is really not a good thing and we are stuck with it at this point. At what point does 200MW become too small? Do these things grow over time and become maybe less attended? [Second] The huge problem he has with this is the location which is right next to the regional Gulf Coast Water Facility, so this does not impact only Texas City. It impacts League City, Galveston, La Marque, Tiki Island, San Leon, and Dickinson. [The GCWA plant] supplies all the raw water to industry. Let's say there's a problem at the BESS site and that somehow reaches into our water system we've got a massive problem. He just doesn't believe the location is the right place. He doesn't know if anybody has talked to the folks at Gulf Coast Water Authority. If not, he would encourage them to do that. This is the water supply for the entire county.

He added that this might be a great investment for the Applicant, but he does not believe this is a great investment for our community.

Mr. Boix stated that he thinks the city should come up with an overall plan on how to manage these units because there are going to be problems. He asked about the other BESS projects that have been approved. Ms. Golden replied that there is one active site and another that has been approved. If those smaller sites are not manned, he is concerned that the load will be placed upon the city. He loves the technology, but he is concerned there is not a master plan for the Planning Board to either consistently approve or not approve something – and now we have two small BESS approved in the city. He asked what the objective was and how many others will be allowed. For this reason, he is staying away from an approval.

Mr. Dufay asked if he could reply to Mr. Owens' question earlier about contamination and explained that the battery containers that you see there are enclosures that look like a Conex typical shipping container. They are built with IP55 protection or higher at the container level. This means they are waterproof, and the opposite is true, they are leaking proof so if you have a spill inside, they will contain it. The battery container itself is not full, it's stacked with the modules inside. Each module is about the size of a typical suitcase and each of these modules get stacked side by side within the container. Each module is made of cells about the size of a laptop. The cells are made of the lithium-ion technology that everybody talks about mysteriously and they don't know what it is. Lithium-ion technology is kind of like a lead acid battery with a cathode and anode and a solution that flows in the middle. The difference is that the anode and cathode are actually flat. Think about foils and they are very close together and the solution is in the middle and there's 57 cathodes and 57 anodes in each module. It's kind of like a book with pages of cathode and anode. The electrolyte that carries the lithium-ions is in the middle and each cell has an IP67 rating, which is one of the highest IP ratings you can think of. It's not bulletproofed, but it won't take any dust, water, or anything from the outside.

So, what can happen in the case one of these units sets on fire is yes, you may have some spillage, but the fire should actually consume the electrolyte because it's a Hydrocarbon based electrolyte, so you won't have much spillage into the container and the container itself is made to contain the spillage.

All these things are actually tested in real life. They work with several suppliers, but the supplier for this project they expect to be Fluence, which is a US based company and listed on the New York Stock Exchange. The company that makes these enclosures, they're the second biggest after Tesla. He has also worked with Tesla, but they like Fluence better for different reasons. No, they're not cheap.

Affluence gives you a little bit more freedom than Tesla which is very strict, and you can re-cycle them differently, so it's just a matter of flexibility. But price wise, they talk to each other. These guys run these containers through a UL 9458 type of testing. Every container has to be approved for that UL type of testing. They set them on fire, and they see what happens. So, what happens when they set the module on fire is that they see if the next module sets on fire as well. They set a cell on fire to see if the next cell catches on fire and if the fire stays within the module or if it goes to the next module and to the next track, etc.

They also measure the gas coming out of it and they measure the spillage out of it. They have a criterion for passing or failing and they work with the biggest insurance companies in the country to validate all of these results. They are only going to use top-tier-one batteries from either Tesla or Fluence or one of the top five suppliers that makes the best product.

Because the big project has had a lot of scrutiny, it's going to be insured. There will be hundreds of people looking at your project, making sure you're doing things right. On the small project sometimes there are a little bit of shortcuts being made, so you want to be more careful as a jurisdiction. All of this is checked, and Mr. Dufay has never heard of any spillage issue on any of the top-tier battery containers.

Mr. Boix believes that if the city develops a master plan, he would rather see the BESS projects installed on the Greenbelt just by the industry.

Mr. Dufay replied that they aimed for this area because it is industrial.

Chairman Campbell asked Commissioner Clark if she had anything to ask about this project.

Chairman Clark asked what the Fire Marshal had to say about the site plan. Ms. Golden replied that the Fire Marshal asked for the 15 ft. spacing requirement and the Applicant has met that requirement. The Fire Marshal also asked for the two opposite accesses and that requirement has also been met.

When it gets to the actual permitting process, then there's going to be requirements for a decommissioning plan, a security plan, and posting a bond. This is when they will look into their insurance, so they'll get a lot more into the specifics about what exactly is going in there, but from a site plan standpoint, the Fire Marshal's requests have been accommodated in the site plan.

The property owner, Deano Merrigan, added that the property is already polluted and so are the neighboring properties. The property can't be anything but industrial or commercial. He stated that most of the properties along the refineries are polluted. TCEQ came out there and took samples on the monitoring wells he has out there. They came back and told them nobody could build any houses out there, but it could be used as industrial and got a notice of no further action required from the TCEQ. He stated that the water that is out there is in the canal is refinery water, it is not drinking water. Once it goes past the water authority the water is not drinkable.

Mr. Owens stated that this is not 100% accurate because this is north of the water plant.

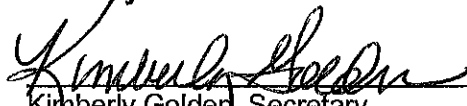
Co-Chairman O'Brien asked if this is coming with no recommendation from the city. Ms. Golden replied that it is coming with no recommendation from staff. She stated that what the Planning Board is doing is making a recommendation to move the site plan forward to the Zoning Commission.

A motion was made by Co-Chairman Perry O'Brien/Commissioner Jami Clark to approve the Site Plan for Southern Select Energy, a Battery Energy Storage System (BESS) rezoning from District F to District SP. Voting by show of hands was 3 – 2 in favor of the motion. Chairman Dickey Campbell, Co-Chairman Perry O'Brien, and Commissioner Jami Clark voted aye. Alternates Aric Owens and Jose Boix voted nay.

4) GENERAL UPDATES

5) OTHER BUSINESS (Any conceptual development proposal requesting to come before the Planning Board)

Chairman Dickey Campbell asked if there was any other business to which there was none. **A motion was made by Commissioner Jami Clark/Alternate Aric Owens to adjourn. All members present voted aye.**


Kimberly Golden, Secretary

8/19/2024
Date

Minutes approved by the Planning Board at its meeting on 8/19/2024.

ZONING COMMISSION AUGUST 6, 2024

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, August 6, 2024, at 5:00 p.m. Zoning Commission members present: Chairman Perry O'Brien, Aric Owens, Bruce Clawson, Fernando Tello and Alternate Member Lisa Salinas. Staff members present were: Kimberly Golden, Casey Bennett (CBO), David Kinchen (DBO) and Veronica Carreon. Guests were: Ben Baty, Chris Johnson, Felix Herrera, Deano Merrigan, Anthony Neva, Stavan Vora, Guillaume Dufay (AOP Renewables), Simon Labrosse Gelin, Jack Hernandez (Interfield) Jill Crawford, Bob Wittmeyer, and Georgia Meisler.

Chairman O'Brien indicated a quorum was present and called the meeting to order.

1) APPROVAL OF MINUTES

A motion to approve the minutes of July 2, 2024 was made by Bruce Clawson/Aric Owens. All other members present voted aye.

2) PUBLIC COMMENTS

There were no Public Comments.

3) ELECTION OF OFFICERS

Ms. Golden stated that at the last Zoning Commission meeting it was mentioned that Mr. Gary Potter had resigned his position on the board. He was previously one of the co-chairs and so there is now a vacancy in the board's office of co-chairs. Ms. Golden asked those in attendance if they would like to hold an election of a new co-chair and it was agreed to have it on the next meeting agenda.

It is now being brought forward for purposes of members to consider the election of another co-chair. Since this was last discussed, Mr. Bruce Clawson has been appointed back to the Zoning Commission and Ms. Thelma Bowie is not in attendance because she is not feeling well.

Chairman Perry O'Brien asked the Zoning Commission if they would like to nominate anyone.

Mr. Aric Owens asked if it was required that they have a co-chair, to which Chairman O'Brien replied it is nice to have a co-chair to lead a meeting if at any time he is not available to attend a meeting.

Mr. Bruce Clawson made a motion to nominate Mr. Aric Owens as co-chair of the Zoning Commission. Mr. Fernando Tello seconded the motion. All other members present voted aye.

Mr. Owens stated he would be glad to serve as co-chair.

4) Zoning Change Request from The Interfield Group to rezone from District "O" (Open Space to District "E" (General Business) for a proposed Convenience Store and Retail Development. Located at 1414 FM 646 on the east side of Vicksburg Lane and west of Hwy 146 N.

a. STAFF REPORT

Ms. Golden stated the location is a 9.56-acre site located on the east side of Vicksburg Lane at FM 646. The Applicant is requesting a rezoning to be able to build a new 4,700 sq ft convenience store with fuel pumps and a new 12,000 sq ft retail strip.

The property is currently zoned District "O" (Open Space) and that is the zoning in place when you have land that is not developed or subdivided. It is intended that District "O" be rezoned as the city grows into that direction.

For the particular use that they're contemplating, District "E" (General Business) would be the appropriate district for them to be rezoned into. The surrounding property that is not vacant is still zoned District "O". Property that is vacant on the other side of Vicksburg Is zoned District "A" (Single Family Residential).

The District "E" zoning would be appropriate and staff have worked with them on our site plan. The main issue they had was getting some developed drainage because the drainage is pretty poor in the area. What they've done is they're going to subdivide into three lots and one of the lots will actually have a detention pond on it and then there'll be a Property Owners Association that will own and operate their detention pond for the benefit of the other two lots of which one will be the convenience store and the other will be the retail strip.

This project is in the Gateway Overlay District so they will have to comply with the requirements of the Gateway Overlay District which again are masonry construction, some setback requirements, landscaping requirements and some screening requirement. The Applicant has indicated they are compliant with all of this.

If the Zoning Commission does recommend to rezone, staff just suggests it be subject to the subdividing going in place and the creation of the Property Owners Association to own and operate that.

Mr. Bruce Clawson then stated traffic along FM 646 is a heck of a deal. He went through there recently and there was a bad wreck on the road. He couldn't tell if there is a turn lane and asked if there is one at the property.

Ms. Golden doesn't believe there is, but indicated this is the next section of FM 646 to be widened. In fact part of their platting is going to go ahead and be dedicating that additional right of way. TxDOT is also in the process of acquiring that right of way.

Chairman Perry O'Brien asked if the retention pond would constructed at the same time, to which Ms. Golden replied construction of the detention pond will be required when they do the project because that's what is allowing them to have the drainage that they need.

Mr. Clawson then asked what the building is on the property, to which the owner, Mr. Stavan Vora, replied it is just a storage building that the previous owner had used.

Mr. Clawson then asked if there were any wells on the property. [The representative "no" by shake of the head.] Ms. Golden advised the site does not have Texas city water and sewer service available to it, so they're going to have to annex into the Bacliff MUD for purposes of getting their water and sewer service. This does not mean they are going to de-annex from Texas City. The MUDS and the city are on top of each other. The mayor has given them a "comfort letter" indicating that at the appropriate time we will take a request to City Commission to give the necessary consent for the annexation.

Chairman O'Brien then asked if this site plan still needed to be presented to the Planning Board, to which Ms. Golden replied it has been through that process. He then asked what the construction timeline would be. Mr. Vora replied if given the green light he will start tomorrow.

Co-Chairman Aric Owens then asked if there would be fire hydrants installed because he recalled a couple years ago they looked at a storage facility further down the road and they weren't there and would have to install on-site water storage. Ms. Golden replied when this happens, it's not going to be on-site water storage but when they start their process of annexing into Bacliff, that is what will have to be worked out – is the capacity to provide the Fire Protection that's necessary for Texas City Fire Marshall to sign off on.

Chairman O'Brien asked if there any additional questions? There were none.

b. PUBLIC HEARING

A motion was made by Fernando Tello/Co-Chairman Aric Owens to open the Public Hearing. All other members voted aye.

Chairman O'Brien stated if anyone in attendance was for or against the zoning change now would be the time to make a comment.

Ms. Golden stated there were eight Public Hearing Notices mailed to neighboring property owners and no comments were received in favor or against the zoning change request.

There were no questions or further discussion, to which a motion was made by Bruce Clawson/Fernando Tello to close the Public Hearing. All other members voted aye.

c. PRELIMINARY ZONING APPROVAL – Consider and take action on the zoning change request from The Interfield Group.

A motion was made by Bruce Clawson/Fernando Tello to approve the zoning change request from The Interfield Group to rezone from District “O” (Open Space) to District “E” (General Business) for a proposed Convenience Store and Retail Development provided it is subject to the establishment of a Property Owners Association and the recording of a subdivision in proper form. All other members present voted aye.

5) Zoning Change Request from Alpha Omega Power, LLC to rezone from District “F” (Light Industrial) to District “S-P” (Site Plan) for development of an electric power generating station utilizing lithium-ion battery energy storage system (BESS). Located at 701 Hwy 146 N., west of Hwy 146 N., and north of the existing Golden Rule Logistics.

a. STAFF REPORT

Ms. Golden stated Alpha Omega Power LLC is looking at a site that is 6.29 acres of vacant land but will use 5.71 acres to install a Battery Energy Storage System (BESS). This is a large installation. Previously approved BESS' have been 10 MW. This project will include up to 106 individual battery containers for 205 MW or 410 MWh at a two-hour capacity, meaning it takes two hours to charge and two hours to discharge. This is approximately twenty times larger than any of the previously approved BESS projects in Texas City.

They have provided in their site plan for the 15 ft spacing all the way around the battery units as required by the city's updated fire code. They're also providing a paved 20 ft perimeter road with two points of access.

The second access is actually through adjacent property which the applicant does not own or control. The owner has provided an easement. Ms. Golden pointed out the recommendation is

for that secondary access to have some sort of platting to it. Staff's concern is that it remained completely open and accessible over time.

The Applicant is also providing a nice masonry fence and landscaping at least 6 ft in height, which again is the standard that the city is applying to these BESS projects which was also applied to the other two that have been approved.

The project site is part of the former ETC Texas City Trucking Terminal. It had some environmental issues and has been through a process with TCEQ and now has no further action required, but it can never be used for anything but industrial or commercial.

The adjacent property to the north is Baker Distributing. There is common ownership of the property to the South which is a logistics company. The property across Hwy 146 N is the TNMP Substation.

Information was provided to Ms. Golden about why the TNMP Heights Substation is a prime location for these types of projects to tie into, which is basically has to do with the size of the substation and the fact that it's set up to take this kind of interconnect.

Also provide was some information about the type of battery chemistry and the manufacturer that they're proposing to use. The battery chemistry is the Lithium Ion Phosphate, which is considered stable and less prone to the thermal runaway concerns.

The manufacturers of both the battery cells and the battery assembly are considered Tier 1. Ms. Golden believes that means that they work really hard to comply with all the codes. They do the extra testing and things to show that their products are safe and then they maintain good quality control as they're being built.

This location is not in the floodplain, and it is inside the Texas City Hurricane Levee.

The specification they are going to have for the containers are the type that you would have for a corrosive environment, such as coastal area. It's the highest level of corrosion protection and the highest level for both the batteries and containers. She stressed that these are the standards that both the Building Official and Fire Marshall will apply at the time of applying for building permits.

Their fire protection will be an on-site system that is specifically designed for this application. There's also a robust monitoring system that is monitored remotely 24/7, but indicated that for a project this size the operator would have a crew stationed within the nearby area [LaMarque] to make proper response in the event that remote monitoring shows there is something going on.

Information about decommissioning was provided for the Zoning Commission. Staff do anticipate that at the time of permitting some sort of decommissioning bond or security will be required through the permitting and plan review process. This process is still in development by the building official and fire marshals.

Ms. Golden stated that the item that might need consideration is the second point of access. Again, the Applicant has provided a signed easement agreement, but staff would prefer to see it as a plat because those things are usually just easier to keep track of.

This company was formed in 2023, so it would be considered a startup.

The Planning Board has looked at this because the zoning changes to District "S-P" (Site Plan) requires review by the Planning Board first to look at the site plan. The Planning Board approved the site plan conditioned upon the Zoning Commission approving the zoning change. If the zoning change is approved the Applicant would have to be subject to the site plan as approved by the

Planning Board. There could not be any changes to the site plan without approval from the Planning Board.

The Zoning Commission's action is to make a recommendation to the City Commission. The City Commission is the one that approves or disapproves the actual zoning change. The Planning Board approved the site plan on a 3-2 vote.

Ms. Golden completed her report and stated she can answer any questions and that the Applicant was also in attendance to answer any questions.

Chairman O'Brien asked if this project fits the Land Use Plan. Ms. Golden replied she was not sure if there is anything specific in the Land Use Plan about these kinds of uses, but it does fit a light industrial use.

Mr. Clawson then stated he had a question for the developer and one for the landowner. He then asked if this is a brown field. Mr. Deano Merrigan [landowner] replied that it had a leaking tank out there and they had monitoring wells out there. TCEQ monitored the wells for some time, and they said, per TCEQ, whatever is there is there and it's not migrating. The trucking facility that was there was responsible for it the cleanup and the monitoring. They had them [the monitoring wells] pulled out and fill them back in and there's no further action.

Mr. Clawson stated that nothing can be built out there, to which Mr. Merrigan stated that was correct. Only commercial or industrial can be built out there.

Mr. Clawson then added that he is not quite clear on the fire suppression system.

Mr. Guillaume Dufay (AOP Renewables) replied batteries are known for being pretty good devices and are everywhere, but large batteries have always had Fire Protection systems. As Ms. Golden mentioned, the way these things are operated is they comply with every fire rule that you can think of and that exists. There have been dozens of thousands of these containers deployed across the nation and they have A National Fire Protection Agency (NFPA) protocol that's called NFPA 855 and each of these have to meet the requirements. One of the requirements is that they have to have several layers of protection. layer No. 1 is monitoring, and No. 2 is to remove the activation, layer #3 is active suppression of fire in the case of a fire, and then the final element of the NFPA 855 is that every battery that gets installed and that complies with NFPA 55 has to go through a burn test.

The way this works is that you set one battery on fire by putting some fire in it and you see what happens. You see how it propagates; you see how the fire gets extinguished by the system. There are several levels of a burn test that can be done on a cell, on a module, on the full rack or on a full container.

Power suppliers are Tier 1 suppliers and Tier 1 suppliers tend to go the extra mile where they do full container/full unit test, and they test what a fire looks like. They then have a passing or failing criteria that come into play into how much you pay for insurance. All the batteries that they choose from show that fires never propagate to the next unit over and there is never an explosion, so the worst case of fire that you can see that is being tested is when you burn a cell and module, and it doesn't go to the next one. You will then have some smoke and then you're going to have to let it burn because the extinguishing system is going to take care of it.

You do not throw water on it, and they train their fire departments on this all the time. Two months ago, they just went through a full fire department training in the City of La Marque where they have another project. They are very actively engaged with fire departments.

Again, you do not throw water on a fire, you let it burn. Once the reaction stops, which will take a couple of hours, you will then take the container and send it to a recycling area. You check the ones around, making sure that integrity is not compromised, and you replace it or you do whatever needs to be done post-removal.

Mr. Clawson then asked what the fire suppression system would be. Mr. Dufay replied there are two types of fire suppression system and added before going into a thermal runaway, a battery cell just like the one in your phone is going to show some early signs of failures. The voltage is going to be off, the balancing with the other modules is going to be off. Mr. Dufay claims they have the best control system in the world. They use a company called Individuation Austin. They monitor every cell, voltage, charge, temperature, etc. You're talking about several hundreds of thousands of cells in this installation. Every one of them has a temperature and voltage sensor that is being monitored. If one of them is off, they deactivate the module, remove it, and replace it with a new one. The early signs are showing what is going to happen and, if for whatever reason, that fails, the second level is you have an early detection system on the battery. If you feel that there is off-gassing of the cells or if you feel there's a higher temperature in the container itself, the container is going to auto shut down. That should stop any discharging that would cause some further fires. If for whatever reason that fails, they are talking about very low probability events here, then there is a fire suppression system at the battery inside each of the battery container.

Depending on the technology, sometimes it uses a FM 200 or state X aerosol and the modern one that they are using are most likely going to be an aerosol-based extinguisher. They are going to spray into the container on the area that was detected and is going to fill the container with the aerosol and that supposedly is going to stop whatever reaction is causing the problem. 9-1-1 will then be called and like Ms. Golden stated their guys will be nearby to respond to the emergency.

Co-Chairman Owens asked Mr. Dufay if he stated earlier that these batteries never explode because he's seen some videos where they have. He added that another thing Mr. Dufay stated, that he thinks is kind of crazy, is that Mr. Dufay stated "supposedly they put them out". He asked if this was just a choice of words because this is a huge concern to him.

Mr. Dufay replied that he came four years ago in front of these Zoning Commission and it was a pretty long meeting to build a 10MW site, which he indicated on the map. He stated this site has never had any problem and it works well. They are involved in and will be around for a long time. They are investing \$150 million in this project. If this explodes, they are going bankrupt – and there is a lot of their personal money in this too. They are strongly incentivized for these to be safe.

Have there been batteries that have exploded, yes absolutely. That was before the times of NFPA 855. That was before the time when they had clean and clear codes where they were smart people from fire departments across the world and particularly here in the United States that had worked on it. There was a site in Arizona that was known for catching fire and had an explosion when a first responder came into the battery system. It caused several injuries to the first responders and there's been massive changes to the design of the system since then. He believes this happened back in 2017.

There are many changes since then and the chemistry of the batteries has changed. These batteries, lithium iron phosphate, have a lower flammable limit, meaning that they exhaust less gas and they basically catch on fire with less strength and what they are seeing when they do the testing is that when they ignite the cell because they put a resistor in there and overheat it until they ignite the cell.

What you're seeing is that the next cell over ignites too but with less power, and then it just dies out within the module. This is because these batteries are not as reactive as the previous

technologies being used. So that's a major change that makes these batteries much safer. The other thing that was changed was the enclosures, the container of the battery, was rethought and redesigned.

They were talking to the president of Fluence, their main supplier, who is also the #2 US manufacturer for batteries, and he said they have had some failures and they learned from them. That's actually better than having no failures and not learning. Everybody had to redesign and rethink the process because it's possible that a cell is going to have a thermal runaway. What you want to make sure is that it doesn't trigger a catastrophic reaction. The whole mindset of avoiding an accident completely to avoiding catastrophic occurrence has changed in a way that now if a cell goes into a thermal runaway, which again is unlikely because they have 3 levels of suppression, but if cell does go into thermal runaway, there's a deflagration vent at the top of the container according to NFPA 68. There's a deflagration vent at the top, so in the likely event where you have a chain reaction of everything going wrong that possibly could go wrong, and again, it's been tested and showing that it doesn't happen, but, if it happens the deflagration is going to happen overhead, not causing any damages to the first responder or anything. The other main cause of catastrophic consequences to these batteries accidents was if you have first responders getting into the enclosure. It use to be that they would put these batteries into buildings or into enclosures that would allow somebody to walk in there and that's the problem because that puts somebody at risk if there's a thermal runaway.

So yes, there have been batteries that have exploded. Mr. Dufay is not aware of any LFP battery that has exploded. He is aware of some LNO batteries that have had some trouble runaway, but every single time they have self ignited and they have not propagated to the next unit over and they have never caused any accidents.

Co-Chairman Owens then asked in an event they have this gas coming out, are there any studies that show what the carry of that is? For instance, they have approved some generators out here on Humble Camp Road and Attwater Drive and they talked about the decibel noise for like so many feet but if you have a fire what does that plume look like? Is it a quarter mile? Half a mile? A couple 100 feet? Who's in harm's way at that point? And do you have protection for that?

Mr. Dufay replied they work with a company called ESRG. They are a fire consultant everywhere and they are the main fire consultant for battery energy storage. They were actually created by 9-1-1 heroes, so they know about fires. They do the HMA (Hazard Mitigation Analysis), fair mode, and affect analytics which will be part of this project. As they go into the design there will be an HMA down to meet the NFPA 855 requirements and that HMA is going to consider the risk of gas dissipation and any danger for any public or for any walker. All of that is going to be studied in detail from quantitatively and qualitatively.

The qualitative answer is that when one of these thermal runways does happen the common kind of point of comparison, it doesn't create more toxic gas exhaust than a typical office building catching on fire.

Mr. Owens stated that could be put out in a couple hours. How many hours would this project take to burn out?

Mr. Dufay replied that is the whole benefit of the new testing that they do because they show that the fire does not propagate any further than one container. There's a limited quantity that can burn and so the exhaust is going to be limited. He believes the time concept is about a couple of hours, maximum six hours for a fire to be completely out and then you can open the container and start to disassemble the pieces and there will be weeks of investigation. He reiterated that it is not weeks, it's not days, it's hours.

Co-Chairman Owens stated that just seems different than what we we've heard on the other projects.

Chairman O'Brien added that the one in Arizona that Mr. Dufay spoke of was a totally different battery design.

Ms. Georgia Meisler (AOP Renewables) replied that was a different battery chemistry as well. It was a LMC battery instead of LFP, which is part of why this standard has moved to the LFP, because it is less volatile, it's more stable, so the end result of thermal runaway is a lesser outcome. She wanted to make sure one question that was asked was clearly answered was how far all the smoke travels. So obviously that depends on winds, but the important factor to consider is that testing would indicate that it's always within EPA standards. And again, the smoke itself, it's typical. Think about what it is that's going to be burning. What is a battery? It's going to have plastics; it's going to have some metals, the same kind as building materials. And it's relevant, not really unique, in that perspective as far as what will actually catch fire.

Alternate Lisa Salinas stated the concern she has is that this place is going to be upwind of the apartment complex nearby. Here the winds are always out of the South, so anything that's coming out of there is going directly toward those apartment complexes. She asked if there is anything that is going to protect those people or notify them that something is blowing their way.

Mr. Dufay replied there are two things to consider. First, this is a light industrial zoning land and of all the light industrial application you can think of, a battery does not create any pollution at all. So, they don't burn anything. They don't have diesel generators. This is just purely charging and discharging energy. There is a very minimal footprint and exhaust of anything. He believes in this respect, it's beneficial for the community around because those apartment complexes will not have any impact.

As part of the emergency response plan, yes, there will be a concerted response plan with the first responder and the first responder, perhaps the Police Department, will oversee flagging any issue or any concern to the public safety. He thinks that it is going to be their top priority is going to be to protect the citizens in a large apartment complex close by. And again, that they will be in the case of an emergency situation, one of the first measures will be when they are on the site is making sure that it does not exceed the EPA standard. If it does, there will be some steps to be taken that will be all part of this emergency response.

Mr. Fernando Tello asked if there would be a leak detection. Will there be hydrocarbon detectors around the units to catch a leak? If a leak is there what will they use to catch that besides them telling the Zoning Commission that somebody offsite will come by and look.

Mr. Dufay replied they will have an operation and maintenance crew that will be spending time at the site mostly during business hours, but because we have the other site in La Marque that's actually fairly close by, they will be spending their time between the two sites.

As far as leaks, they have never heard of a leak on a operating battery, so the only time when a leak may happen is in the case of a deflagration of the battery, which is thermal runaway. In that case there is really two elements that you need to think of. The first element is that every cell is contained in two modules and these modules are IP67 meaning that they are fully water tight and dust proof. So there is nothing that goes in or out of these of these modules and then the container is a 20 ft Conex container. There is a drip pan at the bottom, so anything that leaks is going to fall in the drip pan. The reason for the drip pan is not really for the toxic elements of it, but there is a cooling system that keeps the batteries cold. The cooling system is water and glycol, so if that gets in the drip pan there is going to be a warning that the Operator is going to take care of.

The final other important element is that our site is going to have a ring road, so if there was a massive leak of something bad, but there is no reason for anything of that magnitude to leak, but the surge of leakage would not go past the ring rug, and certainly not into the higher elevation elements like the canal half a mile away. They have got a lot of layers of protection on that, and this is not an element that has not been seen.

Explosion of batteries is a really important element and Mr. Dufay is glad they are talking about this because they want everybody to be aware of this because it is an important element. Leaking is not something that has been seen as a risk associated to the batteries.

Mr. Chris Johnson (Attorney for Alpha Omega) stated he wanted to address the easement for the second access. One of the things that the Fire Marshal wanted to see for this project was two points of access into the site and they went about doing is obtaining a perpetual and uninterrupted ingress and egress easement from the neighboring landowner.

One of the things that Ms. Golden mentioned is that you'd like to see a plat, but legally speaking, there is no difference between having a permanent ingress and egress easement that cannot be obstructed or a plat and the reason being is he actually thinks this is the better way to go because it is something that what they call "runs with the land" is a superior right of the neighboring property meaning this site will have a superior right for that second point of access to come through that neighbor's land forever.

It is not dependent on owners. It is not dependent on any changes to the site. It exists, so no replat can change the fact that that easement is there, meaning it's a contractual superior right that runs with the land. So regardless of who owns the neighboring property going forward, that right of ingress and egress will exist. Also, it is very difficult to try to get a neighbor to replat their property for the benefit of the neighboring property. He has never seen that happen, but he thinks it is important for the Commission to know that legally speaking, there is no difference as far as the rights that are conveyed via this easement. This easement gives a perpetual right for ingress/egress that cannot be interrupted by any subsequent owner of that property. He thinks it is important to know that that second point of entry is a guaranteed point of entry, and that Alpha Omega has already gone and done the work to obtain that right.

Mr. Clawson asked where this is at. Mr. Johnson indicated it on the site plan. Ms. Golden added that it is on the far west side of the site and then it crosses and follows the northern line of the land.

Mr. Ben Baty stated he has 2.1 acres near this project, and no one has talked to him about an easement. Mr. Johnson replied that he does not believe the property Mr. Baty indicated is his property.

Mr. Johnson then conclude the reason for having a perpetual easement is for that concern that it's not a maybe, it is a recorded document. When you talk about recording it in the real property records, it puts the public on notice that right is going to be there forever.

Chairman O'Brien then asked if there were any other questions?

A motion was made by Fernando Tello/Co-Chairman Aric Owens to open the Public Hearing. All other members voted aye.

Chairman O'Brien explained that the Public Hearing was open, and this is where those in the room, hearing everything that's already been said, has an opportunity to voice whether they are for or against this request. The Zoning Commission would first take any comments from anyone

that is against the zoning change request first and then they would listen to those who are in favor of the request after.

Mr. Baty spoke first and stated he owns the nearby Baker Building and the land immediately west of the Baker building. He recalled that Chernobyl also have all fail safe in place and they had little problem too. As a matter of fact, a week ago today, the Fire Chief of Texas City addressed his Rotary Club and he was asked about the lithium batteries and what do you do if you have a fire with a lithium battery? He said we get everybody away from it because we can't put it out.

Mr. Baty stated that he knows nothing about lithium batteries. He is not a chemist and can only go by what the professionals have told them. Another question during the Rotary Club was what happened if you have a Lexus vehicle - do they have lithium batteries? What if it is on fire on the freeway? What do you do? He said we get away from it to keep people from inhaling the toxins from it.

So again, immediately to the west of his property is the apartment complexes and he has never seen many fires that didn't have smoke. He is sure the southeast winds are going to blow the smoke toward the apartments if there were a fire or chemical reaction. He is just concerned of what will happen in the event of a fire.

He added that this will also kill the value of his property if he tries to sell it and a potential buyer see a lithium battery storage next to it – there goes the tax value.

Chairman O'Brien asked Mr. Baty to indicate his property on the map. He did so and then stated this may just keep the vagrants out.

Chairman O'Brien asked if there were any more comments against the zoning change request. There were none.

Chairman O'Brien then asked if anyone had any comments that are for this request they would take them now. He then introduced Mr. Bob Wittmeyer, who was in attendance, to speak about the benefits of battery energy storage.

Mr. Bob Wittmeyer stated he is a professional engineer and has spent his early life at Ercot and has been doing this for a long time. He then asked if Ms. Veronica Carreon could go to Ercot.com. and then began his presentation.

He then presented why batteries are particularly important to the grid today. He indicated on the website a chart that showed a solar chart in orange, a wind chart in blue, and an aggregate chart in purple. He indicated real time on the site and stated shortly after 8:00 PM, things get really, really tight in the grid, which he also indicated. Five years ago, this was not a problem. He indicated where the grid would peak, and that the generation would be fine the rest of the day.

The problem we have now is we have a ton of wind and solar, and we know every day the solar is going to do that. He indicated in the summertime, the target window for these batteries and stated this is why we need the batteries. We need the batteries because of our demand line; this is our supply line. He promised that they will never serve more load in Ercot than they have generation do so.

What he did not recognize when he got in the power business is every time we turn on appliance at our house, somewhere on the system a generator's fuel valve opens and makes more power. It really is that tight. They measure that with frequency and when it is at 60 Hertz, everything is good. We run out of generation that frequency will fall off 60 Hertz. It doesn't have to fall very far off 60 Hertz and we are all sitting in the dark.

The batteries are particularly helpful now because of all the wind and solar they have on the system, and that's why the batteries are really critical to them. Now, where they weren't so important before, can they raise prices in Texas City by having a battery there? No, they cannot.

The way the ERCOT electric grid works is ERCOT procures services from the least cost resource. Anytime somebody tries to jack with the price a little bit, they'll just move it to someplace else. If the system gets inherently tight, there is an independent market monitor that overlooks the grid and makes sure these guys are playing about it.

Mr. Wittmeyer then asked if there were any Ercot related any questions.

He then added that the other thing batteries are really good for are when there is a load shed event, the operator has to fix the wires first and before they can take the load up, they have to make sure they have enough generation to pick up the load. The problem is the load that was on the system when that load went off causes all of your air conditioners to immediately fire up. If they break that link at 60 Hertz, the load comes back out.

Batteries are a giant shock absorber around the system. They can move from a generator to a load in 1/4 of a second. So they're very important for bringing load back up on the system.

Chairman O'Brien asked if it was appropriate to say that the batteries stabilize this system, to which Mr. Wittmeyer stated that is appropriate and we don't normally need that stabilization, but when we do, we really do.

Chairman O'Brien asked if there were any other comments in favor of?

Mr. Dufay replied that he would like to recommend on the apartment building and the air quality. As part of the emergency response plan in the hazard mitigation analysis, there will be a very quantitative study of all the gassing that's possible from the batteries. There will be a quantitative analysis of how much pollutant can get in the air and may impact the residents. If the studies show that these levels exceed EPA standards that would be a failure and they will not be able to build finance to ensure the assets. So, there are many, many levels of controls on these assets that are here to protect the citizens, to the investors, to thank the first responders and everybody involved in the project.

These HMA documents will be provided to the city as needed and they have to be provided and reviewed by the fire department in order for the project to comply with NFPA 855. They have to comply with NFPA 855, otherwise they do not get insurance on their project.

There are checks and balances control systems in place for these large investments and it's \$150,000,000+ that is being invested. There are a lot of highs and a lot of very expensive lawyers who look at this stuff. There are a lot of eyes on it and very important, like are they going to kill their neighbor is going to be looked at very attentively because no investor wants to be involved with the project that has killed a neighbor. That is how you get a lot of people running away and going bankrupt, so with this being said, this project is going to be intrinsically safe.

Staff will have access to all the documentation they need at the fire department level. The Applicant will also be very happy to discuss any questions. They love batteries so they can talk batteries all day.

Deano Merrigan (Property Owner) then stated that the Zoning Commission approved a battery site exactly across the street and exactly South of the apartments behind Kroger and none of this was brought up. Planning and Zoning voted for it across the street.

Now this project is coming up on his side of the street and it's a little different and it just makes him wonder. He stated that he would like to be treated fair and be shown the same respect. He

stated that he has run into some challenges here and understands the concerns, but he pointed out that across the street is another battery storage facility. He only wants the same questions to be asked when this is presented to City Commission.

He added that this is a \$160,000,000 project. The city makes a lot of money on property taxes and this could make about \$2,000,000 a year for the city and property taxes. It's a light industrial site. This is what it is designed for - light industrial use.

Wind direction has been discussed. He reminded everyone that we live in Texas city, it's not The Woodlands and we everyone in here knows someone who has cancer. This is a safe product and if this building burns down, you got toxic glue and all kinds of stuff that's going to burn in here. And if you put your head over this fire right here on the building to get you some, you probably get sick. And so, it's the same output as a battery.

If they don't do a battery facility and they build a building and it burns down and it is south of the apartments, all that smokes goes towards them. He asked that everyone look at this with an open mind.

There were no questions or further discussion, to which a motion was made by Bruce Clawson/Fernando Tello to close the Public Hearing. All other members voted aye.

c. PRELIMINARY ZONING APPROVAL – Consider and take action on the zoning change request from Alpha Omega Power, LLC.

Co-Chairman Owens asked Ms. Golden about the mitigation study and then they are asked to approve something or not and then say we're going to have this study afterwards to determine if it's good or bad.

Ms. Golden replied what he's talking about the hazard mitigation analysis and a lot of other things will be made available during the building permitting process. That's when the building official will review it, and the Fire Marshall will also review it. We actually are going to contract with a third-party reviewer that specializes in BESS projects to review all of those projects when they come through as building permits.

She believes the reason that it comes later is it's very costly to do it and the Applicant needs to know if they're going to be able to do this site or not. She believes that's the way it comes out. They kind of have to know they can do it here, if they're going to do it anywhere, before they go to the expense of showing models of the factories.

She asked Mr. Dufay if this was correct, to which he replied they are absolutely doing all this level of analysis that they talked about costs them between \$1,000,000 to \$2,000,000. As of today, they are still in a position where if the Zoning Commission denies the project, they have nothing, and the project dies.

They have already invested about \$1,000,000 in the project, but they can't invest another \$2,000,000 for the design and \$2,000,000 for the lawyer fees. They can't invest a lot of money in a project that may die tomorrow.

As much as he would like to come in front of the Zoning Commission with a full package that's fully detailed and fully defined where you can make a strong decision based on very clear criteria, that is impossible to do at that stage. That's where the city staff comes in and they are mandated, and they see this in every jurisdiction that they work with. It is always that process where there's

an initial discretionary approval from the Board of Zoning or Planning and City Council to give an indicative idea of whether the city likes this business, but then the city administration is in charge of enforcing that this project is done well.

Ms. Meisler added that the hazards are known and quantified already. What is unique and what is addressed in the HMA is the site-specific information which is proximity to sensitive receptors and direction some of those other specific things and those drill down and provide detail that may cause some changes in design. The hazards are known and from what has been seen, even in the rare instance of a thermal event, is that the effluent smoke from a thermal event is within EPA standards. That is not something you don't know and that level of detail we absolutely could provide today. It's just what's unique about this specific application in this location that will be addressed, and we'll fine tune the design upon admission of the building permits.

Co-Chairman understand that a vote would be a lot easier to make if you have all this information and wished there was a better way to do this.

Mr. Dufay stated the consultant that Ms. Golden was referring to, he doesn't know if staff will be using this one specifically, but he is a very well-known consultant in this industry. They are in the middle of construction of a project in California right now. That project came through the county of San Luis Obispo, which is very nice wine country. That city was using the same consultant and they went after every single detail. They looked at thousands of pages of studies and documents and into every single line item. That's the kind of scrutiny you get from these guys. They probably charge a lot of money for that, but hopefully permitting fees are going to cover that, but they are good at it, and they are in for the city's best interest.

Chairman O'Brien asked if there were any other questions or comments.

A motion was made by Bruce Clawson/Alternate Lisa Salinas to approve the zoning change request from Alpha Omega Power, LLC to rezone from District "F" (Light Industrial) to District "S-P" (Site Plan) for the development of an electric power generating station utilizing lithium-ion battery energy storage system (BESS). There was a 4 – 1 vote in favor of the zoning change request. Co-Chairman Aric Owens voted against the request.

Chairman O'Brien reminded everyone that the Zoning Commission is seated by volunteers/citizens of the City of Texas City and that City Commission will have the final vote on the zoning change request. He also encouraged those in attendance to be at the City Commission meeting to answer any questions the Commissioners may have.

4. GENERAL UPDATES

There were no updates.

5. OTHER BUSINESS (Any conceptual development proposal requesting to come before the Zoning Commission)

A motion was made by Co-Chairman Aric Owens/Alternate Lisa Salinas to adjourn. All members present voted aye.

Kimberly Golden, Secretary

Date

Minutes approved by the Planning Board at its meeting on _____.

After recording return to:

Simon Labrosse
Alpha Omega Power Holding LLC
4201 Main St, Suite 200-145
Houston, Texas 77002

ACCESS EASEMENT AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GALVESTON §

THIS ACCESS EASEMENT AGREEMENT (this "Agreement") is made, dated and effective as of July 22nd, 2024 (the "Effective Date"), between LM Storage LLC, a Texas limited liability company (together with its successors, assigns and heirs, "Owner"), and Alpha Omega Power, LLC, a Delaware limited liability company (together with its transferees, successors and assigns, "Grantee"), and in connection herewith, Owner and Grantee agree, covenant and contract as set forth in this Agreement. Owner and Grantee are sometimes referred to in this Agreement as a "Party" or collectively as the "Parties".

RECITALS

WHEREAS, Owner owns certain real property located in Galveston County, Texas, described or depicted on Exhibit A, attached hereto and incorporated herein (the "Property"),

WHEREAS, Grantee is developing and intends to construct and operate a battery energy storage development project or projects (the "Project") in the vicinity of or adjacent to the Property, as more particularly described or depicted on Exhibit C, attached hereto and incorporated herein (the "Project Property");

WHEREAS, Grantee desires to obtain an access easements and related rights over that certain portion of the Property more particularly described or depicted on Exhibit B ("Easement Area") in order to access the Project Property across the Easement Area and facilitate the development, construction, operation of the Project, and Owner desires to grant such easement and rights on the terms and conditions set forth herein;

NOW, THEREFORE, for Ten Dollars (\$10.00) and in consideration of the mutual promises of the Parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENTS

1. Grant of Easement. Owner hereby grants to Grantee a permanent easement on, above, along, under, and across, the surface of the Easement Area ("Easement") as more specifically set forth and defined as follows:

A. Conveyance.

i. Access Easement. Owner hereby conveys, transfers and warrants to Grantee, and its employees, contractors, subcontractors, agents, successors and assigns (and for the benefit of and useable by the local fire department and emergency services, and their vehicles, employees, contractors, subcontractors, agents, successor and assigns) a non-exclusive easement ("Access Easement") for the purpose of: (i) vehicular and pedestrian access, including but not limited to a secondary fire access lane, to and from, and ingress to and egress from, the Property Project and Highway 146; (ii) an exclusive right to construct a roadway and driveways, as needed, over and along the Easement Area; (iii) install and maintain knock box for the use of the local fire department to be unlocked as needed; and (iv) the right to undertake any such purposes or other activities that Grantee determines are necessary, useful or appropriate to accomplish any of the purposes or uses set forth in this Agreement or that are compatible with such purposes or uses. Owner acknowledges and agrees that the exact location of the Access Easement may not be determined until final development and construction, and that Grantee may relocate the location and route of the Access Easement. In the event Grantee desires to change the location and route of the Access Easement, Grantee shall consult with Owner before making final siting decisions; provided that, Owner agrees that Grantee shall have sole discretion over final siting decisions so long as the nature and extent of any such relocated or rerouted Access Easement is not materially different and imposes no greater burden on the Property than the original proposed locations or routes.

ii. Clearance Easement. Owner hereby grants, conveys, transfers and warrants to Grantee an exclusive easement and right (the "Clearance Easement") to trim, cut down and remove all trees (whether natural or cultivated), brush, vegetation, and other hazards now or hereafter existing in the Easement Area and to trim, cut down and remove any trees, brush, vegetation or fire or other hazards located outside of the Easement Area now or hereafter, which might interfere with Grantee's rights hereunder, as determined by Grantee. Owner will not, nor will cause Owner's lessees on the Property to, materially interfere the Access Easement Area.

iii. Easement In Gross. The Easement and other rights granted by Owner in this Agreement are EASEMENTS IN GROSS for the benefit of Grantee, its successors and assigns, there being no real property benefiting from the easements and other rights granted in this Agreement, such easements and other rights being independent of any other lands or estates or interests in lands. The Easement and this Agreement shall further run with the land for the Easement Area and Grantor does hereby bind itself and its successors and assigns to the terms of this Agreement.

2. Term.

A. Term. The term of this Agreement shall be perpetual (the "Term"), subject to rights of termination set forth in this Paragraph 2.

B. Grantee Termination. Grantee may, at Grantee's sole discretion and at any time, terminate and release all or any portion of its right, title, and interest in the Easement Area, by executing and causing to be acknowledged and recorded in the real property records, a release describing with particularity the portion of such right, title, or interest so released and the part of the Easement Area to which it applies. Such release shall become effective and shall be deemed delivered to and accepted by Owner upon such recordation. Upon any such release by Grantee, the Parties' respective rights and obligations hereunder shall cease as to the portion of the Easement Area or the right, title, or interest therein to which such release applies, but the Parties' respective rights and obligations hereunder shall remain in full force and effect as to any other portions of the Easement Area and any right, title, and interest of Grantee not so released. Notwithstanding anything to the contrary, from the construction commencement date of the Project until the removal of the Project's facilities, Grantee will not terminate this Agreement without the prior written consent of Texas City (which consent

shall be granted as long as the fire safety purposes are no longer applicable). Grantee may, without needing any consent from Texas City, terminate this Agreement at any time before Project facilities are located on the Property or at any time after Project facilities are removed from the Property.

3. Owner's Representations, Warranties and Covenants. Owner hereby represents, warrants and covenants as follows:

A. Owner's Authority. Owner is the sole owner of the Easement Area, has good and indefeasible title to the Easement Area, and has the unrestricted right and authority to execute this Agreement and to grant to Grantee the rights granted under this Agreement. Each person signing this Agreement on behalf of Owner is authorized to do so, and all persons having any ownership interest in the Easement Area are signing this Agreement as Owner. Grantee shall have the right to quietly and peaceably hold, possess, and enjoy the Easement, without hindrance, and Owner shall defend Grantee's right of use and occupancy to the same against the claims of all persons. When executed by Owner, this Agreement constitutes a valid and binding agreement enforceable against Owner in accordance with its terms.

B. No Interference. Owner shall not, nor allow any other party to, interfere with Grantee's use of the Easement Area for the purposes described in this Agreement or Grantee's rights under this Agreement. Without limiting the foregoing, Owner shall not, within the Easement Area erect or install any buildings, structures, tanks, antennas, or other improvements; place or store flammable materials; plant trees; place water, sewer, or drainage facilities; or alter the elevation of the existing ground surface.

C. Cooperation. From time to time, Grantee may request that, and Owner shall not unreasonably delay or withhold agreement to, assist and cooperate with Grantee, so long as Owner is reimbursed for its out-of-pocket expenses therefor, in reasonably amending this Agreement as required for the financing, construction, installation, replacement, relocation, maintenance, operation or removal of the Project. Owner shall reasonably cooperate with Grantee or any potential lender or mortgagee, title insurance company, hedge provider, power purchaser, tax equity investor, assignee or any other similar entity (collectively "Requestor") in the execution and delivery of such consents, stoppage certificates and other documents as Grantee or any Requestor may reasonably request, including, without limitation, any instruments reasonably required to evidence such Requestor's rights under this Agreement.

D. Liens. Except as disclosed in the official land title records office of the county in which the Easement Area is located (the "Records Office"), or as disclosed in writing by Owner to Grantee prior to the Effective Date, Owner's fee simple title to the Easement Area is free and clear of all liens, encumbrances, easements, leases, mortgages, deeds of trust, security interests, mineral, oil or gas rights, rights of first refusal, options to purchase, contracts, energy development rights, claims and disputes (collectively, "Liens"). Grantee shall be entitled to obtain, and Owner shall fully cooperate with and assist Grantee in obtaining, a subordination agreement, non-disturbance agreement or other appropriate agreement from each party holding a Lien that might interfere with Grantee's rights under this Agreement, at no out of pocket expense to Owner.

E. Hazardous Materials. To the best of Owner's knowledge, as of the Effective Date, there are no Hazardous Materials located on the Property or Easement Area and the Property has not been used for the generation, treatment, storage or disposal of Hazardous Materials, no underground storage tanks have ever been located on the Property nor are any underground storage tanks presently located on the Property. So long as this Agreement is in place Owner shall not violate, and shall indemnify Grantee against any violation by Owner or any Owner Party of, any federal, state or local law, ordinance or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation or presence of any Hazardous Materials, in, on, under or about the Property or Easement Area, including without limitation any such violation which may have occurred by Owner or any other person prior to the Effective Date. Owner's violation of the foregoing prohibition shall constitute a material breach and default under this Agreement and Owner shall indemnify and hold harmless and defend Grantee from and against any claims, damages, penalties, liabilities or costs caused by or arising out of said violation. In

conformance with the requirements of applicable law, Owner shall clean up, remove, remedy and repair any soil or ground water contamination and damage caused by the release or disposal of any Hazardous Materials by Owner or any Owner Party in, on, under, or about the Property or Easement Area.

F. Confidentiality. Owner shall maintain in the strictest confidence, for the benefit of Grantee, all information pertaining to the financial terms of or payments under this Agreement, Grantee's site or product design, methods of operation, methods of construction, availability of the Project Facilities, and the like, whether disclosed by Grantee, or discovered by Owner, unless such information either (i) is in the public domain by reason of prior publication through no act or omission of Owner or any Owner Party, or (ii) was already known to Owner at the time of disclosure and which Owner is free to use or disclose without breach of any obligation to any person or entity. Owner shall not use such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others for their benefit or to the detriment of Grantee. Notwithstanding the foregoing, Owner may disclose such information to Owner's lenders, attorneys, accountants and other personal advisors; any prospective purchaser of the Property; or pursuant to lawful process, subpoena or court order; provided Owner in making such disclosure advises the party receiving the information of the confidentiality of the information and obtains the agreement of said party not to disclose the information.

4. Reservation of Rights. Owner reserves for Owner and Owner's heirs, successors, and assigns the right to continue to use and enjoy the Easement Area for all purposes that do not unreasonably interfere with or interrupt the use or enjoyment of the Easement by Grantee for the Easement Purpose.

5. Default; Remedies. If a Party (the "Defaulting Party") fails to perform an obligation under this Agreement (an "Event of Default") such Defaulting Party shall not be in default of the terms of this Agreement if, (a) in the case of the failure to pay when due any amounts payable under this Agreement (a "Monetary Default") the Defaulting Party pays the past due amount within forty-five (45) days after receiving written notice of the Event of Default (a "Notice of Default") from the other Party (the "Non-Defaulting Party"), and (b) in the case of an Event of Default other than a Monetary Default (a "Non-Monetary Default"), the Event of Default is cured within ninety (90) days after receiving the Notice of Default; provided, that if the nature of the Non-Monetary Default requires, in the exercise of commercially reasonable diligence, more than ninety (90) days to cure then the Defaulting Party shall not be in default as long as it commences performance of the cure within ninety (90) days and thereafter pursues such cure with commercially reasonable diligence. Should an Event of Default remain uncured by the Defaulting Party the Non-Defaulting Party shall have and shall be entitled to at its option and without further notice, but subject to the limitations set forth in the last sentence of this paragraph, to exercise any remedy available at law or equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such default (including, without limitation, the cost of obtaining alternative easements). Both Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically to enforce the provisions of this Agreement. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, or any rights at law or in equity, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle any Party to terminate, this Agreement or any Easement or right granted hereunder. Without limiting the foregoing, no Party may terminate this Agreement, except as expressly described in Paragraphs 2(B) of this Agreement.

6. Assignment. Grantee shall have the right, without Owner's consent, to: (i) encumber, hypothecate, mortgage, pledge, or otherwise finance the Easement (including by mortgage, deed of trust or personal property security instrument) all or any portion of its right, title, or interest under this Agreement, the Easement, and/or the Project to any mortgagee as security for the repayment of any indebtedness and/or the performance of any mortgage (each an "Easement Mortgage"); (ii) grant co-easements, separate easements, sub-easements, licenses, leases, or similar rights (however denominated) to one or more persons

or entities (each an "Assignee"); and (iii) sell, convey, lease, assign, mortgage, encumber, hypothecate or transfer to one or more Assignees or Easement Mortgagees any or all right or interest of Grantee in all or any portion of this Agreement, the Easement Area, or the Easement. Owner shall be provided with a copy of each assignment. No Owner consent shall be required for any change in ownership of Grantee; no Owner consent shall be required for any grant, sale, lease, conveyance or assignment by any lender or mortgagee following foreclosure of such lender or mortgagee of its rights in this Agreement and/or the Easement. All assignees will be subject to all of the obligations, covenants and conditions applicable to the Grantee under this Agreement. Upon Grantee's assignment of its entire interest under this Agreement as to all or any portion of the Easement, or as may otherwise be provided in the applicable grant, sale, lease, conveyance or assignment document, Owner shall recognize the assignee as Grantee's proper successor, the assignee shall have all of the assigned rights, benefits and obligations of Grantee under and pursuant to this Agreement, and Grantee shall be relieved of all of its obligations relating to the assigned interests under this Agreement that relate to acts or omissions which occur or accrue following the effective date of such grant, sale, lease, conveyance or assignment.

7. Cure; Rights of Easement Mortgagee. If Grantee has provided notice to Owner of an Easement Mortgagee, then:

A. Owner and Grantee will not modify, cancel, or terminate this Agreement without the prior written consent of the Easement Mortgagee;

B. Upon any default by Grantee under this Agreement, Owner shall concurrently deliver a copy of the applicable Notice of Default to Grantee and any Easement Mortgagee;

C. The Easement Mortgagee shall have the right, but not the obligation: (i) to do any act or thing required to be performed by Grantee under this Agreement, and any such act or thing performed by an Easement Mortgagee shall be as effective to prevent a default under this Agreement as if done by Grantee, and (ii) to cure any default under this Agreement; and

D. Prior to exercising any right under this Agreement resulting from a default by Grantee, Owner shall give any Easement Mortgagee the same time period as Grantee after receipt of Notice of Default to remedy the default, or cause the same to be remedied, plus, in each instance, the Easement Mortgagee shall have an additional time period of forty-five (45) days to complete such cure.

8. Indemnity. Grantee, to the extent allowed by law, hereby binds itself, its successors and assigns, to indemnify and hold Owner, and Owner's heirs, personal representatives and assigns, harmless from any and all claims, demands and causes of action of any kind or character ("Owner Claims") asserted against Owner, and Owner's heirs, personal representatives, and assigns to the extent that any such Claim is caused by or is the result of (i) the negligent acts and/or omissions of Grantee and its agents and employees, in connection with the exercise of any right or privilege hereunder; and (ii) any condition created, maintained or suffered to exist on or about the Easement Area to the extent same is due to the negligent acts or omissions of Grantee and its agents and employees. This indemnity shall survive termination of this Agreement. In no event shall Grantee be responsible for defending, indemnifying or holding harmless Owner to the extent of any Claim caused by, arising from the negligence or willful misconduct of Owner or Owner's employees, contractors, subcontractors, agents or representatives. Owner, to the extent allowed by law, hereby binds itself, its successors and assigns, to indemnify and hold Grantee, and Grantee's heirs, personal representatives and assigns, harmless from any and all claims, demands and causes of action of any kind or character ("Grantee Claims") asserted against Grantee, and Grantee's heirs, personal representatives, and assigns to the extent that any such Claim is caused by or is the result of (i) the negligent acts and/or omissions of Owner and its agents and employees, in connection with the exercise of any right or privilege hereunder; (ii) any breach by Owner of the terms and conditions of this Agreement; and (iii) any condition created, maintained or suffered to exist on or about the Easement Area to the extent same is due to the negligent acts or omissions of Owner and its agents and employees. This indemnity shall survive termination of this Agreement. In no

event shall Owner be responsible for defending, indemnifying or holding harmless Grantee to the extent of any Claim caused by, arising from the negligence or willful misconduct of Grantee or Grantee's employees, contractors, subcontractors, agents or representatives.

9. Recording of Agreement. Grantee shall cause the recordation of a duplicate original of this Agreement in the Official Public Records where the Easement Area is located promptly after execution of this Agreement.

10. Legal Description. In the event that it is determined that there are any inaccuracies in or changes required to the legal descriptions in Exhibit A, Exhibit B or Exhibit C of this Agreement, the validity of this Agreement shall not be affected, and, upon the request of Grantee, Owner and Grantee shall change the legal descriptions for such Exhibit(s) to reflect the final, as-built legal description of the Property contained in a survey, title commitment or other title report obtained by Grantee for the Easement Area (including without limitation recording an amendment of this Agreement) and/or to reflect updated more precise descriptions of the applicable land areas.

11. Notices. Any notice required or permitted under this agreement must be in writing. Any notice required by this Agreement will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any Party may change its address for purposes of this paragraph by giving written notice of such change to the other parties in the manner provided in this paragraph. The names and addresses for the service of notices, requests, deliveries, or consents referred to in this Paragraph 11 are:

If to Owner:

Deano Merrigan
LM Storage LLC
5309 Gulf Freeway
La Marque, TX 77002

If to Grantee:

Simon Labrosse
Alpha Omega Power Holding LLC
4201 Main St, Suite 200-145
Houston, Texas 77002

12. Partial Invalidity. Should any provision of this Agreement be held, in a final and unappealable decision by a court of competent jurisdiction, to be either invalid, void, or unenforceable, the remaining provisions hereof shall remain in full force and effect, unimpaired by the holding.

13. Estoppel Certificates. Owner shall execute such estoppel certificates certifying as to such matters as Grantee or any Requestor may reasonably request, including, without limitation, that no default then exists under this Agreement, if such be the case. The failure of Owner to deliver any signed estoppel certificate, whether such estoppel certificate indicates agreement or disagreement with the accurateness of the certificate, within ten (10) days after Grantee's or any Requestor's written request therefor shall be conclusive evidence that (i) this Agreement is in full force and effect and has not been modified; (ii) any amounts payable by Grantee to Owner have been paid through the date of such written request; (iii) there are no uncured events of default by Grantee; and (iv) the other certifications requested by Grantee or any Requestor in its estoppel, are in fact, true and correct.

14. Binding Effect. This Agreement binds and inures to the benefit of the Parties and their respective heirs, successors, and permitted assigns.

15. Legal Matters. This Agreement shall be governed by and interpreted in accordance with the laws of the state in which the Easement Area is located. If the Parties are unable to resolve amicably any

dispute arising out of or in connection with this Agreement, they agree that such dispute shall be resolved in the state district courts with jurisdiction over the county in which any portion of the Easement Area is located. The Parties agree that any rule of construction to the effect that ambiguities are to be resolved in favor of either Party shall not be employed in the interpretation of this Agreement and is hereby waived. The prevailing party in any action or proceeding for the enforcement, protection, or establishment of any right or remedy under this Agreement shall be entitled to recover its reasonable attorneys' fees and costs in connection with such action or proceeding from the non-prevailing party.

16. Headings. The headings of the paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part thereof.

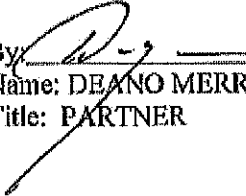
17. Counterparts. This Agreement may be executed in any number of counterparts and evidenced by facsimile and/or electronic scanned signature with the same effect as if all signatory parties had signed the same document. All counterparts will be construed together and will constitute one and the same instrument.

[signatures on following page]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the Effective Date.

OWNER:

LM Storage LLC,
a TEXAS limited liability company

By: 
Name: DEANO MERRIGAN
Title: PARTNER

ACKNOWLEDGMENT

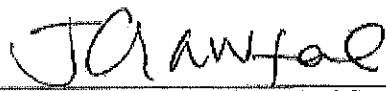
THE STATE OF TEXAS
COUNTY OF GALVESTON

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This instrument was acknowledged before me on this 22nd day of JULY, 2024, by DEANO MERRIGAN, PARTNER of LM Storage LLC, a TEXAS limited liability company, on behalf of such limited liability company.

[Seal]




Notary Public, State of TEXAS

My commission expires:
03/17/2026

GRANTEE:

Alpha Omega Power, LLC,
a Delaware limited liability company

By: [Signature]
Name: Paul Choi
Title: CEO

ACKNOWLEDGMENT

STATE OF Texas
COUNTY OF Harris

This instrument was acknowledged before me on the 30 day of JULY, 2024 by Paul Choi, CEO of Alpha Omega Power, LLC, a Delaware limited liability company, on behalf of such limited liability company.

[SEAL]

[Signature]
Notary Public in and for the State of TEXAS
My commission expires: 07/14/2026

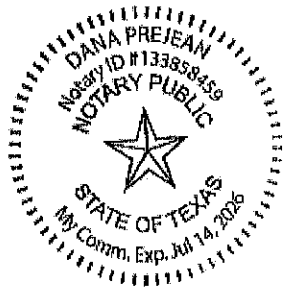


EXHIBIT A
Description and Depiction of the Property

[Pursuant to the terms of the Agreement, the description of the Property contained on this Exhibit A shall, upon request by Grantee, be replaced with a more detailed description approved by Grantee and its Title Company or surveyor]

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF GALVESTON, STATE OF TEXAS:

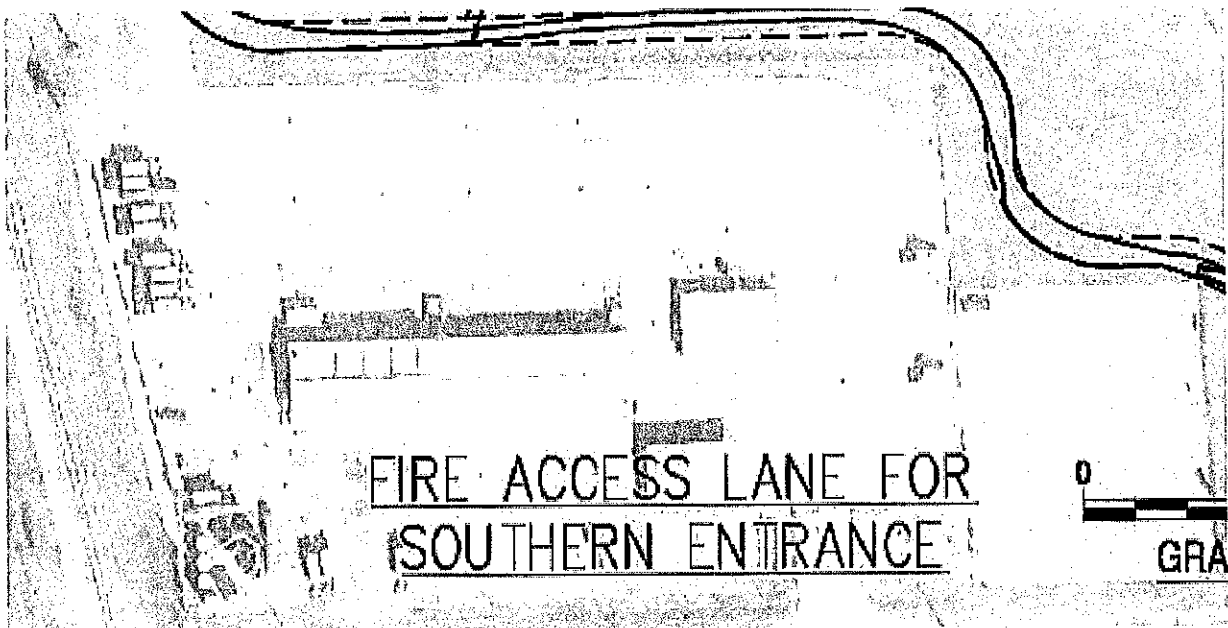


EXHIBIT B
Description and Depiction of the Easement Area

[Pursuant to the terms of the Agreement, the description of the Easement Area contained on this Exhibit B shall, upon request by Grantee, be replaced with a more detailed description approved by Grantee and its Title Company or surveyor.]

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF GALVESTON, STATE OF TEXAS:

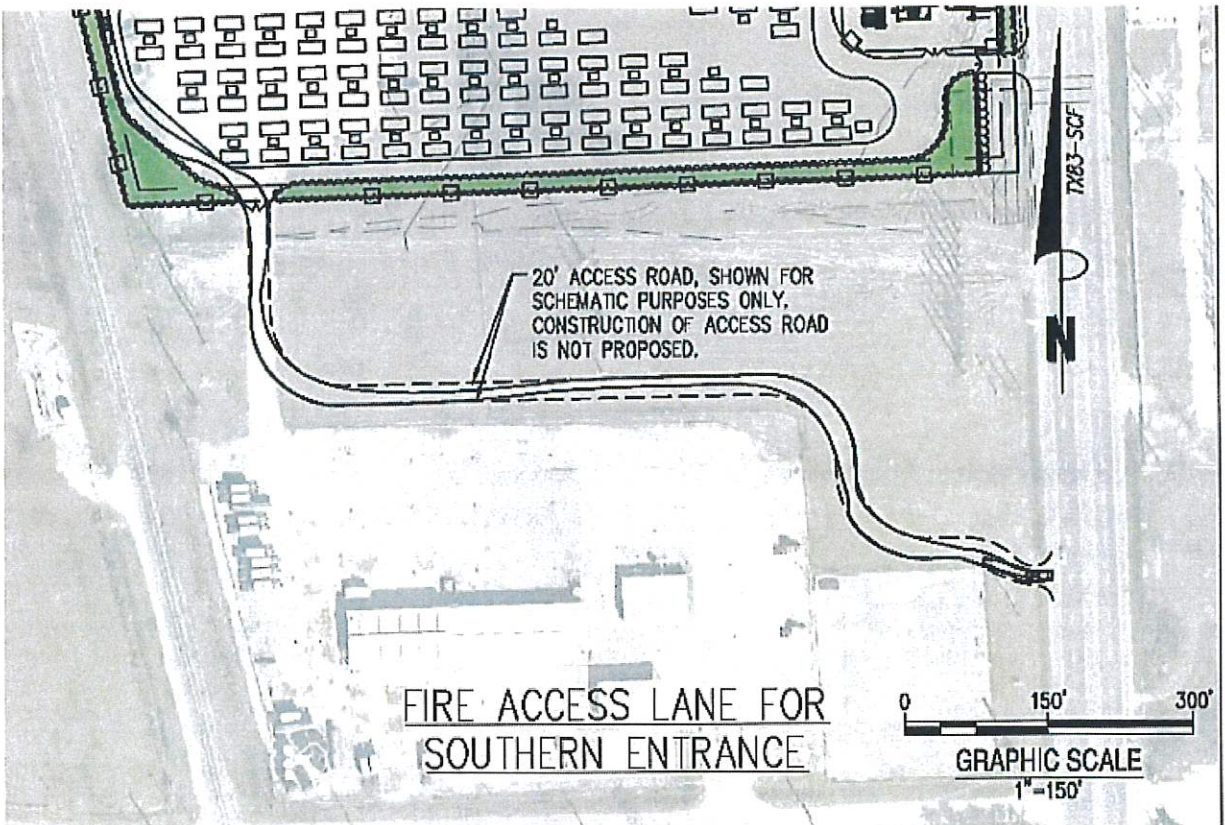


EXHIBIT C

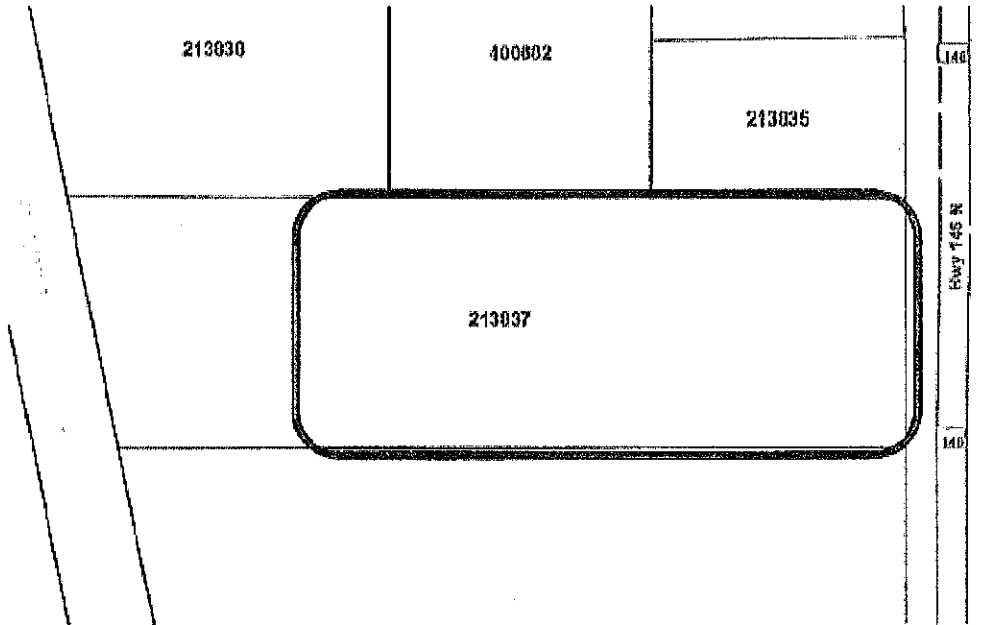
[Pursuant to the terms of the Agreement, the description of the Project Property contained on this Exhibit C shall, upon request by Grantee, be replaced with a more detailed description approved by Grantee and its Title Company or surveyor]

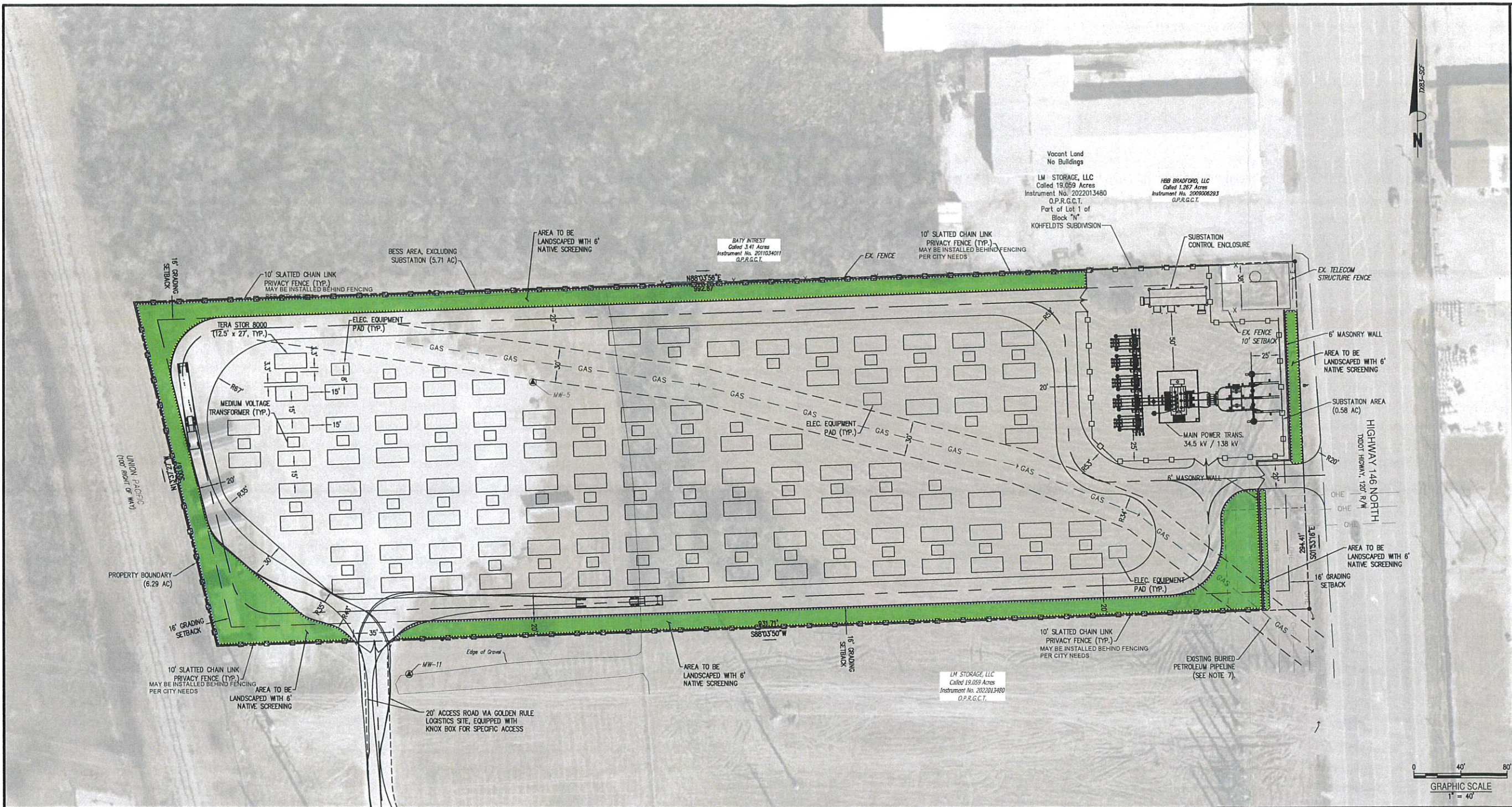
Description and Depletion of the Project Property

THE FOLLOWING REAL PROPERTY LOCATED IN THE COUNTY OF GALVESTON, STATE OF TEXAS:

Overall Premises: A certain tract with County Appraisal District Tract ID#213837 of approximately 6.5 acres.

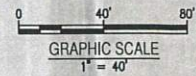
Property: A certain tract with approximately 5 acres, including approximately 4 Unencumbered Constructible Acres adjacent to the Highway 146 on the Eastern side of the property. Property is approximately delineated in the red rectangle below





NOT FOR CONSTRUCTION

SPECIAL EXCEPTION SITE PLAN
SOUTHERN SELECT BATTERY SITE
ALPHA OMEGA POWER
CITY OF TEXAS CITY
GALVESTON COUNTY, TEXAS

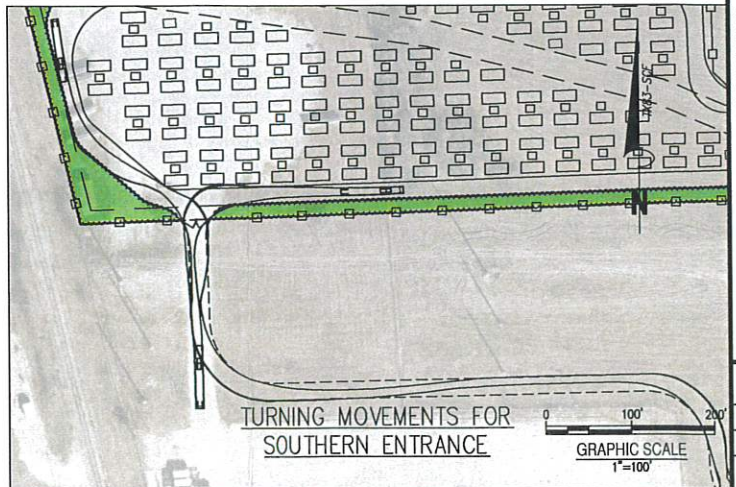
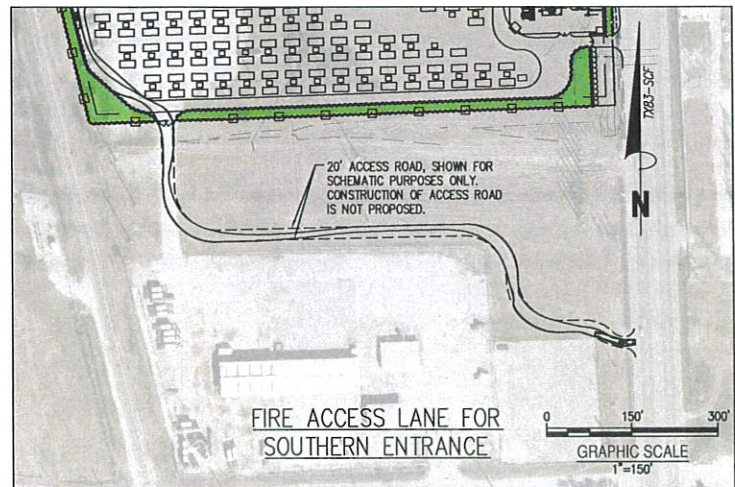


ENERGY STORAGE SYSTEM DESCRIPTION	
NAMEPLATE	205 MW / 410 MWH
PROPERTY AREA	6.29 ACRES
BESS AREA	5.71 ACRES
SUBSTATION AREA	0.58 ACRES

MAJOR EQUIPMENT LIST	
NUMBER OF TERA STOR 8000 SERIES, AC/CP 2 (205 MW / 410 MWH)	106
NUMBER OF EPC POWER 6M (INSIDE BESS UNITS)	106
NUMBER OF MEDIUM VOLTAGE TRANSFORMERS, RATED AT 7.5 MVA	53

- LEGEND:**
- PROPERTY LINE
 - 6" MASONRY WALL
 - FENCE
 - - - EXISTING SETBACK
 - - - CIVIL GRADING SETBACK
 - GAS PIPELINE
 - OVERHEAD POWER LINE GATE
 - ⊙ MONITORING WELL
- ABBREVIATION LIST:**
- BESS - BATTERY ENERGY STORAGE SYSTEM
 - BOL - BEGINNING OF LIFE
 - EOL - END OF LIFE
 - POI - POINT OF INTERCONNECTION
 - TYP - TYPICAL

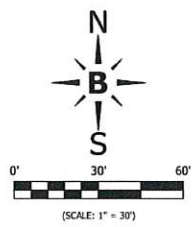
- NOTES:**
- THIS IS THE FINAL PERMITTING SITE PLAN, NOT FOR CONSTRUCTION. A SEPARATE DETAILED DESIGN PACKAGE SHALL INCLUDE ALL RELEVANT CIVIL, STRUCTURAL, SAFETY, AND ELECTRICAL DETAILS FOR CONSTRUCTION. EQUIPMENT QUANTITIES AND DIMENSIONS LISTED IN EQUIPMENT LIST ARE PROVIDED BY THE CLIENT AND HAVE NOT BEEN INDEPENDENTLY VERIFIED BY THE CONSULTANT.
 - THE SITE BOUNDARY ON THE EAST WILL HAVE A MASONRY WALL.
 - LANDSCAPING SHALL BE PROVIDED AT 15% OF THE SITE AREA, WHICH IS APPROXIMATELY 41,000 SF.
 - LAYOUT AS SHOWN WOULD BE CONSIDERED NEAR EXPOSURE UNDER THE GUIDELINES OF NFPA 855 AND IFC.
 - AUGMENTATION NOT INCLUDED ON LAYOUT.
 - ALL ACCESS AND DRIVING AREAS ARE PAVED WITH CONCRETE.
 - THE PIPELINE HAS BEEN ABANDONED AND THE GAS COMPANY IS IN THE PROCESS OF RELEASING THE EASEMENT.
 - BOTH ACCESS ROADS TO BE CONCRETE.
 - MONITORING WELLS HAVE BEEN DECOMMISSIONED.



CONSTRUCTION REVISION SUMMARY			
NO.	DATE	DESCRIPTION	BY
A	07/05/24	ISSUED FOR REVIEW	TNC
B	07/06/24	ISSUED FOR SITE ACCEPTANCE PLAN	CAS
C	05/31/24	ISSUED FOR SITE ACCEPTANCE PLAN	TNC

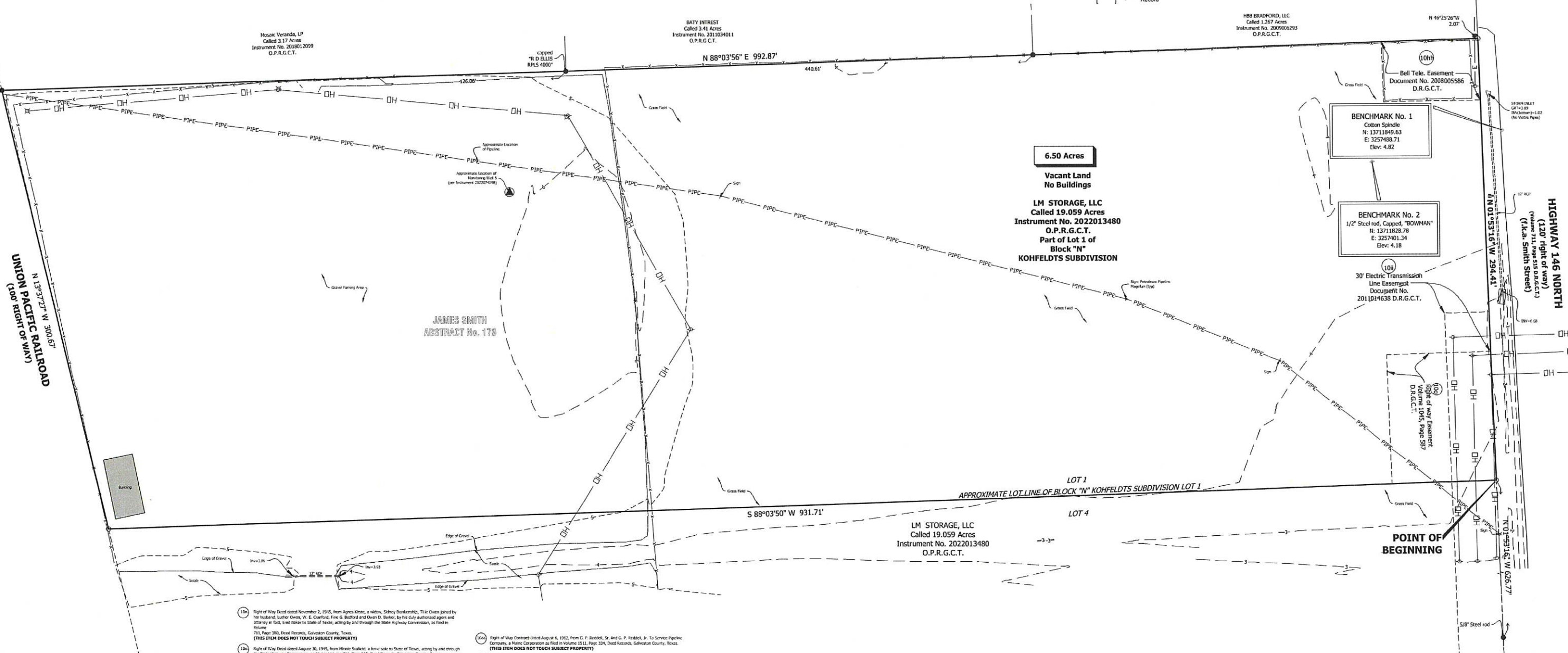
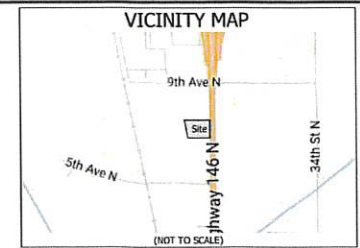
DESIGN: TNC
DRAWN: CAS
JOB No. V:070747-01-0021
DATE: Jul 11, 2024
SHEET 1

ALTA/NSPS LAND TITLE SURVEY SOUTHERN SELECT SITE



LEGEND

- 1/2 Inch Steel Rod Capped "TRUE MERIDIAN" Found unless otherwise noted
- 1/2 Inch Steel Rod Capped "BOWMAN" Set
- X — Fence Line
- Aerial utility line
- ⚡ Power Pole
- ⊕ Monitoring Well
- O.P.R.G.C.T. Official Public Records of Galveston County, Texas
- D.R.G.C.T. Deed Records of Galveston County, Texas
- [] Record



EXCEPTIONS FROM COVERAGE

- Amtrust Title Insurance Company
Effective Date: October 4, 2023
Issued Date: October 20, 2023
File No. FW-6102-TX
- (10) Oil and Gas Mineral Leases as filed in Volume 823, Page 121, Volume 828, Page 62, Volume 2090, Page 485, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT SURVEY RELATED)**
 - (17) Right-of-Way Deed dated July 13, 1931, from Francis Graham and Mrs. Wila Graham, a widow to the Texas Pipeline Company, as filed in Volume 492, Page 498, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (18) Right of Way Contract dated July 26, 1933, from Minnie Gabels, a widow, and Francis Gabels to Standard Pipeline Company, a Delaware corporation as filed in Volume 487, Page 7, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (19) Right of Way Contract from Minnie Gabels, a widow and Francis Gabels, her son to Pan American Pipeline Company, a Delaware corporation as filed in Volume 547, Page 551, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (16) Pipeline Easement dated December 27, 1935, from Francis Graham and minor, Mrs. M. Graham, a widow, to Bennett Cude Oil Refining Company as filed in Volume 562, Page 6, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (20) Right of Way Agreement dated February 26, 1941, from Minnie Juvenia Scovel, a widow, to Pan American Pipeline Company, as filed in Volume 627, Page 554, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (21) Right of Way Agreement dated January 3, 1950, from Minnie Juvenia Scovel to Shell Pipeline Corporation as filed in Volume 893, Page 466, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (22) Right of Way Deed dated November 8, 1943, from Minnie Juvenia Scovel, a female sole to DeLima Plant Corporation, a corporation controlled by the United States of America as filed in Volume 628, Page 369, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**
 - (23) Right of Way Deed dated November 8, 1943, from Minnie Juvenia Scovel, a female sole to DeLima Plant Corporation, a corporation controlled by the United States of America as filed in Volume 628, Page 369, Deed Records, Galveston County, Texas. **(THIS ITEM IS NOT PLOTTED, BLANKET IN NATURE)**

Legal Description

19.059 ACRES, MORE OR LESS, BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND SITUATED IN GALVESTON COUNTY, TEXAS, BEING ALL OF LOT 4 AND PART OF LOT 1 IN SUBDIVISION "N" KOHFELDT'S SUBDIVISION OF THE JAMES SMITH SURVEY, ABSTRACT 176, GALVESTON COUNTY, TEXAS, AS DESCRIBED IN THAT CERTAIN SPECIAL WARRANTY DEED WITH VENDOR'S LIES FROM KAG LEASING, INC., A DELAWARE CORPORATION TO LM STORAGE, LLC, A TEXAS LIMITED LIABILITY COMPANY, FILED OF RECORD IN DOCUMENT NO. 2022013480 OF THE OFFICIAL DEED RECORDS OF GALVESTON COUNTY, TEXAS. (CAD 1 & 2)

As-Surveyed Description

BEING all that tract of land located in the James Smith Survey, Abstract No. 176 in Galveston County, Texas, being part of Lot 1 in Subdivision "N" Kohfeldt's Subdivision, recorded in Volume 9, Page 101 of the Deed Records Galveston County Texas (D.R.G.C.T.) and being part of that called 19.059 acres of land as described in a deed to LM Storage, LLC as recorded in Instrument 2022013480 of the Official Public Records of Galveston County Texas (O.P.R.G.C.T.), and further described as follows:

BEGINNING at a 1/2 inch steel rod, capped "BOWMAN" set in the common line of 19.059 acres and the west right of way line of Highway 146 North, also being at the approximate common corner of Lot 1 and Lot 4 of the Kohfeldt's Subdivision, from which a 5/8 inch steel rod found, bears South 01 degrees 53 minutes 16 seconds East, a distance of 234.41 feet for reference;

THENCE South 88 degrees 03 minutes 56 seconds East a distance of 931.71 feet with the approximate lot line of Lot 1 and Lot 4 and through said 19.059 acres to a 1/2 inch steel rod, capped "BOWMAN" set at the southwest corner of here described tract of land and being in the common line of said 19.059 acres and the northwest line of Union Pacific Railroad;

THENCE North 13 degrees 37 minutes 27 seconds West a distance of 300.67 feet with said common line of said 19.059 acres and Union Pacific Railroad to a 1/2 inch steel rod found at the northwest corner of said 19.059 acres and being the southwest corner of that called 3.17 acres of land as described in a deed to HBB Bradford, LLC, as recorded in Instrument No. 2009005293 of said O.P.R.G.C.T.;

THENCE North 88 degrees 03 minutes 56 seconds East a distance of 992.87 feet with the common line of said 19.059 acres and said 3.17 acres passing the northeast line of said 3.17 acres and with that called 2.41 acres of land as described in a deed to Billy Interco, recorded in Instrument No. 2011034811 of said O.P.R.G.C.T. and with that called 1.357 acres of land as described in a deed to HBB Bradford, LLC, recorded in Instrument 2009005293 of said O.P.R.G.C.T. in a 1/2 inch steel rod, capped "BOWMAN" set at the intersection corner by the common line of said 19.059 acres and said 1.357 acres with the west right of way line of Highway 146 North, from which a 1/2 inch steel rod, capped True Meridian, found, bears North 46 degrees 25 minutes 26 seconds West, a distance of 2.07 feet for reference;

THENCE South 01 degrees 53 minutes 16 seconds East a distance of 234.41 feet with the common line of said 19.059 acres and the west right of way line of Highway 146 to the **POINT OF BEGINNING**, CONTAINING 6.50 ACRES OF LAND

ALTA/NSPS LAND TITLE SURVEY
5.00 ACRES OUT OF THE JAMES SMITH SURVEY,
ABSTRACT 176, GALVESTON COUNTY, TEXAS

BEING PART OF LOT 1, IN SUBDIVISION "N" KOHFELDT'S SUBDIVISION OF THE JAMES SMITH SURVEY, ABSTRACT 176, GALVESTON COUNTY, TEXAS, AS DESCRIBED IN THAT CERTAIN SPECIAL WARRANTY DEED WITH VENDOR'S LIES FROM KAG LEASING, INC., A DELAWARE CORPORATION TO LM STORAGE, LLC, A TEXAS LIMITED LIABILITY COMPANY, FILED OF RECORD IN DOCUMENT NO. 2022013480 OF THE OFFICIAL DEED RECORDS OF GALVESTON COUNTY, TEXAS

Bowman
CENTRAL TEXAS 3204 Franklin Ave., Ste. A, Waco, TX 76710
361.776.0539 | TSPSLA@BOWMAN.COM

1519 Job No.: 07047-01-002	Drawn By: REP
Sheet 1 of 1	Reviewed By: DWC
Property Address: 3204 5th Avenue North Lubbock, TX 77550	Prepared For: Alpha-Omega
To: Steward Title Guaranty Company:	
This is to certify that this map or plot and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 2, 3, 4, 5, 7, 8, 11, 13, 14 and 15 of Table A thereof.	
The field work was completed on August 24, 2023.	
Date of Plot or Map: September 15, 2023	
Preliminary, this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document.	
Darrin Wayne Dugan Registered Professional Land Surveyor Texas Registration No. 6894	
Purpose: Date of Release: _____, 2021	
The survey may only be used for the original transaction for which it was created. Digital or photostatic reproductions of this survey may not be used for subsequent transactions. This survey is only valid with the presence of a sealed impression seal.	

BEING all that tract of land located in the James Smith Survey, Abstract No. 176 in Galveston County, Texas, being part of Lot 1 in Subdivision "N" Kohfeldt's Subdivision, recorded in Volume 9, Page 101 of the Deed Records Galveston County Texas (D.R.G.C.T.) and being part of that called 19.059 acres of land as described in a deed to L.M. Storage, LLC as recorded in Instrument 2022013480 of the Official Public Records of Galveston County Texas (O.P.R.G.C.T.), and further described as follows:

BEGINNING at a 1/2 inch steel rod, capped "BOWMAN" set in the common line of 19.059 acres and the west right of way line of Highway 146 North, also being at the approximate common corner of Lot 1 and Lot 4 of the Kohfeldt's Subdivision, from which a 5/8 inch steel rod found, bears South 01 degrees 53 minutes 16 seconds East, a distance of 626.77 feet for reference;

THENCE South 88 degrees 03 minutes 50 seconds West a distance of 931.71 feet with the approximate lot line of Lot 1 and Lot 4 and through said 19.059 acres to a 1/2 inch steel rod, capped "BOWMAN" set at the southwest corner of here described tract of land and being in the common line of said 19.059 acres and the northwest line of Union Pacific Railroad;

THENCE North 13 degrees 37 minutes 27 seconds West a distance of 300.67 feet with said common line of said 19.059 acres and Union Pacific Railroad to a 1/2 inch steel rod found at the northwest corner of said 19.059 acres and being the southwest corner of that called 3.17 acres of land as described in a deed to Mosaic Veranda, LP, recorded in Instrument No. 2018012099 of said O.P.R.G.C.T.

THENCE North 88 degrees 03 minutes 56 seconds East a distance of 992.87 feet with the common line of said 19.059 acres and said 3.17 acres passing the northeast line of said 3.17 acres and with that called 3.41 acres of land as described in a deed to Baty Interest, recorded in Instrument No. 2011034011 of said O.P.R.G.C.T. and with that called 1.267 acres of land as described in a deed to HBB Bradford, LLC recorded in Instrument 2009006293 of said O.P.R.G.C.T., to a 1/2 inch steel rod, capped "BOWMAN" set at the intersection former by the common line of said 19.059 and said 1.267 acres with the west right of way line of Highway 146 North, from which a 1/2 inch steel rod, capped True Meridian, found, bears North 46 degrees 25 minutes 26 seconds West, a distance of 2.07 feet for reference;

THENCE South 01 degrees 53 minutes 16 seconds East a distance of 294.41 feet with the common line of said 19.059 acres and the west right of way line of Highway 146 to the **POINT OF BEGINNING, CONTAINING 6.50 ACRES OF LAND**



Texas City

EST. 1911

ENGINEERING & PLANNING

STAFF REPORT

To: Planning Board – Regular Meeting – July 22, 2024

From: Kim Golden, P.E., City Engineer *KG*

CC: Doug Kneupper, P.E.

Date: July 19, 2024

Re: Southern Select Energy Storage Project (BESS) – 701 Hwy 146 N

Background: The applicant is Alpha Omega Power, LLC. The proposed project will encompass approximately 5.71 acres on 6.29 acres of vacant land. The location of the project is on the west side of S.H 146 N and north of the existing Golden Logistics. The property owner is LM Storage, LLC. The property is zoned District F. The project proposes to develop up to 106 lithium-ion containers for 205MW, 410MWh capacity at the site.

Requested Action: The applicant is requesting approval of a Detailed Site Plan for development of an electric power generating station utilizing lithium-ion battery energy storage system. The application is being processed as a District SP (Site Plan) rezoning consistent with Section 160.051(A)(1)(f) *provide for the development of specific uses which are not normally found in zoning districts, and (h) provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community.* Planning Board recommendation will be presented to the Zoning Commission and City Commission as required for the District SP rezoning.

Staff Review and Recommendation: The project will include up to 106 individual battery containers for 205MW, 410MWh two-hour capacity at the site. The two-hour designation is in reference to the time to fully charge and fully discharge under standardized conditions.

This proposed BESS installation is approximately 20times larger in battery capacity than the previously approved BESS installations. The site is also physically much larger than the previously approved. This site is 6.29 acres with 5.71 acres in use for batteries, as compared to the two previously approved projects which were 0.48 acres and 1.5 acres respectively.

PROPOSED SITE IMPROVEMENTS - The Site improvements will include a 20ft concrete perimeter fire lane with access to all containers and two access roads as required by the Fire Marshal, security fencing, and landscaping of at least 6ft in height to provide screening of the battery containers from S.H. 146. The fencing along SH 146 will be a 6ft masonry wall. Container spacing has been adjusted to the

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(409) 948-3111 * www.texascitytx.gov

15ft minimum required by the Fire Marshal. In addition to the generating station, offsite improvements include electric transmission infrastructure that connects to Texas-New Mexico Power facilities in the vicinity. No water or sewer will be needed for this development. Site drainage will be accomplished using an on-site collection system that outfalls into the adjacent drainage systems.

EXISTING SITE - The project site is part of the former ETC Texas City Trucking Terminal. The site has been determined to have certain environmental concerns affecting the groundwater. Specifically, a barium plume. Monitoring wells have been established and were monitored for a required amount of time. Applicant has indicated and provided documentation that the monitoring has been concluded and the wells have been or will be removed. The location of the monitoring wells have been indicated on the site plan. As part of an approved Response Plan, the property is subject to a deed restriction which limits its use to commercial/industrial use. A Revised Response Action Plan dated June 9, 2021 and prepared for the previous owner, Enterprise Logistic Services, LLC, to provide to TCEQ, represented expected future use to remain a trucking facility. A copy of the Revised Action Plan will be included in the agenda packet with this staff report.

ADJACENT PROPERTIES - The adjacent property to the north is Baker Distributing Company at 801 SH 146. The adjacent property to the south is burdened with an easement to TNMP for the location of transmission poles and wires. No survey has been provided, but the width of the easement when scaled with the Google Maps tool indicates a width of approximately 200ft. However, the existence of overhead power lines in close proximity to the location should be noted. Immediately south and adjacent to the TNMP easement is the Golden Rule Logistics, another distribution entity. Golden Rule Logistics is a tenant on the property. Records show the property south of the proposed site to have common ownership, LM Storage, LLC, with the subject location. It is understood the project owner, Alpha Omega Power, LLC, will also be a tenant. The property is bounded on the west by the railroad. Gulf Coast Water Authority owns the vacant property which is immediately west of the railroad. The site is bounded on the east by S.H. 146. The TNMP substation is located immediately east of SH 146.

TNMP HEIGHTS SUBSTATION - The applicant's submission includes the following information regarding the location in proximity to the TNMP Heights Substation:

The project location near the TNHeights substation was chosen based on detailed power flow analysis of the transmission system within TNMP service area. This analysis identified the TNHeights substation as an ideal candidate for a utility-scale BESS, providing sufficient injection capacity while remaining close to TNMP critical load centers. Injection capacity is a metric used to show how much electrical power (in MW) can be transmitted into a point of interconnection, such as a substation.

The [attached map] shows the individual injection capacity for four of the largest substations within city limits. The TNHeights substation has the

highest injection capacity (over 800MW), making it the ideal point of interconnection for multiple BESS projects to support regional grid reliability and electricity demand. Currently, one BESS project is operational at the TNHeights substation (BRP Heights, 10MW project), while three others are in queue to interconnect (Zeya 256MW, IEP Blackhawk 100 MW, and Southern Select 100MW). The combined capacity of these four projects (466MW) is well below the available injection capacity of the substation, indicating the substation is capable of supporting multiple BESS projects.

BATTERY CHEMISTRY - The application indicates an intent to use LFP (lithium iron phosphate) battery cells which is the less cell chemistry which current available information indicates may be less prone to thermal runaway than the NMO (nickel manganese cobalt) battery cells. Applicant has not indicated the specific cell manufacturer nor the specific manufacturer that will be providing the assembled containers for installation.

FLOOD PLAIN/COASTAL ENVIRONMENT - The site is not located in a flood plain. It is located inside the area protected by the Texas City Hurricane Levee. Container foundations will be placed at elevation 7.0ft in accordance with Texas City ordinances.

Regarding protection from the saltwater/coastal environment, the applicant advises in an email received 7.19.2024 that the containers are fully integrated cabinets and shipped to the site as such, so there is no exposure to the elements during the installation process. The containers will meet the requirements of IP 67 at the Pack level and IP55 at the Battery Container level. IP67 means the individual battery packs do not allow for the ingress of dust particles. They are protected against the ingress of water from spraying/water jets and are rated to be submersed in up to 3' of water for up to 30 minutes without penetration. IP55 means the battery containers themselves provide protection from dust, low pressure water jets and damp and wet weather. The storage units also meet an anti-corrosion class of up to C5-H depending on the local environment. C5 is the highest class of anti-corrosion coating. Air filter maintenance is also a critical element of maintaining the units for optimal operating conditions and will be performed by a regular maintenance crew as often as needed, which may be weekly. Some of the indications in the email are different from the spec sheet provided with the application. The representations of the email are considered to supercede the spec sheet insofar as the conditions being presented to the Planning Board and others for approval at this time. **The codes and standards most appropriate for saltwater/coastal environment will be applied by the Fire Marshal and Chief Building Official during the permitting process.**

FIRE PROTECTION - Fire protection will be provided by on-site systems specifically designed for this application with Fire Marshal coordination. The project will be

subject to the 2024 fire codes and building codes. The Fire Marshal may require additional submittals at the time of permitting and has advised these requirements will include at minimum commissioning and decommissioning plans, site safety plan, all UL test results for the batteries to be installed, a bond or other security for decommissioning and some requirements for insurance. The Chief Building Official is likely to require annual certification and inspection of ventilation systems at minimum. The Applicant acknowledges these, and other requirements must be satisfied to obtain the necessary permits.


SECOND POINT OF ACCESS – ISSUE UNRESOLVED: The secondary access is proposed to be through adjacent property under lease to Golden Rule Logistics. Applicant has indicated we would be provided with a copy of the signed access agreement with the adjoining property owner prior to the Planning Board meeting, but at the time of preparation of this memo we have not received either a draft or a signed version of any agreement. In addition, the form of agreement must ensure the access will be open and available at all times. Fire Marshal has indicated a requirement for lockbox access. We have indicated a requirement for the access to be dedicated by plat or perpetual easement in favor of the public.

APPLICANT'S EXPERIENCE/COMPANY HISTORY – INFORMATION NOT YET RECEIVED. We have requested and not yet received information about applicant, Alpha Omega Power, LLC, regarding its formation and length of existence and regarding key staff's experience and qualifications with BESS installations. As of the time of preparation of this memo we have not yet received that information. In conversation staff have indicated some previous experience with other projects in Texas City.

RECOMMENDATION: City staff has reviewed the submitted Site Plan and provided numerous comments regarding spacing, paving, screening and landscaping standards. All of the site plan specific comments have been resolved, with the exception of the issue regarding the second point of access. Staff cannot make a recommendation regarding the adequacy of the second point of access without more information regarding the specific agreement with the adjacent property owner and tenant. Additionally, staff have not yet received the requested information regarding the Applicant's company history and experience with BESS projects. For that reason, staff are not able to make a recommendation at the time of writing of this staff report.

Staff will update this report as more information is received.

STAFF REPORT

To: Zoning Commission - Regular Meeting – August 6, 2024
From: Kim Golden, P.E., City Engineer 
CC: Doug Kneupper, P.E.
Date: July 29, 2024
Re: Southern Select Energy Storage Project (BESS) – 701 Hwy 146 N

Background: The applicant is Alpha Omega Power, LLC. The proposed project will encompass approximately 5.71 acres on 6.29 acres of vacant land. The location of the project is on the west side of S.H 146 N and north of the existing Golden Logistics. The property owner is LM Storage, LLC. The property is zoned District F. The project proposes to develop up to 106 lithium-ion containers for 205MW, 410MWh capacity at the site.

At its regular meeting on July 22, 2024, the Planning Board voted 3-2 to approve the proposed Detailed Site Plan and to recommend approval of the zoning change to the Zoning Commission and to the City Commission.

Requested Action: The applicant is requesting approval of a zoning change for development of an electric power generating station utilizing lithium-ion battery energy storage system. The application is being processed as a District SP (Site Plan) rezoning consistent with Section 160.051(A)(1)(f) *provide for the development of specific uses which are not normally found in zoning districts*, and (h) *provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community*. Zoning Commission recommendation will be presented to the City Commission for action regarding the requested zoning change.

Staff Review and Recommendation: The project will include up to 106 individual battery containers for 205MW, 410MWh two-hour capacity at the site. The two-hour designation is in reference to the time to fully charge and fully discharge under standardized conditions.

This proposed BESS installation is approximately 20times larger in battery capacity than the previously approved BESS installations. The site is also physically much larger than the previously approved. This site is 6.29 acres with 5.71 acres in use for batteries, as compared to the two previously approved projects which were 0.48 acres and 1.5 acres respectively.

PROPOSED SITE IMPROVEMENTS - The Site improvements will include a 20ft concrete perimeter fire lane with access to all containers and two access roads as required by the Fire Marshal, security fencing, and landscaping of at least 6ft in

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height to provide screening of the battery containers from S.H. 146. The fencing along SH 146 will be a 6ft masonry wall. Container spacing has been adjusted to the 15ft minimum required by the Fire Marshal. In addition to the generating station, offsite improvements include electric transmission infrastructure that connects to Texas-New Mexico Power facilities in the vicinity. No water or sewer will be needed for this development. Site drainage will be accomplished using an on-site collection system that outfalls into the adjacent drainage systems.

EXISTING SITE - The project site is part of the former ETC Texas City Trucking Terminal. The site has been determined to have certain environmental concerns affecting the groundwater. Specifically, a barium plume. Monitoring wells have been established and were monitored for a required amount of time. Applicant has indicated and provided documentation that the monitoring has been concluded and the wells have been or will be removed. The location of the monitoring wells have been indicated on the site plan. As part of an approved Response Plan, the property is subject to a deed restriction which limits its use to commercial/industrial use. A Revised Response Action Plan dated June 9, 2021, and prepared for the previous owner, Enterprise Logistic Services, LLC, to provide to TCEQ, represented expected future use to remain a trucking facility. A copy of the Revised Action Plan will be included in the agenda packet with this staff report.

ADJACENT PROPERTIES - The adjacent property to the north is Baker Distributing Company at 801 SH 146. The adjacent property to the south is burdened with an easement to TNMP for the location of transmission poles and wires. No survey has been provided, but the width of the easement when scaled with the Google Maps tool indicates a width of approximately 200ft. However, the existence of overhead power lines in close proximity to the location should be noted. Immediately south and adjacent to the TNMP easement is Golden Rule Logistics, another distribution entity. Golden Rule Logistics is a tenant on the property. Records show the property south of the proposed site to have common ownership, LM Storage, LLC, with the subject location. It is understood the project owner, Alpha Omega Power, LLC, will also be a tenant. The property is bounded on the west by the railroad. Gulf Coast Water Authority owns the vacant property which is immediately west of the railroad. The site is bounded on the east by S.H. 146. The TNMP substation is located immediately east of SH 146.

TNMP HEIGHTS SUBSTATION - The applicant's submission includes the following information regarding the location in proximity to the TNMP Heights Substation:

The project location near the TNHeights substation was chosen based on detailed power flow analysis of the transmission system within TNMP service area. This analysis identified the TNHeights substation as an ideal candidate for a utility-scale BESS, providing sufficient injection capacity while remaining close to TNMP critical load centers. Injection capacity is a metric used to show how much electrical power (in MW) can be transmitted into a point of interconnection, such as a substation.

The [attached map] shows the individual injection capacity for four of the largest substations within city limits. The TNHeights substation has the highest injection capacity (over 800MW), making it the ideal point of interconnection for multiple BESS projects to support regional grid reliability and electricity demand. Currently, one BESS project is operational at the TNHeights substation (BRP Heights, 10MW project), while three others are in queue to interconnect (Zeya 256MW, IEP Blackhawk 100 MW, and Southern Select 100MW). The combined capacity of these four projects (466MW) is well below the available injection capacity of the substation, indicating the substation is capable of supporting multiple BESS projects.

BATTERY CHEMISTRY and MANUFACTURER - The application indicates an intent to use LFP (lithium iron phosphate) battery cells which is the cell chemistry which currently available information indicates may be less prone to thermal runaway than the NMO (nickel manganese cobalt) battery cells. Applicant has indicated Fluence or Tesla are likely manufacturers, and that they intend to use CATL cells. CATL cells are considered Tier 1 cells.

FLOOD PLAIN/COASTAL ENVIRONMENT - The site is not located in a flood plain. It is located inside the area protected by the Texas City Hurricane Levee. Container foundations will be placed at elevation 7.0ft in accordance with Texas City ordinances.

Regarding protection from the saltwater/coastal environment, the applicant advises in an email received 7.19.2024 that the containers are fully integrated cabinets and shipped to the site as such, so there is no exposure to the elements during the installation process. The containers will meet the requirements of IP 67 at the Pack level and IP55 at the Battery Container level. IP67 means the individual battery packs do not allow for the ingress of dust particles. They are protected against the ingress of water from spraying/water jets and are rated to be submersed in up to 3' of water for up to 30 minutes without penetration. IP55 means the battery containers themselves provide protection from dust, low pressure water jets and damp and wet weather. The storage units also meet an anti-corrosion class of up to C5-H depending on the local environment. C5 is the highest class of anti-corrosion coating. Air filter maintenance is also a critical element of maintaining the units for optimal operating conditions and will be performed by a regular maintenance crew as often as needed, which may be weekly. Some of the indications in the email are different from the spec sheet provided with the application. The representations of the email are considered to supersede the spec sheet insofar as the conditions being presented to the Planning Board and others for approval at this time. **The codes and standards most appropriate for saltwater/coastal environment will be applied by the Fire Marshal and Chief Building Official during the permitting process.**

FIRE PROTECTION - Fire protection will be provided by on-site systems specifically designed for this application with Fire Marshal coordination. The project will be subject to the 2024 fire codes and building codes. The Fire Marshal may require

additional submittals at the time of permitting and has advised these requirements will include at minimum commissioning and decommissioning plans, site safety plan, all UL test results for the batteries to be installed, a bond or other security for decommissioning and some requirements for insurance. The Chief Building Official is likely to require annual certification and inspection of ventilation systems at minimum. The Applicant acknowledges these, and other requirements must be satisfied to obtain the necessary permits.

DECOMMISSIONING - The costs of decommissioning have been identified as an issue of concern for cities because it is known that batteries have a service life which expires. Additionally, as technology evolves, installations become obsolete. A recent article from the Green Clean Solar, January 11, 2023, references some key findings from a study of the Electric Power Research Institute. The study estimated the cost of decommissioning for a 1-MWh NMC lithium-ion based grid energy storage system as \$91,500. Applying this factor to the 410 MWh capacity proposed for this project would estimate the decommissioning cost as \$37,515,000. Although this project is not proposing NMC lithium-ion batteries, the estimated decommissioning cost is based upon 40% dismantling and packaging, 30% transportation and only 30% recycling. The battery chemistry would have the most impact on the cost of recycling. The estimated cost is significant enough to warrant the posting of substantial security.

SECOND POINT OF ACCESS – ISSUE UNRESOLVED: The secondary access is proposed to be through adjacent property under lease to Golden Rule Logistics. Applicant provided a proposed access agreement with the adjoining property owner just before the Planning Board meeting. Staff have subsequently provided comments on the access easement and recommend the final location be dedicated by plat as a fire lane for secondary access to the site. Such platting is necessary to be sure the access can be maintained permanently through the adjacent property which is used for logistics and staging. Fire Marshal has indicated a requirement for lockbox access.

APPLICANT'S EXPERIENCE/COMPANY HISTORY – The applicant is AOP Holdings, LLC d/b/a Alpha Omega Power, was established in 2023. The company profile and resumes of the key personnel are provided with this memo.

Analysis and RECOMMENDATION: City staff have reviewed the submitted Site Plan and provided numerous comments regarding spacing, paving, screening and landscaping standards. All of the site plan specific comments have been resolved, with the exception of the issue regarding the second point of access. Staff cannot make a recommendation regarding the adequacy of the second point of access without more information regarding the specific agreement with the adjacent property owner and tenant. Staff maintains its recommendation that the final location of the second access be approved by the Fire Marshal and granted by plat.

Applicant's information indicates it is a start-up company. Given the magnitude of the potential estimated cost of the decommissioning, the need for posting of a substantial bond should not be overlooked.

Staff makes no recommendation regarding this application for rezoning.



Kim Golden, City Engineer
1801 9th Ave N
Texas City, TX 77592
kgolden@texascitytx.gov

7/24/2025

Dear Kim Golden,

On behalf of Southern Select Energy Storage, I am writing to formally request an extension of the Preliminary Rezone for our project located on the west side of State Highway 146 North, just north of the existing Golden Logistics facility. The project was previously approved for a Preliminary Rezone from "F" (Light Industrial) to District "S-P" (Site Plan), with an expiration date of **September 4, 2025**.

While our project team is prepared to move forward with submission of the building permit application to the Building Officials, we are requesting this extension as a precautionary measure. Our intent is to allow adequate time to ensure all application materials and supporting documents are properly completed and submitted prior to the Preliminary Rezone expiration. This extra time will help us uphold the integrity of the permitting process and avoid any unintended delays.

We respectfully ask the City to consider this extension to allow for the continued progress of this project and ensure alignment with all applicable zoning and permitting requirements.

Thank you for your consideration. Please feel free to contact me should you require any additional information or documentation to support this request.

Sincerely,

Simon Labrosse-Gelinas
Project Developer
Southern Select Energy Storage / Alpha Omega Power

CITY COMMISSION REGULAR MTG

(8) (a)

Meeting Date: 08/06/2025

Submitted By: Renee Edgar, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Approve City Commission Minutes for July 16, 2025 meeting. (City Secretary)

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

Minutes

REGULAR CALLED CITY COMMISSION MEETING

MINUTES

WEDNESDAY, JULY 16, 2025 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL

A Regular Called Meeting of the City Commission was held on Wednesday, JULY 16, 2025, at 5:00 P.M. in the Kenneth T. Nunn Council Room in City Hall, Texas City, Texas. A quorum having been met, the meeting was called to order at 5:00 p.m. by Mayor Dedrick D. Johnson.

1. ROLL CALL

Present: Dedrick D. Johnson, Mayor
Thelma Bowie, Commissioner At-Large, Mayor Pro Tem
Abel Garza, Jr. , Commissioner At-Large
DeAndre' Knoxson, Commissioner District 1
Keith Love, Commissioner District 2
Chris Sharp, Commissioner District 3
Jami Clark, Commissioner District 4

2. INVOCATION

Led by Jon Branson, Executive Director of Management Services.

3. PLEDGE OF ALLEGIANCE

Led by DeAndre' Knoxson, Commissioner District 1.

4. PROCLAMATIONS AND PRESENTATIONS

a. Service Awards

Tomas Gomez	Public Works	07/01/2010	15 years
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Mayor Dedrick Johnson acknowledged Troop 246 from St. Mary's Catholic Church for attending the City Commission meeting.

b. Presentation of a Certificate of Recognition to Desiree Haddock

Nicole Miller, Parks, Recreation, and Tourism Director, presented Desiree Haddock with an appreciation gift for her 25 years of work in the Youth Art Program.

5. REPORTS

a. Moore Memorial Library Report (Library)

Cheryl Loewen, Library Director, gave a PowerPoint presentation.

6. PUBLIC COMMENTS

The following members of the public requested to address the City Commission: Jose Boix, Brian Geotschius, Robert Clem, and Anthony Hall.

7. CONSENT AGENDA

Commissioner District 1, DeAndre' Knoxson, made a motion to approve Consent Agenda items 7a, b, and c. The motion was seconded by Commissioner District 4, Jami Clark.

- a. Approve City Commission Minutes for July 2, 2025 meeting. (City Secretary)

Vote: 7 - 0 CARRIED

- b. Consider and take action on Resolution No. 2025-071, approving and awarding Commission Grant funds in the amount of \$5,000 to the Texas City Stingrays Youth Football & Cheer Organization. (Mayor Dedrick Johnson)

Vote: 7 - 0 CARRIED

- c. Consider and take action on Resolution No. 2025-072, awarding Bid No. 2025-484 and entering into a contract to remove and dispose of all sand, solids, trash and debris from upper and lower levels of the bioreactors, and other tanks, including head-works effluent receiving tank, located at the Wastewater Treatment Plant. (Public Works)

Vote: 7 - 0 CARRIED

8. REGULAR ITEMS

- a. Consider and take action on the second reading of Ordinance 2025-06, amending the Texas City Code of Ordinances by creating Chapter 162 entitled "Battery Energy Storage Systems" and amending the Code of Ordinances Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects. (City Engineer)

Kim Golden, City Engineer, recommends the approval of Ordinance 2025-06 to create Chapter 162 entitled "Battery Energy Storage Systems" and to amend the Zoning Ordinance Section 160.051 to designate District S-P Site Plan as the zoning district for Battery Energy Storage Systems and similar projects.

Motion by Commissioner At-Large Abel Garza, Jr., Seconded by Commissioner District 3 Chris Sharp

Vote: 7 - 0 CARRIED

- b. Consider and take action on the third and final reading of Ordinance No. 2025-12, amending the Code of Ordinance for the City of Texas City, Title IX Entitled "General Regulations", Chapter 94- Health and Sanitation by prohibiting the placement of outdoor donation bins or receptacles for clothing or other items on public or private property. (Fire Marshal)

Ian Chase, Assistant Fire Marshal, recommends consideration and approval of the Ordinance.

Motion by Commissioner At-Large Abel Garza, Jr., Seconded by Commissioner At-Large, Mayor Pro Tem Thelma Bowie

Vote: 7 - 0 CARRIED

- c. Consider and take action on Resolution No. 2025-073, awarding Bid No. 2025-487 and entering into a contract for the 34th Street Ditch Improvements Project. (Public Works)

Jack Haralson, Public Works Director, recommends that the City of Texas City award the 34th Street Drainage Improvements Project to Carlson McClain Construction Company, LLC., for a total amount of \$3,285,288.00.

Motion by Commissioner District 2 Keith Love, Seconded by Commissioner District 3 Chris Sharp

Vote: 7 - 0 CARRIED

- d. Consider and take action on Resolution No. 2025-074, approving the City of Texas City's participation in the TexStar and LOGIC investment pool. (Finance)

Cynthia Rushing, Chief Financial Officer, recommends approving the City's participation in the TexStar and LOGIC investment pool. The City recently received \$74 million in Certificate of Obligation bond proceeds, which will be drawn for construction and project-related expenses over time. Participation in TexStar and LOGIC will enable the City to maximize interest earnings on these proceeds while maintaining 100% liquidity throughout the drawdown period.

Motion by Commissioner District 1 DeAndre' Knoxson, Seconded by Commissioner District 4 Jami Clark

Vote: 7 - 0 CARRIED

- e. Consider and take action on Resolution No. 2025-075, approving the purchase of a Ford F-350 Diesel, from Sterling McCall Ford in the amount of \$75,000.00, and the purchase of a remount service for one (1) existing medical unit (Modular Box) X-1665 onto the newly purchased chassis from Frazer, LTD in the amount of \$175,000.00, for a total project cost of \$250,000.00. (Fire)

Dennis Harris, Fire Chief, recommends authorizing the purchase of a Ford F-350 Diesel from Sterling McCall Ford and the purchase of a remount service for one (1) existing medical unit (Modular Box) X-1665 onto the newly purchased chassis from Frazer, LTD.

Motion by Commissioner At-Large Abel Garza, Jr., Seconded by Commissioner District 4 Jami Clark

Vote: 7 - 0 CARRIED

- f. Consider and take action on Resolution No. 2025-076, awarding ITB 2025-481 and entering into a contract for Code Compliance Abatement & Lawn Care Maintenance. (Fire- NIS)

Dennis Harris, Fire Chief, recommends authorizing the Mayor to into an agreement with Greenscapes Six and HILD Foundation to provide mowing services for all established grasses, vegetation, and general property clean-up as requested by Neighborhood Improvement Services and the Director of Municipal Services.

Motion by Commissioner At-Large, Mayor Pro Tem Thelma Bowie, Seconded by Commissioner District 4 Jami Clark

Vote: 7 - 0 CARRIED

- g. Consider and take action on Ordinance No. 2025-14, establishing the Commission Rules of Procedure/Order of Business. (Management Services)

Jon Branson, Executive Director of Management Services, recommends the City Commission consider the attached Commission Rules of Procedure/Order of Business to comply with the Texas City Charter, Article III, titled PROCEDURES OF THE COMMISSION; Legislation, Sec.1., Meeting of the Commission, the Commission shall, by Ordinance, determine its own rules of procedure. This item will come before the Commission for two additional readings.

Motion by Commissioner District 2 Keith Love, Seconded by Commissioner At-Large Abel Garza, Jr., to table.

Vote: 3 - 4 FAILED

Motion by Commissioner At-Large, Mayor Pro Tem Thelma Bowie, Seconded by Commissioner District 4 Jami Clark to approve the item as presented.

Vote: 4 - 3 CARRIED

9. COMMISSIONERS' COMMENTS

10. MAYOR'S COMMENTS

An audiovisual recording of this meeting is available on the City's website and retained by the CSO for two years after the date of the adoption of the minutes to which the meeting corresponds.

11. ADJOURNMENT

Having no further business, Commissioner At-Large, Abel Garza, Jr., made a MOTION to ADJOURN at 6:04 p.m.; the motion was SECONDED by Commissioner District 4 Jami Clark. All present voted AYE. MOTION CARRIED.

DEDRICK D. JOHNSON, MAYOR

ATTEST:

Rhomari Leigh, City Secretary
Date Approved:

CITY COMMISSION REGULAR MTG

(8) (b)

Meeting Date: 08/06/2025

Consider and take action regarding the consent to annexation 17.968 acres of Section 5 Marlow Lake North Subdivision into GCMUD 79

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action regarding the consent to annexation of the 17.968 acre section of Marlow Lake North Subdivision Section 5 into GCMUD No. 79 per the attached petition.

BACKGROUND (Brief Summary)

Marlow Lake North Subdivision is a 161-unit single family residential planned unit development on 71.6 acres of undeveloped land located on the west side of SH 3 immediately north and adjacent to the Marlow Lake Subdivision. The developer is SSLT, LLC, which is an affiliate of Sprint Sand. Sprint Sand owns and operates the active sand mine adjacent to the subdivision. The development is part of the approved post pit plan for the sand mine.

The City Commission previously gave preliminary zoning approval to the rezoning of the Marlow Lake North master planned community from District A-1 Single Family Residential to District I Planned Unit Development on March 16, 2022. The preliminary zoning approval has been extended by the City Commission until March 16, 2025. The City Commission approved the Master Plan for the Marlow Lake North Subdivision at its regular meeting on November 6, 2024. The City Commission approved a Development Agreement for the Marlow Lake North Subdivision at its regular meeting on December 4, 2024. One of the City's obligations under the Development Agreement is to consent to annexation into GCMUD 79 of each section as it is platted.

The developer applied for preliminary plat approval of Section 5 within twelve months after receiving preliminary zoning approval of the PUD rezoning. The Planning Board approved the Section 5 Preliminary Plat at its meeting on April 17, 2023. The Developer then applied for Section 5 Final Plat approval on April 21, 2023. The Developer received three sets of comments on the final plat submittal and responses to the final set of comments provided in September 2023 have been received and are in final review. Preliminary Plats are valid for a period of 12 months unless extended. **Developer requested and received an extension of the approval of the Section 5 Preliminary Plat until April 17, 2025.** The Developer applied for Final Plat approval within the extended approval of the preliminary plat. The Planning Board tabled consideration of the Final Plat application at its meeting on April 25, 2025 to allow additional time for the developer and Owner to provide additional information regarding the scope and timeframe for completing the development of the park and lake amenities.

On July 6, 2025 the owner provided a plan for the phasing and construction of the lake amenities and a commitment to provide security for the completion of the final build out as a condition for approval of the final plat for the last section to be platted. The owner also provided documentation from the sand mine showing a commitment to complete operations on or before May 2027. The request for final plat approval was resubmitted to the Planning Board at its meeting on July 21, 2025 and approved subject to the following conditions: (i)

timely completion of the amenities phasing and completion plan provided by the owner, (ii) the owner's commitment to post a completion bond as a condition for the approval of the final plat for the final section of the subdivision, and (iii) the commitment regarding a date certain for closing of the sand mine on or before May 2027.

RECOMMENDATION

Based upon the final plat approval of Marlow Lake Section 5 by the Planning Board at its meeting on July 21, 2025, staff recommend consent to annexation of the 17.968 acres of Marlow Lake Section 5 into MUD 79 in accordance with the provisions of the Development Agreement and the attached Petition.

Fiscal Impact

Attachments

Petition for Consent to Annexation
FINAL Planning Board Minutes
Resolution

PETITION FOR CONSENT TO ANNEX LAND INTO
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF TEXAS CITY,
TEXAS:

The undersigned, GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79 (the “District”), and SSLT, LLC, a Texas limited liability company (the “Petitioner”), acting pursuant to the provisions of Chapter 49, Texas Water Code, particularly Section 49.301 of that Code, together with all amendments and additions thereto, respectfully petition the City Council of the City of Texas City, Texas (the “City”), for its written consent to the annexation by the District of the 17.968-acre tract of land described by metes and bounds in **Exhibit A** (the “Land”), which is attached hereto and incorporated herein for all purposes. In support of this petition, the undersigned would show the following:

I.

The District is a municipal utility district duly created under the laws of the State of Texas on August 17, 2020. The District was created and organized under the terms and provisions of Article XVI, Section 59, of the Constitution of Texas, and is governed by the provisions of Chapters 49 and 54, Texas Water Code.

II.

The Petitioner holds fee simple title to the Land, as indicated by the certificate of ownership provided by the Galveston Central Appraisal District.

III.

The Petitioner represents that there are no lienholders on the Land.

IV.

The Land is situated wholly within Galveston County, Texas. No part of the Land is within the limits of any incorporated city, town or village, except the City and no part of the Land is within the extraterritorial jurisdiction (as such term is defined in Local Government Code Section 42.001 et seq., as amended) of any city, town or village. All of the Land may properly be annexed into the District.

V.

The general nature of the work to be done within the Land is the construction, acquisition, maintenance and operation of a waterworks and sanitary sewer system, and a drainage and storm sewer system, road facilities, and parks and recreational facilities.

VI.

There is, for the following reasons, a necessity for the above-described work. The Land, which will be developed for commercial and/or residential purposes, is urban in nature, is within the growing environs of the City, is in close proximity to populous and developed sections of Galveston County, and within the immediate future will experience a substantial and sustained residential and commercial growth. There is not now available within the Land an adequate waterworks and sanitary sewer system nor an adequate drainage system, nor road facilities, nor parks or recreational facilities, and it is not presently economically feasible for the Land to provide for such systems and facilities itself. Because the health and welfare of the present and future inhabitants of the Land and of lands adjacent thereto require the construction, acquisition, maintenance and operation of an adequate waterworks and sanitary sewer system and a drainage and storm sewer system, road facilities, and parks and recreational facilities, a public necessity exists for the annexation of the Land into the District, to provide for the purchase, construction, extension, improvement, maintenance and operation of such waterworks and sanitary sewer system and such drainage and storm sewer system, such road facilities, and such parks and recreational facilities, so as to promote the purity and sanitary condition of the State's waters and the public health and welfare of the community.

VII.

The Petitioner and the District agree and hereby covenant that if the requested consent to the annexation of the Land to the District is given, the Petitioner and the District will adopt and abide by the conditions set forth in **Exhibit B**, attached hereto and incorporated herein for all purposes.

WHEREFORE, the undersigned respectfully pray that this petition be heard and granted in all respects and that the City give its written consent to the annexation of the Land into the District.

[EXECUTION PAGES FOLLOW]

RESPECTFULLY SUBMITTED on October 25, 2023.

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 79

By: [Signature]
Name: Mike Arterburn
Title: President

ATTEST:

(SEAL)



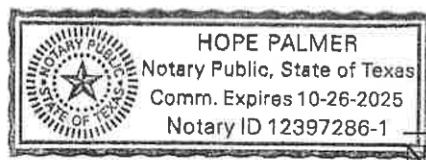
By: [Signature]
Name: Cosme Reyes
Title: Secretary

THE STATE OF TEXAS

COUNTY OF ~~GALVESTON~~

HP §
Harris §

This instrument was acknowledged before me on October 25, 2023,
by Mike Arterburn, as President, and
Cosme Reyes, as Secretary, of the Board
of Directors of GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79, a
political subdivision of the State of Texas, on behalf of said political subdivision.



[Signature]
Notary Public, State of Texas

(NOTARY SEAL)

SSLT, LLC,
a Texas limited liability company

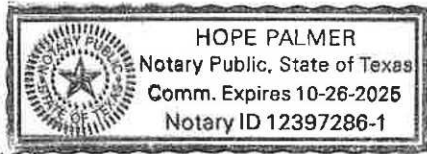
By: Lone Trail Village Development LLC, a
Texas limited liability company,
its Manager

By: Binnacle Development, LLC,
a Texas limited liability company,
its Managing Member


By: 
Jerry W. LeBlanc
Managing Member

THE STATE OF TEXAS §
 §
COUNTY OF Harris §

This instrument was acknowledged before me on October 25
2023, by Jerry W. LeBlanc, Managing Member of Binnacle Development, LLC, a Texas
limited liability company, Managing Member of Lone Trail Village Development LLC, a
Texas limited liability company, Manager of SSLT, LLC, a Texas limited liability
company, on behalf of said limited liability companies.



(NOTARY SEAL)


Notary Public, State of Texas

Attachments:
Exhibit A: Description of the Land
Exhibit B: Conditions of the City

EXHIBIT A



8017 Harborside Drive, Galveston, TX 77554
P.O. Box 16142, Galveston, TX 77552 (Mailing)
(409)740-1517
www.HighTideSurveying.com

BEING A 17.968 ACRE TRACT OF LAND SITUATED IN THE W.K. WILSON SURVEY, ABSTRACT No. 208, IN GALVESTON COUNTY, TEXAS, SAID TRACT ALSO BEING PART OF THAT CERTAIN 71.660 ACRE TRACT CONVEYED TO SSLT, LLC., ACCORDING TO DEED RECORDED UNDER FILE No. 2019049455, IN THE OFFICE OF THE COUNTY CLERK OF GALVESTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at the most Westerly corner of Marlow Lake, Section 4, a subdivision in Galveston County, Texas, according to the Map or Plat thereof recorded under Instrument No. 2023032940 in the Office of the County Clerk of Galveston County, Texas, said point also lying in the Northeasterly line of a 100 foot right-of-way granted to Galveston-Houston Electric Railway Company in deed recorded in Volume 241, Page 76 in the Office of the County Clerk of Galveston County, Texas;

THENCE North 42°30'05" West along the Northeasterly line of said 100 foot right-of-way, a distance of 894.73 feet to a point for corner;

THENCE North 47°26'38" East over and across said 71.660 acre tract, a distance of 177.58 feet to a point for corner;

THENCE along a curve to the left, said curve having a radius of 150.00 feet, a chord bearing of North 46°03'56" West, a chord length of 58.94 feet, and an arc length of 59.33 feet to a point of reverse curvature;

THENCE along a curve to the right, said curve having a radius of 330.00 feet, a chord bearings of North 56°20'05" West, a chord length of 12.22 feet, and an arc length of 12.22 feet to a point for corner;

THENCE North 34°43'35" East, a distance of 60.00 feet to a point for corner;

THENCE along a curve to the left, said curve having a radius of 270.00 feet, a chord bearing of South 58°55'58" East, a chord length of 34.46 feet, and an arc length of 34.49 feet to a point for corner;

THENCE North 27°24'29" East, a distance of 120.00 feet to a point for corner;

THENCE North 53°43'09" West, a distance of 46.89 feet to a point for corner;

THENCE North 42°33'22" West, a distance of 299.64 feet to a point for corner;

THENCE North 30°13'20" West, a distance of 93.08 feet to a point for corner;

THENCE North 04°17'55" East, a distance of 87.81 feet to a point for corner;



8017 Harborside Drive, Galveston, TX 77554
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THENCE North 23°31'57" East, a distance of 97.72 feet to a point for corner;

THENCE North 51°28'36" East, a distance of 49.38 feet to a point for corner;

THENCE South 81°53'15" East, a distance of 206.39 feet to a point for corner, said point marking the beginning of a curve to the left, said curve having a radius of 1,455.00 feet, a chord bearing of South 07°16'43" East, and a chord length of 87.41 feet;

THENCE along said curve to the left, a distance of 87.43 feet to a point for corner;

THENCE North 81°00'00" East, a distance of 60.00 feet to a point for corner, said point marking the beginning of a curve to the left, said curve having a radius of 1,395.00 feet, a chord bearing of South 09°39'08" East, and a chord length of 31.75 feet;

THENCE along a curve to the left, a distance of 31.75 feet to a point for corner;

THENCE North 79°54'08" East, a distance of 160.00 feet to a point for corner, said point marking the beginning of a curve to the left, said curve having a radius of 1,235.00 feet, a chord bearing of South 17°55'45" East, and a chord length of 327.73 feet;

THENCE along said curve to the left, a distance of 328.70 feet to a point of tangency;

THENCE South 25°33'14" East, a distance of 414.70 feet to a point for curvature to the left, said curve having a radius of 610.00 feet, a chord bearing of South 36°48'00" East, and a chord distance of 237.93 feet;

THENCE along said curve to the left, a distance of 239.47 feet to a point of tangency;

THENCE South 48°02'47" East, a distance of 199.74 feet to a point for corner;

THENCE South 60°17'30" East, a distance of 162.51 feet to a point for corner, said point lying in the Northwesterly line of said Marlow Lake Section 4;

THENCE South 88°02'38" West along the Northwesterly line of said Marlow Lake Section 4, a distance of 79.42 feet to a point for corner;

THENCE South 38°58'33" West, a distance of 90.07 feet to a point for corner;

THENCE South 41°57'13" West, a distance of 109.44 feet to a point for corner;

THENCE North 48°02'47" West, a distance of 40.78 feet to a point for corner;



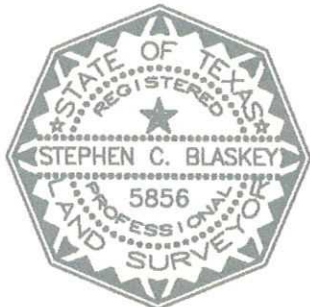
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P.O. Box 16142, Galveston, TX 77552 (Mailing)
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THENCE South 64°08'35" West, a distance of 149.57 feet to a point for corner;

THENCE South 61°15'56" West, a distance 48.76 feet to a point for corner;

THENCE South 56°55'41" West, a distance of 111.52 feet to a point for corner;

THENCE South 47°29'55" West, a distance of 38.82 feet to the POINT OF BEGINNING of the herein described tract, and containing 17.968 acres (782,676 square feet) of land, more or less.



March 3, 2023

A handwritten signature in blue ink that reads "Stephen C. Blaskey".

Stephen C. Blaskey
Registered Professional
Land Surveyor No. 5856

(Bearings and Distances based on the Texas State Coordinate System of 1983, South Central Zone, and are referenced to N.G.S. Monument HGCSO 60 (AW5578). All units are expressed in U.S. Survey Feet)

Exhibit B

(a) Bonds will be issued by the District only for the purpose of purchasing and constructing, or purchasing or constructing under contract with The City of Texas City, Texas, or otherwise acquiring waterworks systems, sanitary sewer systems, storm sewer systems, drainage facilities, fire-fighting facilities, parks and recreational facilities, and street, road and bridge facilities or parts of such systems or facilities, and to make any and all necessary purchases, construction, improvements, extensions, additions, and repairs thereto, and to purchase or acquire all necessary land, right-of-way easements, sites, equipment, buildings, plants, structures, and facilities therefor, and to operate and maintain same, and to sell water, sanitary sewer, and other services within or without the boundaries of the District. Such bonds will expressly provide that the District reserves the right to redeem the bonds on any interest-payment date subsequent to the fifteenth (15th) anniversary of the date of issuance without premium and will be sold only after the taking of public bids therefor, and none of such bonds, other than refunding bonds, will be sold for less than 95% of par; provided that the net effective interest rate on bonds so sold, taking into account any discount or premium as well as the interest rate borne by such bonds, will not exceed two percent (2%) above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index" during the one-month period next preceding the date notice of the sale of such bonds is given, and that bids for the bonds will be received not more than forty-five (45) days after notice of sale of the bonds is given. The resolution authorizing the issuance of the District's bonds will contain a provision that any pledge of the revenues from the operation of the District's water and sewer and/or drainage system to the payment of the District's bonds will terminate when and if the City of Texas City, Texas, dissolves the District, takes over the assets of the District and assumes all of the obligations of the District. No land will be added or annexed to the District until The City of Texas City, Texas, has given its written consent by resolution of the City Commission to such addition or annexation.

(b) Any refunding bonds of the District must provide for a minimum of three percent present value savings and no maturity of the refunding bonds may extend beyond the latest maturity of the refunded bonds, unless approved by the City in writing prior to the sale thereof.

(c) Before the commencement of any construction within the District, the District, its directors, officers, or the developers and landowners will submit to the Director of Public Works and the City Engineer of The City of Texas City, Texas, or to his/her designated representative, all plans and specifications for the construction of water, sanitary sewer, and drainage facilities and street, road and bridge facilities to serve the District and obtain the approval of such plans and specifications. All water wells, water meters, flushing valves, valves, pipes, and appurtenances thereto, installed or used within the District, will conform exactly to the specifications of The City of Texas City, Texas. All water service lines and sewer service lines, lift stations, sewage treatment facilities, and appurtenances thereto, installed or used within the District will

comply with The City of Texas City, Texas' standard plans and specifications. Prior to the construction of such facilities within the District, the District or its engineer will give written notice by registered or certified mail to the Director of Public Works and the City Engineer, stating the date that such construction will be commenced. The construction of the District's water, sanitary sewer, and drainage facilities and street, road, and bridge facilities will be in accordance with the approved plans and specifications, and with applicable standards and specifications of The City of Texas City, Texas; and during the progress of the construction and installation of such facilities, the District Engineer of record shall periodically monitor and observe the construction of facilities and submit to the City a certification that all facilities have been installed to City and State plans and specifications. Additionally, the District shall provide funds to pay the City's cost of contracting with an inspector to provide full time monitoring and inspection of the construction of facilities. The Director of Public Works and the City Engineer of the City of Texas City, Texas, or his/her designated representative, may make periodic on-the-ground inspections.

CERTIFICATE

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

I, the undersigned Secretary of the Board of Directors of GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79, do hereby certify that the attached and foregoing is a true and correct copy of the Petition for Consent to Annex Land into Galveston County Municipal Utility District No. 79 that was filed with the Board of Directors of the District on October 25, 2023.

WITNESS MY HAND AND SEAL OF SAID DISTRICT on October 25, 2023.

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 79



By: [Signature]
Secretary, Board of Directors

PLANNING BOARD MINUTES

July 21, 2025

The Planning Board of the City of Texas City met in a regular meeting on Monday, July 21, 2025, at 5:00 p.m. Staff members present: Ms. Kimberly Golden, P.E. (City Engineer, Secretary), Casey Bennett (Chief Building Official), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician) and Caroline Luke (Administrative Assistant). Guests were: Becky Collins (Lakeside Bayou, LLC), James Kelly II (Community Roots Holding), William Casanova (JMC Remodeling), Nick Ozuna Jr. (Sprint Companies), & John Herzog (IDS Engineering Group).

Chairman Dickey Campbell indicated a quorum was present and called the meeting to order.

(1) ROLL CALL

The following members answered roll call: Commissioner Jami Clark, Co-Chairman Perry O'Brien, Chairman Dickey Campbell and Member Aric Owens.

(2) APPROVAL OF MINUTES

A motion to approve the minutes of July 7, 2025 was made by Co-Chairman Perry O'Brien / Commissioner Jami Clark. All other members present voted aye.

(3) PUBLIC COMMENTS

There were no public comments.

(4) REGULAR AGENDA

a. Consider and take action on the Development Plan for a Hair Salon and Office Suite. Located at 917 & 921 5th Avenue North.

Ms. Kim Golden gave background on the Development Plan. The development location is an existing commercial building. The applicants are proposing to redevelop it as a hair salon and office suite.

Ms. Kim Golden addressed that the lot is zoned District E-1 Central Business District which district does not have any setback requirements. The lot is undersized at 50x50 but because it is in the Central Business District zone the setbacks are not an issue for this project. One of the biggest challenges in this development is that the service lines cross private property. The applicant/owner has secured easement agreements with the private landowner to remedy this issue.

Ms. Golden then showed the Planning Board members electronic renderings of the development plan and spoke of the revitalization of the existing building. The plans have gone through the internal review process and all comments have been addressed and resolved. The only condition is executing the easement agreement, which the applicant has already done.

Ms. Golden said that there are no staff objections to approving this development.

A motion was made by Commissioner Jami Clark/Co-Chairman Perry O'Brien to approve the Development Plan for 917 & 921 5th Ave North for the development as a Hair Salon and Office Suite.

All other members present voted aye. Motion carried 4-0.

b. Consider and take action on a Request for Extension of Time for the Preliminary Zoning Approval of Lakeside Bayou to complete the bidding, financing and constructions of the Lakeside Bayou Subdivision.

Ms. Kim Golden informed the board that they had previously seen the land plans for Lakeside Bayou, which had originally been approved as the South Lake Subdivision. There have been prior extensions to this project. Ms. Golden explained the location of the subdivision and its status as a Planned Use Development. Under the PUD agreement, the developers will construct homes on varying lot sizes.

Some of the previous extensions on this project were required due to the challenges of crossing pipelines, working with TxDOT on access and determining detention requirements with Texas City, League City, and Dickinson. The technical and permitting issues have been addressed and resolved but the developer needs additional time to secure the financing and start construction of the project. The utility services agreement is also up for extension, but this will go to the City Commission. Approving these extensions will continue the preliminary zoning approval through August 18, 2026.

Ms. Golden said the development representatives from Lakeside Bayou, LLC are present.

Chairman Dickey Campbell recalled that the connection to 646 was contingent upon approval by League City and asked if the developers have received approval. Becky Collins, a representative from Lakeside Bayou, LLC, confirmed that the approval has been obtained from League City.

Commissioner Jami Clark asked if there were still plans in place to install a traffic light at the connection to FM 646. Becky Collins said that the developers are still planning to install a traffic light at the intersection and the installation of the traffic signal is part of the FM 646 widening program by the Texas Department of Transportation (TXDOT). According to the developer's most recent update from TXDOT, work is not expected to reach the FM 646 connection until 2028. The widening project is moving forward and Lakeside Bayou, LLC just deeded the strip of land across its property that TxDOT needed for the widening.

Commissioner Jami Clark inquired as to how many homes would be constructed in Lakeside Bayou. Ms. Collins said that the current subdivision plan shows 960 lots. The developers are prepared to lose four additional lots due to on-site wells and other various reasons. The PUD allows 1200 lots, but the only way to get more than 960 lots would be to reduce the size of the detention pond or acquire a tract of adjacent land in the future. Ms. Collins informed the board that the development is based on percentages of lot sizes. If space for more lots was acquired, they would need to be of varying sizes to align with the PUD's lot size percentage distribution goal.

Commissioner Jami Clark asked about the number of entrances to the subdivision and if there is more than one way in and out. Ms. Collins advised that for Phase I there would be only one access point from FM 646. Commissioner Clark then asked if there would be an entry on FM 3436 as well. Ms. Collins replied that there will be an entry on FM 3436 constructed between Phases I and II.

Becky Collins stated that the initial traffic impact analysis said a traffic light would not be required on FM 646 until the development exceeds 500 developed lots. TXDOT will install the light before Lakeside Bayou reaches this size.

Member Aric Owens asked Ms. Collins if there are any intentions to purchase the tract of land to the east of the current development. Ms. Collins said there are no plans to purchase the land at this time. Lakeside Bayou, LLC's main priority is starting the development for Phase 1. Member Owens then asked about the roadways in Lakeside Bayou creating a dead end abutting the east

tract of land. Ms. Collins explained that the city requires access to the adjacent parcels of land. Ms. Golden stated that whoever develops the adjacent land will want the roads to connect. Whoever develops the adjacent land will be responsible for making the connections.

A motion was made by Co-Chairman Perry O'Brien/Commissioner Jami Clark to approve the Request for Extension of Time for the Preliminary Zoning Approval of Lakeside Bayou to complete the bidding, financing and constructions of new subdivision.

All other members present voted aye. Motion carried 4-0.

- c. Tabled from the April 7, 2025 meeting - Consider and take action on the Final Plat for Marlow Lake Section 5. Being a replat of a 17.968 acre tract of land situated in the W.K. Wilson Survey, Abstract No. 208, in Galveston County, Texas, said tract also being part of that certain 71.660 acre tract conveyed to SSLT, LLC., according to deed recorded under File No. 2019049455, in the Office of the County Clerk of Galveston County, Texas. Located west of SH3 and north of Marlow Lake Section 4 and containing 56 lots and 3 reserves.**

Ms. Golden informed the board that they had seen this project before and the chief concern was the status of the neighborhood park improvement and delays in completion of amenities. Section 5 is the first section of a new subdivision, Marlow Lake North. The original Marlow Lake was comprised of four sections. The fourth section has been platted, but many of the amenities have not been installed for the original subdivision have not yet been installed. The lack of amenity development lead members of the Planning Board to ask questions about how this development started. The matter was tabled to allow additional time to research the history of approvals. Engineering and Planning staff researched the history of the project and the prior approvals. Their findings showed that the original master plan was submitted in 2016 and approved by City Commission. The master plan included a complete lake and amenities surrounding it. After the master plan was approved, additional land was acquired that came to be known as Marlow Lake North. The additional land expanded the size of the lake and added more sections to be subdivided.

Ms. Golden advised that a meeting was held with the developer, the homebuilder, the General Manager of the Sand Mine and a representative of the company that owns the sand mine. During this meeting, the parties involved established a firm date of May 2027 for the sand mining operations to be completed and the sand mining equipment removed for the sand pit to fill with water and become the amenity lake of the plans.

The homebuilder explained its timeline of completing approximately 50 houses per year. This puts the buildout of the remaining three sections ending at the same time as the sand mine closes. There is now a reasonable timeline of when the amenities will be completed. The owner of the sand mine is also proposing that when Section 7 is brought forward for Final Plat, they will bring forward a completion bond for the rest of the amenities. Ms. Golden thinks this is a viable package and could resolve the issue which is holding up approval of the Final Plat of Section 5

Ms. Golden informed the board that representatives from the developer and engineer are in attendance if there are any questions. There is also a copy of the full proposal from the owner about how the completion of the amenities would be phased and cost estimates from the landscape architect. These documents show that the amenities will include fishing piers, pavilions, and picnic areas. There is now more certainty about what the finished product will look like.

Co-Chairman Perry O'Brien asked if this discussion was mostly due to questions about the

amenities or timing of the completion. Ms. Golden said it was mainly about the timing and how to ensure the amenities would get built. If everything is platted and approved for construction, then the city has no more leverage. Posting a bond ensures that the rest of the amenities will be constructed. Member Aric Owens asked Ms. Golden if this is common to see in development. Ms. Golden said it isn't common for there to be so much time between starting a subdivision and completing the amenities. Commissioner Jami Clark asked if this is the best-case scenario to get the amenities completed. Ms. Golden said this is the best-case scenario in this instance.

Chairman Dickey Campbell asked if the completion bond could be instated earlier and if Ms. Golden is comfortable with the timing of the completion bonding. Ms. Golden said that she is comfortable with this arrangement because the City has control of the recording of the final plats which is significant leverage because the developer is not able to sell any of the lots until the plats are recorded. Chairman Campbell asked Ms. Golden if she was okay with not seeing the completion bond until the Final Plat of Section 7 is before the Planning Board for approval. Ms. Golden stated she is comfortable with this arrangement.

Ms. Golden informed the board that the owner has substantial financial depth to them, so she is not worried about them not being able to pay.

Member Aric Owens asked why they should wait until the very end to post the bond and why this arrangement gives her comfort. Ms. Golden restated her comfort stemming from the ability of the City to not record the Final Plat with the Galveston County Clerk until the developers get on track with what they have agreed to do. They will not be able to sell any lots or houses until the plats are recorded.

Chairman Campbell asked if the inability to sell lots only applied to Section 7. Ms. Golden said it also applies to Sections 5 and 6. Chairman Dickey Campbell asked how many lots will be in Section 7. John Herzog, a representative from IDS Engineering Group, said that each section is approximately 50 lots. Mr. Herzog went on to say that he has been working on Marlow Lake since the development of Section 2. He said that his understanding of the bond is that to get Section 6 approved, the amenities for Section 5 must be in place. To get the approval for Section 7, the amenities for Section 6 must be completed. Mr. Herzog said the bond is in place to complete the strip of land along Highway 3 and complete the lake.

Chairman Campbell asked how much the bond would be issued for. Ms. Golden said that the bond would be based on the estimated cost of completion which is estimated to be just over \$1 million at this time. Mr. Herzog added that the total value of the landscaping would be between \$2.5 and \$2.7 million. Chairman Campbell asked if there will be about \$2 million of value on the ground. Mr. Herzog said it may be of greater value than that since the sand mining operation will likely still be in place while Sections 5 & 6 are being built.

Ms. Golden said the amenities package in Section 5 is approximately \$557K, Section 6 is \$710K, and Section 7 will be \$1.1 million. The bond would be brought before the board prior to the Final Plat approval and permission to start construction on Section 7.

Chairman Campbell asked if the completion bond would be approximately \$700 thousand and the value left behind would be about \$2 million. Ms. Golden said that is a possibility. Chairman Campbell said he is comfortable with the arrangement if Ms. Golden is. Ms. Golden said she is comfortable with it in this situation and in similar instances.

Chairman Campbell said that going forward our goal should be to communicate the requirement for a bond earlier. Ms. Golden agreed, that the requirement for a completion bond on the amenities needed to be part of the final platting of the last section of any subdivision. Member Aric Owens said there was nothing in place to prevent them from capturing the bond today and agreed with Chairman Campbell on capturing the bond earlier in future instances. Member

Owens said that this could be seen as a precedent of developing in Texas City. If we can capture the bond now, but don't, what does that tell future developers we ask to capture the bond earlier in the process. Chairman Campbell said the challenge in this case is the sand pit and asked if there were any plans to permit more of these operations. Ms. Golden said there is another one in the works. Chairman Campbell said he thought the city was doing away with sand pit deals. Ms. Golden said she didn't say the board would approve it, but there is an application in process.

Chairman Campbell said a straightforward subdivision is easier to manage timewise. Ms. Golden said the situation is the same with any subdivision when you get to the last section. If the city doesn't have any more plats to hold as leverage, there is no guarantee that the amenities will be completed. Texas City has been fortunate with developers so far, but there was an unexpected delay in this instance. Ms. Golden then restated her comfort with making this a precedent. It is particular to a subdivision being developed while a sand mine is active, and not for standard subdivisions. In the future, there should be a provision in similar conditions for an option to require security. Chairman Campbell said he isn't worried about future developers citing this instance as a reason for extension or late bond capturing because the board still has the authority to reject their request. He also affirmed his support of the staff recommendation. Commissioner Jami Clark stated that she supports the staff recommendation as well.

Member Aric Owens asked what happens if they don't remove the sand mine by the agreed date. Ms. Golden said that by this time, the board will be looking at the Final Plat for Section 7 and could reject the Final Plat.

A motion was made by Commissioner Jami Clark/ Co-Chairman Perry O'Brien to approve the Final Plat for Marlow Lake Section 5 with the following conditions:

- 1. The amenities phasing and completion plan provided by the owner**
- 2. The owner's commitment to post a completion bond as a condition for the approval of the Final Plat for the final section of the subdivision**
- 3. The commitment regarding a date certain for closing of the sand mine as <ay 2027.**

All other members present voted aye. Motion carried 4-0.

(5) GENERAL UPDATES

Ms. Golden updated the board on the implementation of MGO. One of the reasons this switch is being made is in hope of moving the planning and zoning process online. She stated she is very proud of her team for their work so far and hopes to have everything in place this fall.

Member Aric Owens said that he approves of the interactive zoning map available on Texas City's website. He said it has a lot of good information that anyone can use and understand. Co-Chairman Perry O'Brien agreed and mentioned how easy the zoning map is to navigate. Ms. Golden thanked them for their comments.

(6) OTHER BUSINESS

Nothing to discuss.

(7) MOTION TO ADJOURN

Chairman Dickey Campbell asked if there was any other business to which there was none. **A motion was made by Commissioner Jami Clark/Member Aric Owens to adjourn. All members present voted aye.**

Kimberly Golden, Secretary

Date

Minutes approved by the Planning Board at its meeting on _____.

RESOLUTION NO. 2025-077

A RESOLUTION OF CONSENT TO THE ANNEXATION OF CERTAIN LAND COMPRISING THE MARLOW LAKE NORTH SUBDIVISION SECTION 5 INTO GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79 UPON CERTAIN CONDITIONS AND FURTHER PROVIDING THEREWITH; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, Galveston County Municipal Utility District No. 79 (MUD) and SSLT, LLC, an affiliate of Sprint Sand, have jointly petitioned the City of Texas City, TX, for consent to the annexation of certain land comprising the Brookwater Subdivision into MUD 79; and

WHEREAS, Heron's SSLT, LLC is the developer of the Marlow Lake North Subdivision pursuant to that certain Development Agreement dated September 21, 2016, for which subdivision the City Commission did preliminarily approve a zoning change to District I – Planned Unit Development and Master plan on March 16, 2022, and then did preliminarily approve an Amended Planned Unit Development and Updated Master plan at its meeting on March 16, 2025; and

WHEREAS, the Planning Board of the City of Texas City did approve a preliminary plat and one-line drawings for Section 5 of the Marlow Lake North Subdivision in accordance with the approved Master Plan at its meeting on April 17, 2023; and did approve the final plat and construction drawings for Section 5 at its meeting on July 21, 2025; and

WHEREAS, staff have reviewed the Petition for Consent to Annex Land and offer no objection to the consent to annexation, subject to certain recommended conditions as attached in Exhibit B to the Petition.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the Petition for Consent to Annexation of Certain Land into the Galveston County Municipal Utility District No. 79 filed jointly by said MUD and SSLT, LLC, together with all exhibits thereto, is hereby incorporated herein by reference.

SECTION 2: That the City Commission of the City of Texas City, Texas, hereby consents to the annexation of certain land comprising the 17.968 acres of the first section of the Marlow Lake North Subdivision described in Exhibit A to the Petition being referred to as Section 5 of the Marlow Lake Subdivision into the Galveston County Municipal District No. 79 upon conditions stated in Exhibit B of the.

PASSED AND ADOPTED this 6th day of August, 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (c)

Meeting Date: 08/06/2025

Consider and take action on the Second Amendment to Utility Services Agreement with Lakeside Bayou, LLC and GCMUD 53

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on the second amendment to the Utility Services Agreement with Lakeside Bayou, LLC and GCMUD 53.

BACKGROUND (Brief Summary)

The second amendment to the Utility Services Agreement (USA) with Lakeside Bayou, LLC and GCMUD No. 53 extends the reservation of capacity for the 232 ESFCs (water and sewer connections) for Phase I of the Lakeside Bayou Subdivision for one additional year until August 18, 2026. The amendment does not increase the overall number of connections (ESFCs) which remains 1200 or make any other changes to the USA.

The USA between the City, GCMUD 53 and Developer, Lakeside Bayou, LLC, was approved by the City Commission on August 18, 2021 and provides for the design, construction and funding of water and sewer infrastructure for the Lakeside Bayou Subdivision, a 438 acre development being subdivided to a maximum of 1200 single family residential lots and with 12,8 acres reserved for commercial development. The First Amendment approved in August 2023, extended the reservation of ESFCs for phase one from 225 to 232 based upon the approved plats for the first phase of development and extended the duration of the original reservation from two years to four years. The first extension expires August 18, 2025. The developer needs additional time to complete the financing, bidding and start construction of the water and sewer infrastructure. All plans have been reviewed and approved and plats have been approved for the Phase I development. The city's water and sewer systems have existing capacity to provide the number of connections reserved or Phase I (232 ESFCs). Other development in the area will not be delayed by extending the reservation of this capacity until August 18, 2026.

RECOMMENDATION

Staff recommend approval of the Second Amendment to the Utility Services Agreement with GCMUD 53 and Developer for the Lakeside Bayou Subdivision which extends the reservation of 232 ESFCs for Phase I of the Lakeside Bayou Subdivision until August 18, 2026.

Fiscal Impact

Attachments

Second Amendment to USA

**SECOND AMENDMENT TO
UTILITY SERVICES AGREEMENT**

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

THIS **SECOND AMENDMENT TO UTILITY SERVICES AGREEMENT** (this “Second Amendment”) is made and entered into on this ____ day of _____, 2025, by and between **THE CITY OF TEXAS CITY, TEXAS**, a home rule municipality located in Galveston County, Texas (the “City”), **LAKESIDE BAYOU, LLC**, a Texas limited liability company (the “Developer”), and **GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 53** (“GC 53”), a body politic and corporate and a political subdivision of the State of Texas organized under the provisions of Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended (the “District”) (the City, the Developer and the District collectively referred to herein as the “Parties”).

RECITALS:

WHEREAS, the City, the District and 418 Southlake, Ltd. (“**418**”) entered into that certain Utility Services Agreement dated August 18, 2021 (the “**USA**”), related to and concerning the provision of water and wastewater utility services to an approximately 423.68-acre tract of land (the “**Property**”) comprising the District and within the corporate boundaries of the City (the “**USA**”); and

WHEREAS, the Developer assumed all of 418’s rights, duties and obligations under the USA by that certain Assignment and Assumption of Utility Services Agreement dated December 21, 2022; and

WHEREAS, on 20th day of March 2024, the City, the District and the Developer previously amended the USA to (1) increase the number of equivalent single-family connections (“ESFCs”) immediately available to the Property for the initial connection of the District System to the Points of Water and Wastewater Connection (each as defined in the USA) from 225 ESFCs to 232 ESFCs; and (2) extend the term of the initial capacity reservation to the Property for an additional two (2) years.

WHEREAS, the City, the District and the Developer desire to extend the amended capacity reservation to the Property an additional one (1) year for a total reservation period of five (5) years from the date of Master Plan Approval for the Property.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits contained herein, and other good and valuable consideration, the City, the Developer and the District agree as follows:

1. Recitals Incorporated. The foregoing recitals of this Second Amendment are hereby found and declared to be true and correct and are hereby incorporated into the body of this

Second Amendment as if copied in their entirety, and shall be considered part of the mutual covenants, consideration and promises that bind the Parties.

2. Capitalized Terms. Capitalized terms used in this Second Amendment shall have the meanings assigned to them in the USA, unless otherwise defined or the context clearly requires otherwise.

3. Increase the term of Capacity Reservation. Section 2.2 of the USA is amended to read in its entirety as follows:

“2.2 Capacity Reservation. Upon approval and acceptance of this Agreement, the City shall reserve and make 232 ESFCs available to the Property immediately for the initial connection of the District System to the Points of Water and Wastewater Connection; provided, however, the City shall not be obligated to reserve such 232 ESFCs for the Property if the District has not commenced construction of the District System within five (5) years of the date of Master Plan Approval for the Property. The parties acknowledge August 18, 2021 as the date of Master Plan Approval by the City Commission. The City also agrees to provide a minimum of an additional 968 ESFCs of both water and wastewater capacity to serve the Property, subject to the payment of the applicable water and wastewater impact fees and the provisions set forth in Section 2.8. Water and wastewater impact fees will be paid at the time of issuance of a building permit for the applicable residential lot or commercial property.”

4. Effect of Amendment. This Second Amendment is intended to modify the provisions of the USA only to the extent expressly set forth herein. This Second Amendment evidences the mutual understanding of the Parties only to those certain matters relating to the USA, and to the extent expressly set forth herein. All other terms, covenants, provisions, agreements, and conditions set forth in the USA are hereby ratified and confirmed, except as expressly hereby modified.

5. Conflicts. To the extent that any provision contained in this Second Amendment conflicts with a provision in the USA, the provision contained in this Second Amendment shall supersede and control over the conflicting provision contained in the USA.

6. Execution and Counterparts. This Second Amendment may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one Second Amendment. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]

IN WITNESS WHEREOF, the Parties have executed this Second Amendment in multiple copies, each of which shall be deemed an original, as of the date first noted above.

THE CITY:

CITY OF TEXAS CITY, TEXAS

By: _____

ATTEST:

By: _____


THE DEVELOPER:

LAKESIDE BAYOU, LLC
a Texas limited liability company

By: LD Equity Three, LLC
a Texas limited liability company
its Managing Member

By: United Development Funding III, L.P.
a Delaware Limited Partnership
its Managing Member

By: UMTH Land Development, L.P.
a Delaware limited partnership
its sole General Partner

By: 
Name: Jim Kenney
Its: Vice President

THE DISTRICT:

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 53

By: _____
President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

RESOLUTION NO. 2025-078

A RESOLUTION APPROVING THE SECOND AMENDMENT TO THE UTILITY SERVICES AGREEMENT WITH LAKESIDE BAYOU, LLC AND GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NUMBER 53, AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Utility Services Agreement (USA) between the City, GCMUD 53 and Developer, Lakeside Bayou, LLC, was approved by the City Commission on August 18, 2021 and provides for the design, construction and funding of water and sewer infrastructure for the Lakeside Bayou Subdivision, a 438 acre development being subdivided to a maximum of 1200 single family residential lots and with 12,8 acres reserved for commercial development; and

WHEREAS, the First Amendment approved in August 2023, extended the reservation of ESFCs for phase one from 225 to 232 based upon the approved plats for the first phase of development and extended the duration of the original reservation from two years to four years. The first extension expires August 18, 2025; and

WHEREAS, the second amendment to the USA with Lakeside Bayou, LLC and GCMUD No. 53 extends the reservation of capacity for the 232 ESFCs (water and sewer connections) for Phase I of the Lakeside Bayou Subdivision for one additional year until August 18, 2026. The amendment does not increase the overall number of connections (ESFCs), which remains 1200, or make any other changes to the USA.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1. That certain agreement by and between the City of Texas City, Texas, Lakeside Bayou, LLC, and GCMUD No. 53, a copy of which is attached hereto as **Exhibit “A”** and made part hereof for all purposes, is hereby authorized and approved.

SECTION 2. That the Mayor or his designee is hereby authorized to execute and the City Secretary is hereby authorized to attest the original of the attached agreement for and on behalf of the City of Texas City, Texas.

SECTION 3. That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of August, 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (d)

Meeting Date: 08/06/2025

Consider and take action on a Development Agreement with Red Egret LLC.

Submitted For: Curt Kelly, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on a Development Agreement with Red Egret LLC as a condition for the approval of the zoning change from District H Heavy Industrial to District S P Site Plan for construction and operation of a BESS project on the 38.653 acre site located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation

BACKGROUND (Brief Summary)

The Development Agreement memorializes the conditions recommended by the Planning Board and the Zoning Commission for approval of the requested zoning change from District H Heavy Industrial to District SP Site Plan for the construction and operation of a Battery Energy Storage System project.

The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology. TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications. The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements. The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. TNMP Freeway Park Substation – The applicant states it has an interconnect agreement in place with TNMP for the Freeway Park Substation located at 25th Ave N and SH 3. The Freeway Park Substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby

homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights. At its regular meeting on July 7, 2025, the Planning Board reviewed and approved a Detailed Site Plan for the requested rezoning upon certain conditions to be memorialized in a Development Agreement approved by the City Commission. The Zoning Commission held a public hearing upon notice to adjacent property owners on July 15, 2025. The Notice of the Zoning Commission Hearing was mailed to 4 property owners within 200 ft. No letters of opposition were received and no one appeared at the hearing held on July 15, 2025 to oppose the zoning change. After conducting the public hearing and having all questions answered by the Applicant the Zoning Commission voted 4-0 to recommend approval of the zoning change from District H Heavy Industrial to District SP Site Plan subject to the Detail Site Plan approved and the conditions recommend by the Planning Board. The Applicant agreed with the conditions and has provided a Development Agreement for approval by the City Commission.

RECOMMENDATION

Staff recommends approval of the Development Agreement with Red Egret LLC as a condition for the approval of the zoning changed from District H Heavy Industrial to District S P Site Plan for the 38.653 acre site located in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation.

Fiscal Impact

Attachments

FINAL Development Agreement

Resolution

Vicinity Map

Zoning Commission - Staff Report

Exhibits

Legal Description & Final Plat

Planning Board - Staff Report

Planning Board - Minutes 7.7.25

DRAFT Zoning Commission Minutes 7.15.2025- 7.15.2025

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“Development Agreement”) is executed and effective on July 28, 2025, by and between RED EGRET, LLC, a Delaware limited liability company and the CITY OF TEXAS CITY, TEXAS, a municipal corporation and home-rule city of the State of Texas (the “City”).

RECITALS

A. Developer intends to acquire an approximately ___ acre tract of real property located in Galveston County, Texas, more fully described on Exhibit “A” attached hereto and incorporated herein (the “Property”).

B. Developer intends to utilize the Property to develop a 300 MW/600MWh Battery Electric Storage System (BESS) project in accordance with the zoning code and all applicable City codes and ordinances.

C. Developer and the City acknowledge that the Property is in the process of a zoning change from District H Heavy Industrial to District S-P Site Plan, and which zoning change is contingent upon Developer entering into and performing the obligations undertaken in this Development Agreement.

D. At its regular meeting on July 7, 2025 the Planning Board did approve a Development Plan for the Property subject to zoning change from District H Heavy Industrial to District S-P Site Plan and conditioned upon the execution of this Development Agreement and the performance of the conditions contained herein.

E. The City has determined that agreeing to the terms set forth in this Development Agreement will further the objectives of the City and will benefit the City and the City’s inhabitants, and will promote local economic development and stimulate business in the City.

AGREEMENT

NOW, THEREFORE, for and in consideration of the recitals set forth above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Developer and the City contract and hereby agree as follows:

1. **Obligations of the Developer.** Developer hereby stipulates and agrees to perform and fulfill the following obligations as a condition of and for the above reference zoning change and approvals:
 - 1) Posting of financial security reasonably satisfactory to the City for the commissioning and decommissioning of the project as follows:
 - a. Provide a Decommissioning Bond, with the Applicant as the Principal and the instrument shall run to the City, as obligee, and shall become effective on or

before the beginning of operations at the site and shall remain in force until the property is fully decommissioned. The amount shall be based on a Professional Engineer's signed and sealed estimate of current costs to decommission the site, at build-out, with an adjusted inflation rate based on the average CPI over the last 10 years from the U.S. Bureau of Labor Statistics.

- b. If approved by the Mayor on a case by case basis, a bond, letter of credit or other financial security in the amount specified hereinabove in a form acceptable to the City Attorney and the City Engineer may be provided in lieu of a Decommissioning Bond.
 - c. The bond or other security shall remain fully enforceable and in effect so long as the BESS system exists at the site, without regard to whether it is operating or operational.
- 2) Installation of three (3) 30,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
 - 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the Property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
 - 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
 - 5) Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process.
 - 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

2. **Multiple Counterparts.** To facilitate execution, this Development Agreement may be executed in as many counterparts as may be convenient or required, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. It shall not be necessary that the signature or acknowledgment of, or on behalf of, each party, or that the signature of all persons required to bind any party, or the acknowledgment of such party, appear on every counterpart.

3. **Successors and Assigns.** This Development Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, administrators, successors and assigns.

4. **Further Acts.** Developer agrees that it will at any time and from time to time do, execute, acknowledge and deliver any and all such further acts, bills of sale, transfers, assignments, assurances, documents, instruments and agreements as the City shall reasonably request to effect the Development Agreement with respect to the Property.

5. **Governing Law.** This Development Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

6. **Modification.** This Development Agreement shall not be modified, except in writing executed by both parties hereto. IN WITNESS WHEREOF, the parties hereto have executed this Development Agreement in multiple copies, each of equal dignity, as of the date first provided above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first given above,

Developer:

RED EGRET LLC.

a Delaware limited liability company

BY:  _____
Andrew Waranch (Jul 28, 2025 16:13:56 EDT)

Andrew Waranch, Manager

CITY OF TEXAS CITY

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

City Secretary

City Attorney

(SEAL)

RESOLUTION NO. 2025-079

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A DEVELOPMENT AGREEMENT WITH RED EGRET, LLC; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District “H” (Heavy Industrial) to District “S-P” (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology. TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross-conditioned upon approval of all pending applications. The applicant, Red Egret LLC, states an intent to build, own, and operate a proposed BESS project at the subject location. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025, with the project to be online and fully operational in 2026; and

WHEREAS, Red Egret LLC has agreed to the terms of the Development Agreement presented for consideration and action by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City, Texas, authorizes the Mayor or his designee to negotiate and execute a Development Agreement with Red Egret, LLC, in substantially the same form as **Exhibit “A”** attached hereto and made a part hereof for all purposes.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of August 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney



**Red Egret
BESS**

**Engineering
& Planning**

City Hall

N

Google

Layers

Red Egret

Site Plan with Aerial



Attwater Ave

Attwater Ave

Attwater Ave

Humbler Camp Rd

Humbler Camp Rd

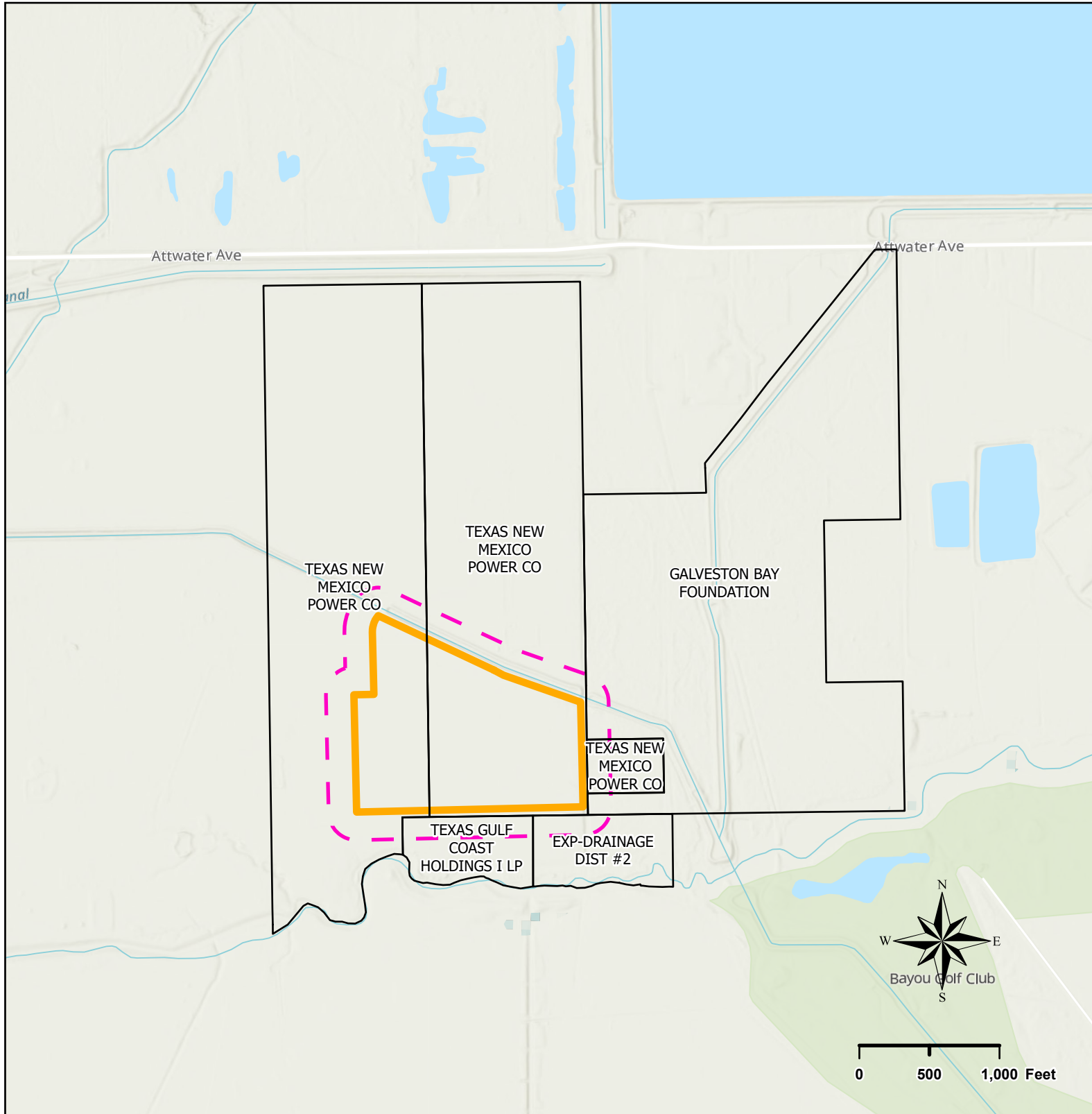
Carole You

Google Earth




Image © 2025 Airbus



1000 ft



Legend

-  Proposed Boundary
-  200ft Buffer
-  Parcels



Date: 06/18/2025
 Copyright – Red Egret BESS, LLC



STAFF REPORT

TO: Zoning Commission – Regular meeting on July 15, 2025

FROM: Kim Golden, P.E., City Engineer 

CC: Doug Kneupper, P.E., Consulting Engineer

DATE: July 9, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District “H” (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP’s existing land rights.

Requested action: The applicant, Red Egret, LLC, requests a Zoning change of a 38.653-acre site from District “H” (Heavy Industrial) to District “S-P” (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT “H” (HEAVY INDUSTRIAL) TO DISTRICT “S-P” (SITE PLAN): The application is being processed as a District “S-P” (Site Plan) rezoning consistent with Section 160.051(A)(1)(f) *provide for the development of specific uses which are not normally found in zoning districts*, and (h) *provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the*

community. The District "S-P" process also provides *some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.*

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

At its meeting on July 7, 2024 the Planning Board voted 4-0 to approve the proposed Site Plan for the referenced project and to recommend the zoning change upon the following conditions which are agreeable to the Applicant and will be memorialized in a Development Agreement:

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

SECURITY WALL - One of the conditions of the Planning Board approval was the presentation of final specs for the installation of the masonry security wall. Applicant has indicated its intent to use pre-cast concrete panels for the masonry fence, which is an acceptable concept for Texas City. The specific plans and specifications will be reviewed and approved through the building permitting process.

The Staff Report to the Planning Board together with all exhibits and an excerpt from the draft minutes of the July 7, 2025 Planning Board meeting are attached to this staff report.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry

screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

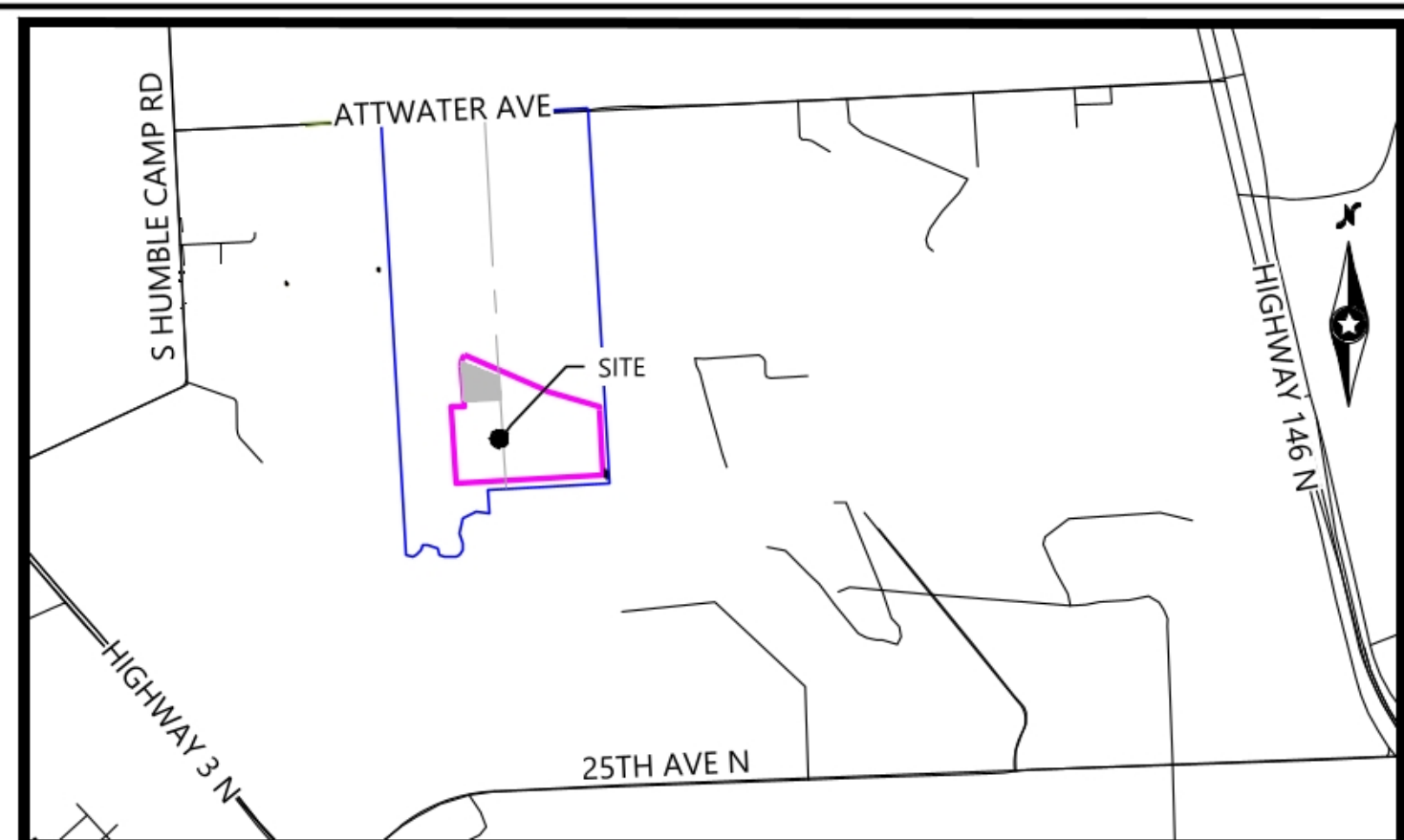
Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the conditions recommended by the Planning Board being memorialized in a development agreement and the construction of an acceptable masonry screening wall which may be comprised of pre-cast concrete panels, staff have no objection to the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan).

PROPOSED DEVELOPMENT ACREAGE TABLE				
LOT	OWNER	LOT ACREAGE	DEVELOPMENT ACREAGE	ZONING
8	TEXAS NEW MEXICO POWER COMPANY	117.42	14.96	PROJECT AREA
			2.97	PROPOSED ACCESS ROAD EASEMENT
9	TEXAS NEW MEXICO POWER COMPANY	106.20	23.70	PROJECT AREA
			2.67	PROPOSED ACCESS ROAD EASEMENT
7	TEXAS NEW MEXICO POWER COMPANY	42.00	0.21	PROPOSED ACCESS ROAD EASEMENT
7	CLARK ANNETTE CLEMENT	21.50	1.42	PROPOSED ACCESS ROAD EASEMENT
6	CLARK ANNETTE CLEMENT	17.46	1.52	PROPOSED ACCESS ROAD EASEMENT
TOTAL		304.58	47.45	

SITE DATA SUMMARY TABLE	
TOTAL PROJECT AREA (SF)	2,066,922
IMPERVIOUS AREA	
BESS & SUBSTATION AREA (SF)	430,532
ACCESS ROAD (SF)	312,980
LAYDOWN AND PARKING (SF)	130,680
TOTAL IMPERVIOUS AREA (%)	42%
PERVIOUS AREA	
BASIN (SF)	481,600
OPEN SPACE (SF)	711,130
TOTAL PERVIOUS AREA (%)	58%

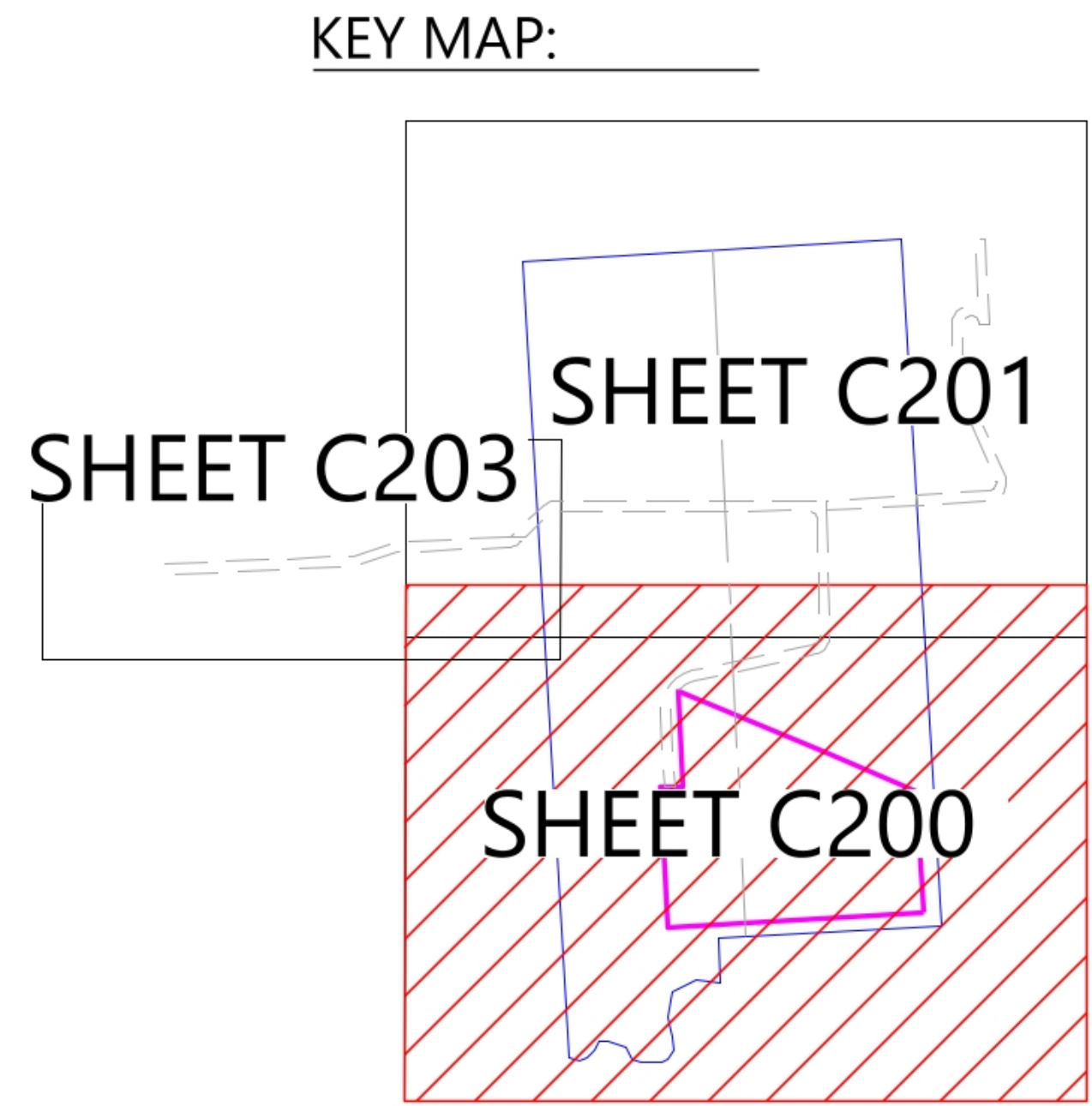
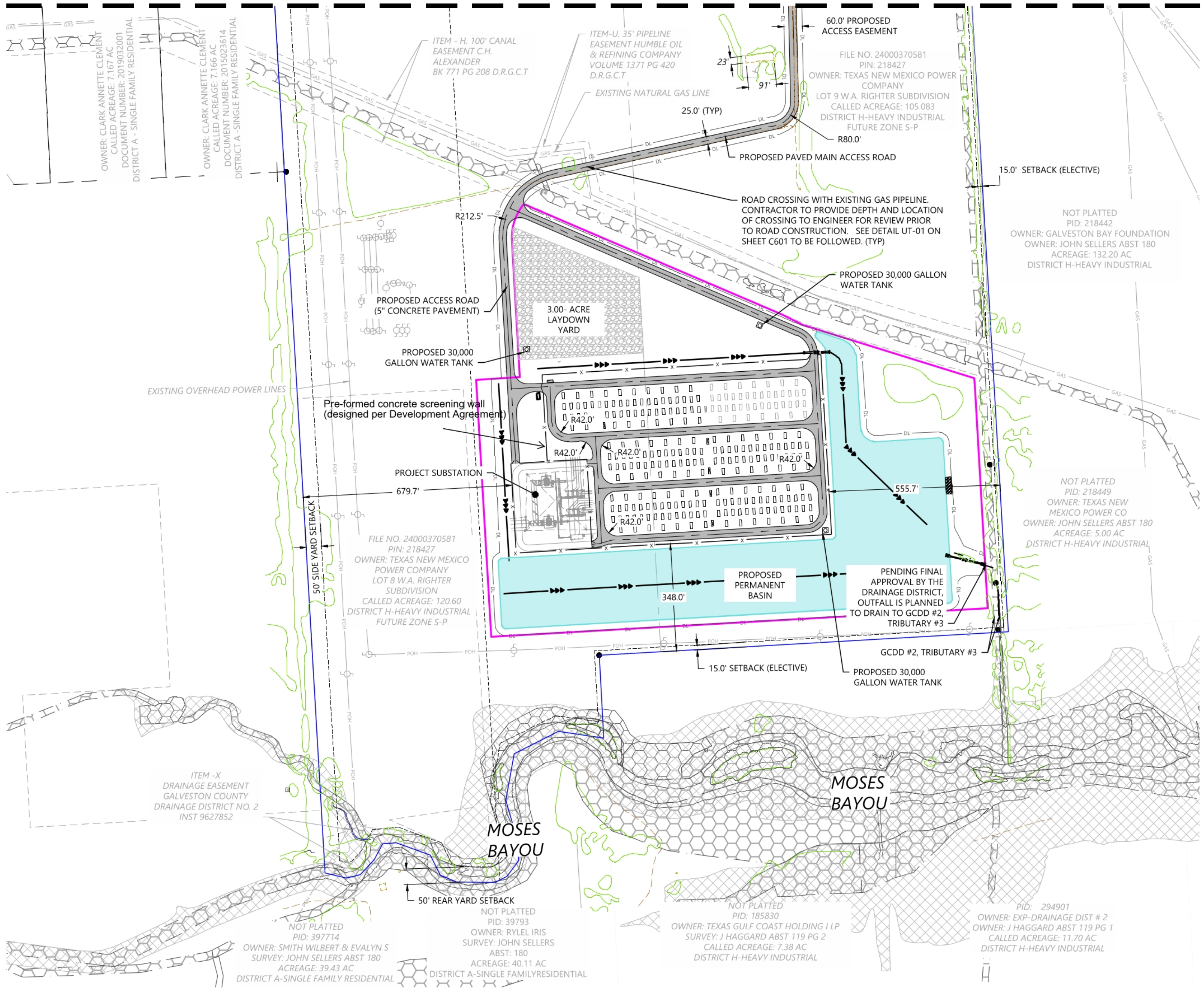
NOTE: QUANTITIES IN THE TABLE ABOVE ARE PRELIMINARY MAXIMUM IMPERVIOUS AREA SHALL NOT EXCEED 50%



LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

- LEGEND:**
- PROJECT BOUNDARY
 - PROPERTY LINE
 - LOT LINE
 - ADJOINER PARCEL LINE
 - SETBACK LINES
 - EX. EASEMENTS
 - EX. PAVED ROAD
 - EX. FENCE
 - EX. DIRT OR GRAVEL ROADS
 - EX. NATURAL GAS LINE
 - EX. BUILDING
 - EX. STRUCTURES
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 - EX. CULVERT
 - EX. WATER EDGE LINE
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 - PROPOSED BATTERY STORAGE
 - PROPOSED AUGMENTED BATTERY STORAGE
 - PROPOSED MINOR EQUIPMENT
 - PROPOSED MAIN ACCESS ROAD/FIRE LANE (5" CONCRETE PAVEMENT)
 - PROPOSED 6" SECURITY FENCE
 - PROPOSED ACCESS EASEMENT
 - PROPOSED PERMANENT BASIN
 - PROPOSED LAYDOWN YARD (CRUSHED AGGREGATE)
 - PROPOSED SWALE
 - PROPOSED CULVERT
 - VEGETATION TO BE REMOVED
 - WATER TANK

MATCHLINE (SEE SHEET C201)



Westwood

Phone: (214) 473-4640 2901 Dallas Parkway, Suite 400
Tel/Fax: (888) 937-5150 Plano, TX 75093
westwoodps.com

Westwood Professional Services, Inc.



PREPARED FOR:

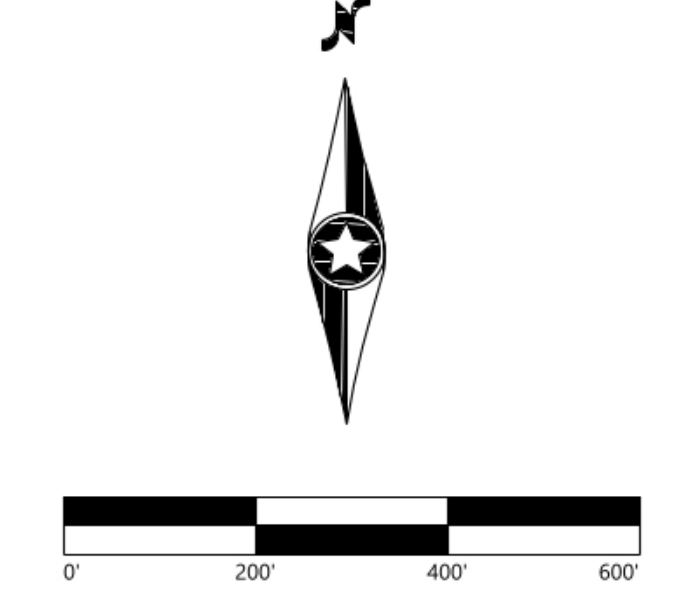
Mortenson
700 Meadow Lane
Minneapolis MN, 55440

REVISIONS:

#	DATE	COMMENT	BY	CHK	APR
A	12/16/2024	ISSUED FOR 90% REVIEW	MC	MW	BM
B	01/20/2025	ISSUED FOR 90% REVIEW	MC	MW	BM
C	05/15/2025	ISSUED FOR 90% REVIEW	MC	MW	BM
D	05/23/2025	ISSUED FOR 90% REVIEW	MC	MW	BM

PROPERTY OWNER: TEXAS-NEW MEXICO POWER COMPANY
ADDRESS: 577 N. GARDEN RIDGE BLVD., LEWISVILLE, TEXAS 75067
CONTACT: CHRISTOPHER GERETY
EMAIL: CHRISTOPHER.GERETY@TNMP.COM

APPLICANT: RED EGRET LLC
ADDRESS: 2916 N. MIAMI AVE, SUITE 910 MIAMI, FL 33127
CONTACT: PETER ROOD
EMAIL: REDEGRETBESS@SPEARMINTENERGY.COM
PHONE: 310-970-4068

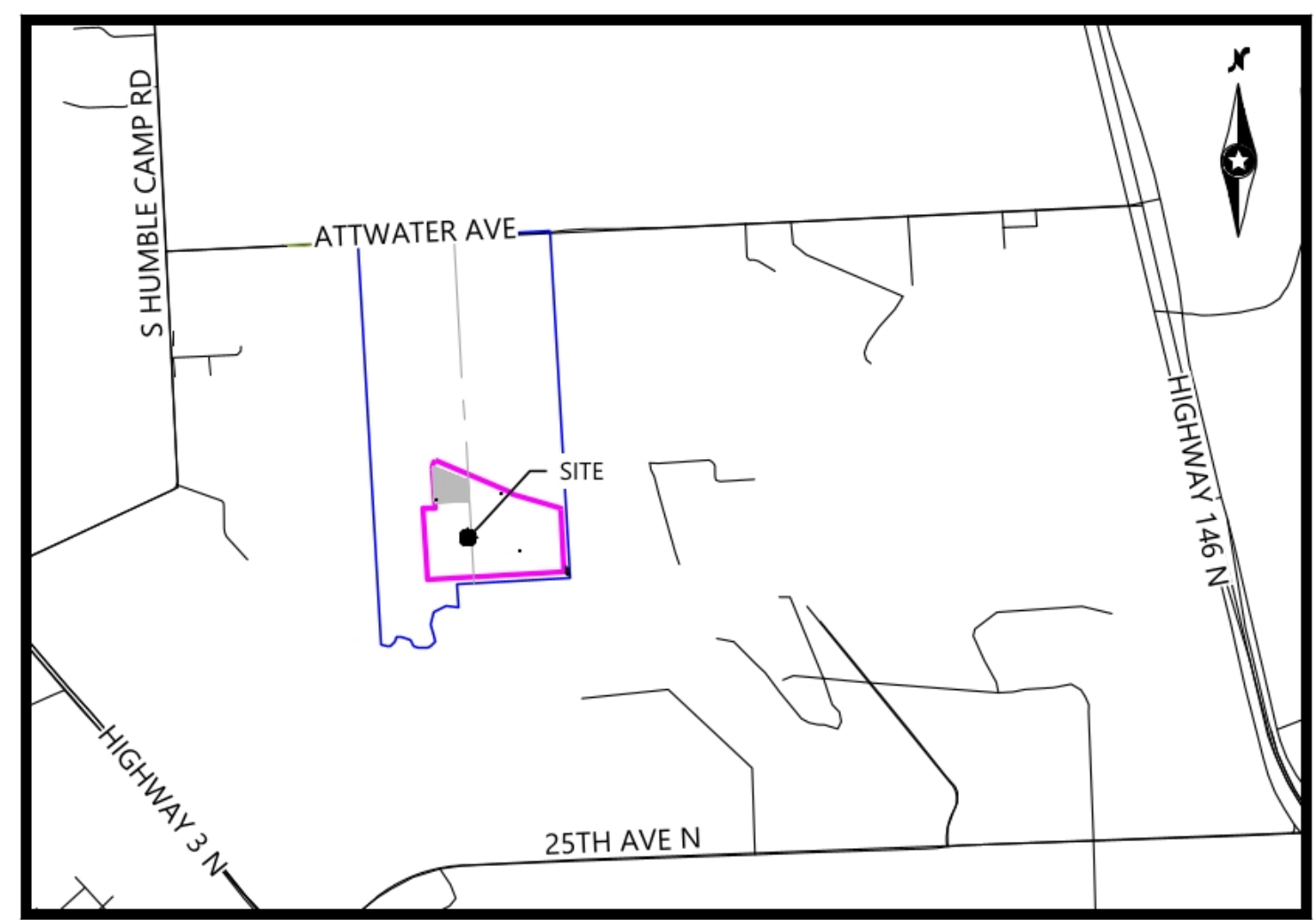


Red Egret BESS Project
Texas City, Galveston County, Texas

Detailed Site Plan - 1

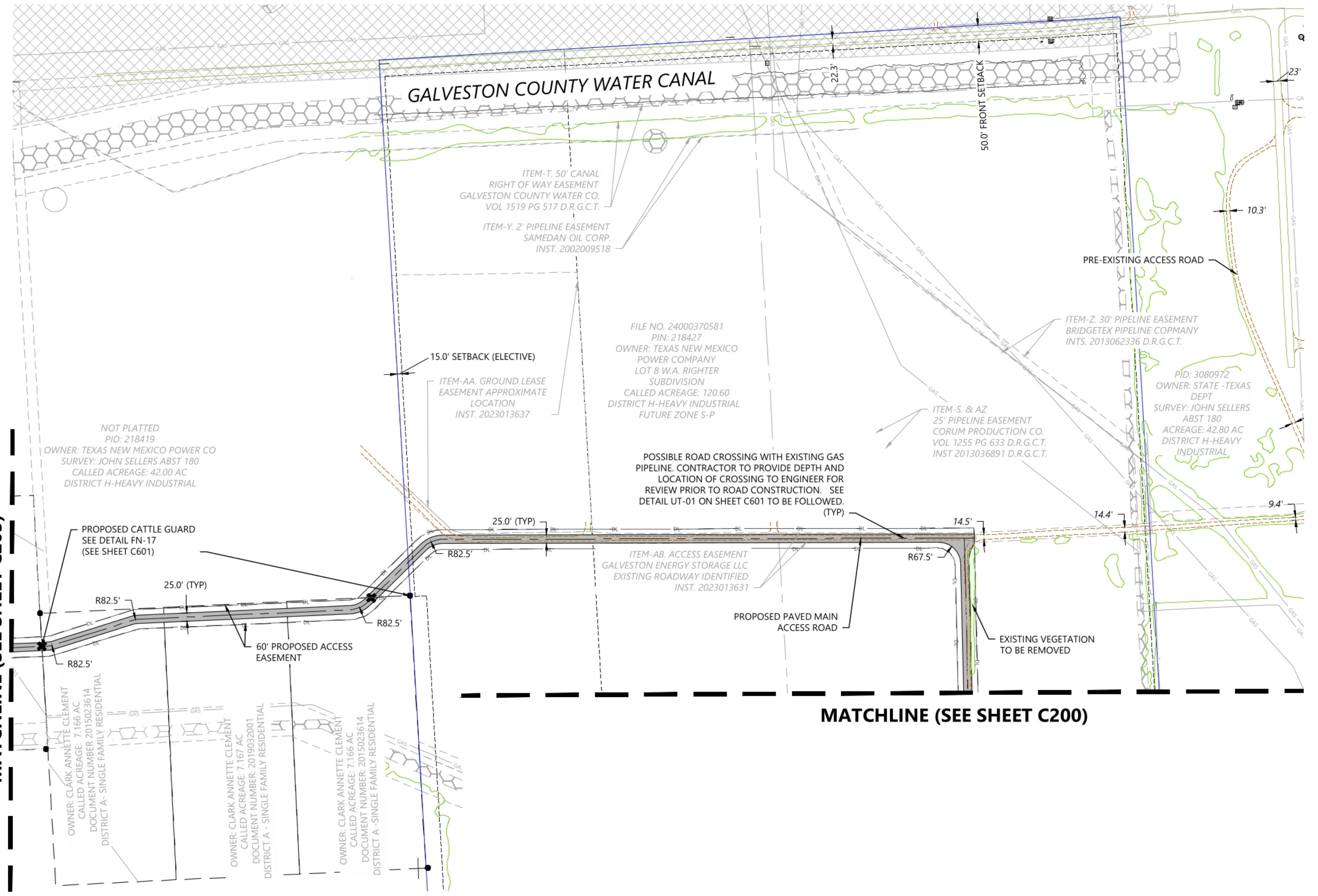
ISSUED FOR 90% REVIEW

DATE: 05/23/2025
SHEET: C200
REV: D

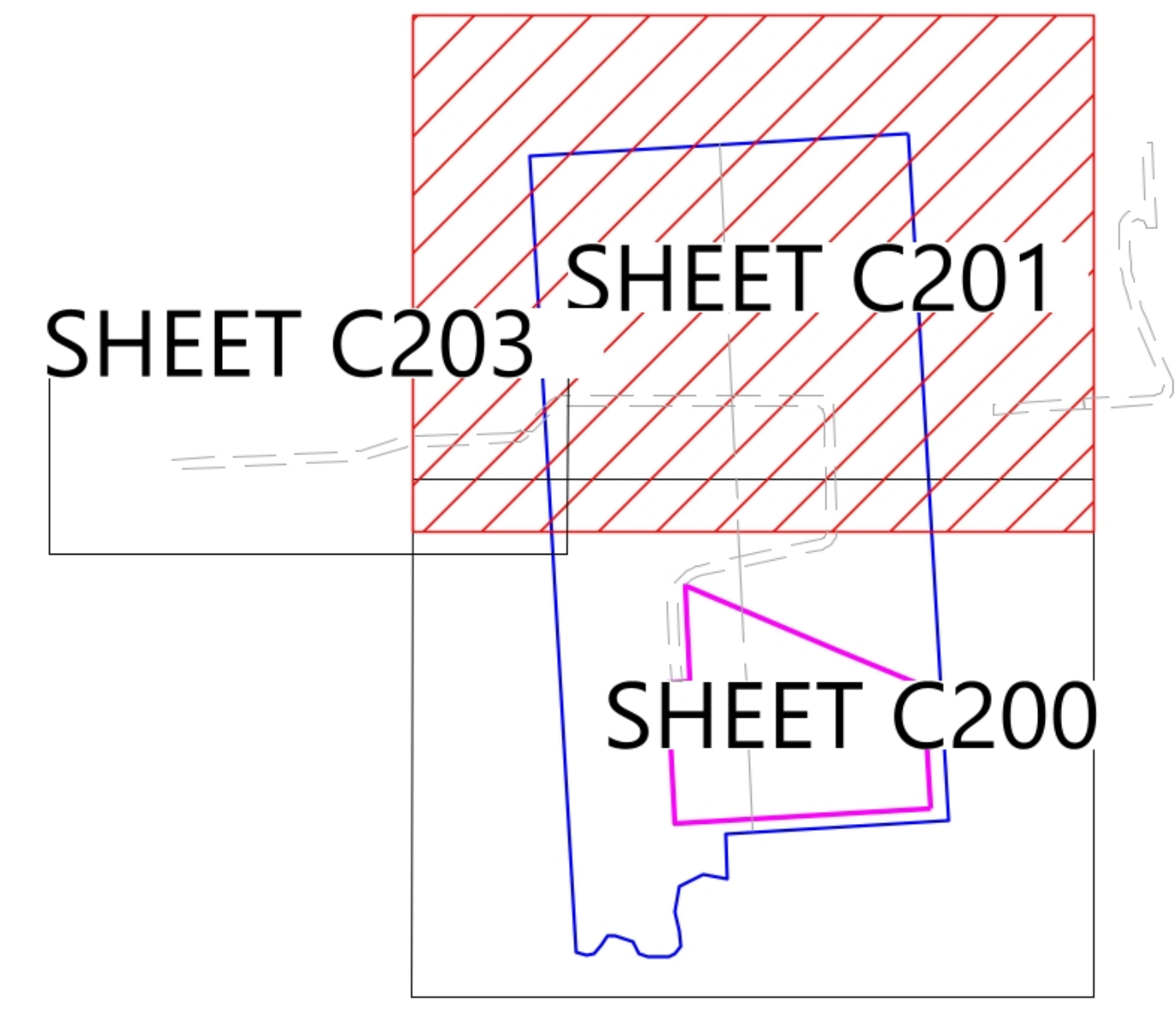


LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

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 - PROPOSED MAIN ACCESS ROAD/FIRE LANE
 - PROPOSED EASEMENT
 - VEGETATION TO BE REMOVED
 - ✕ PROPOSED CATTLE GUARD



KEY MAP:



Westwood
Phone: (214) 473-4640 2901 Dallas Parkway, Suite 400
Toll Free: (888) 937-5150 Plano, TX 75093
westwoodsps.com
Westwood Professional Services, Inc.



PREPARED FOR:

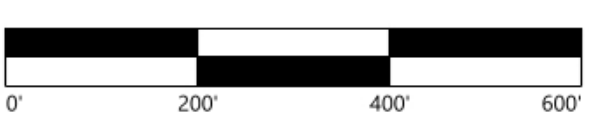
Mortenson
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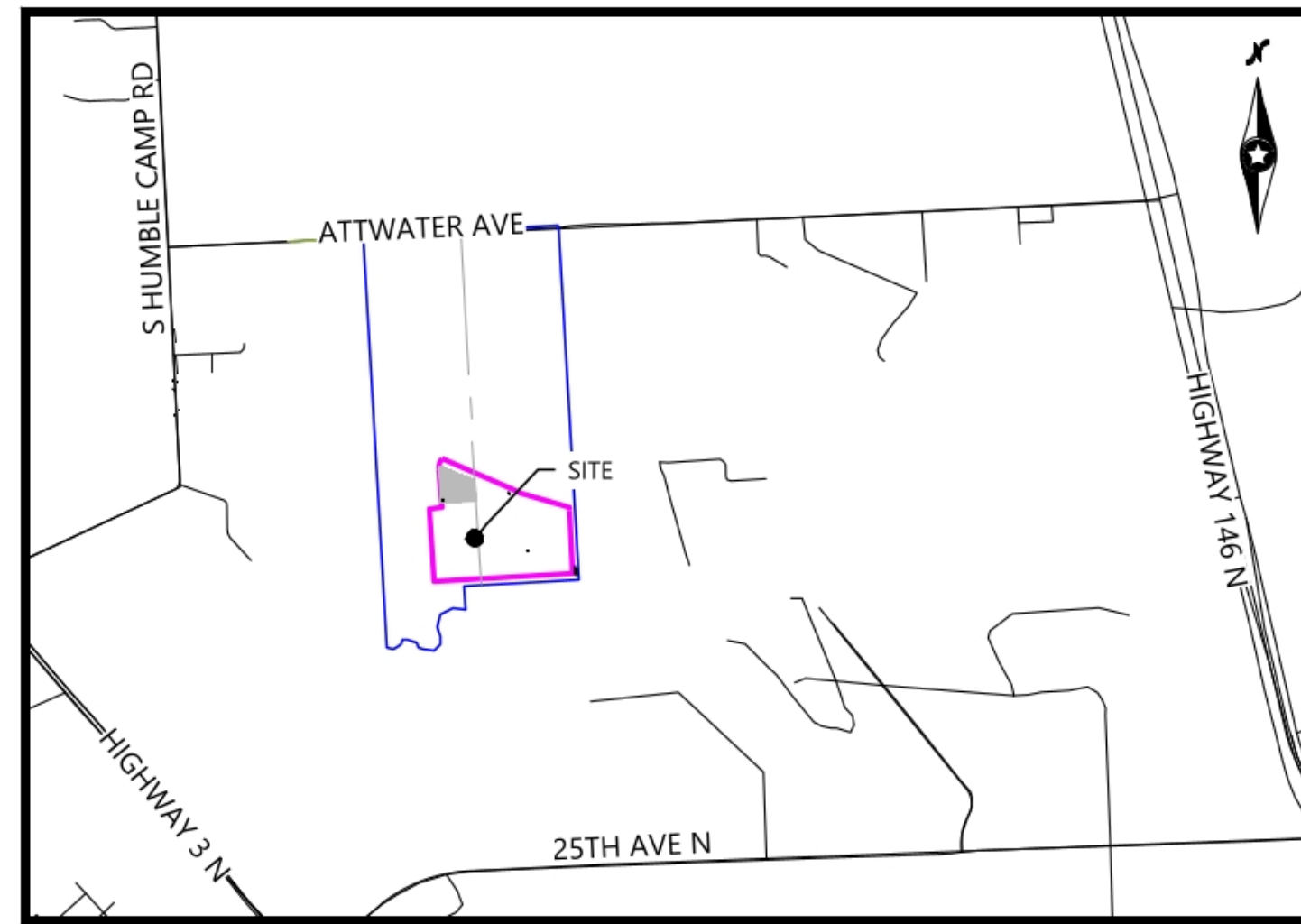


Red Egret BESS Project
Texas City, Galveston County, Texas

Detailed Site Plan - 2

ISSUED FOR 90% REVIEW

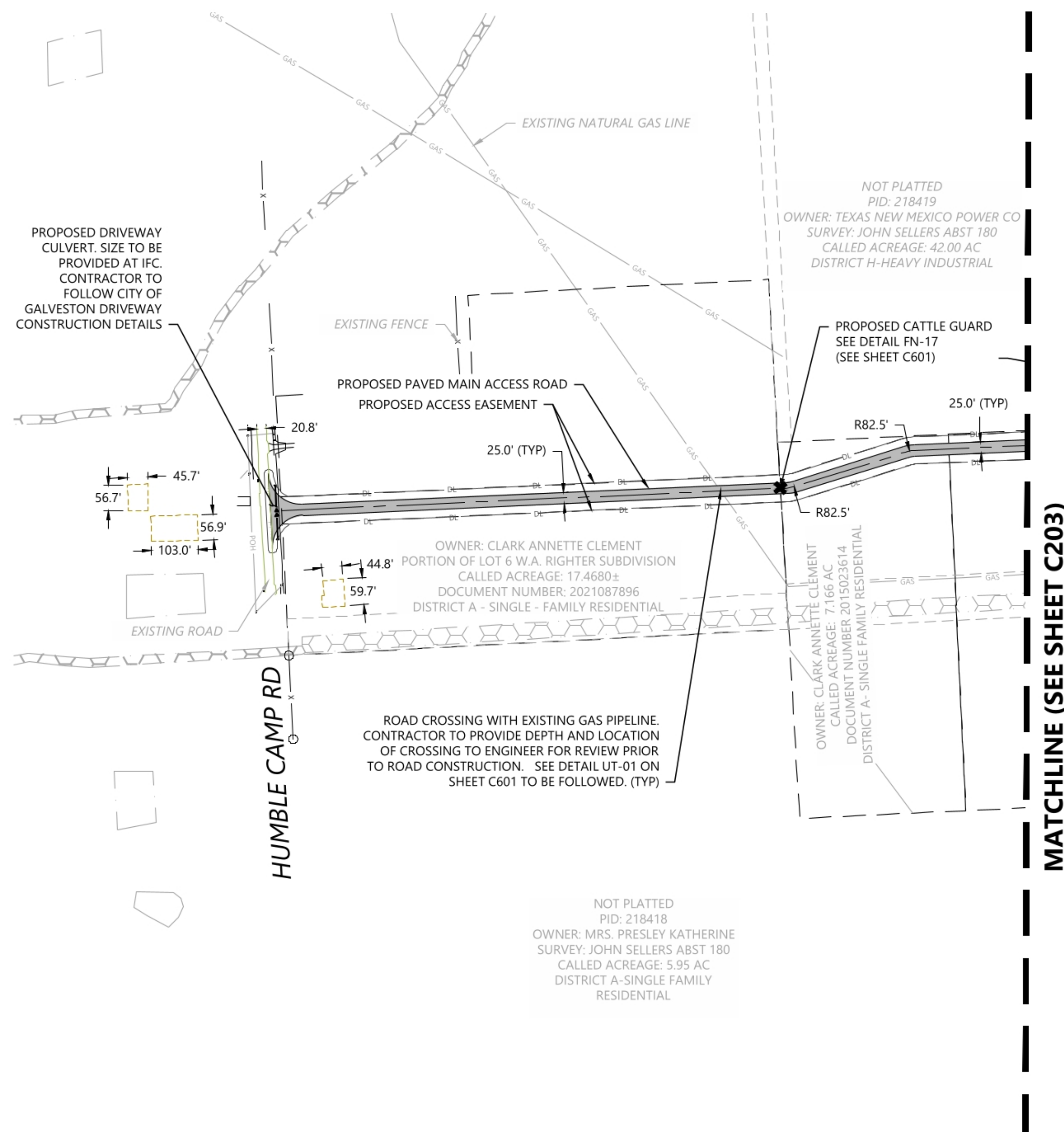
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SHEET: C201
REV: D



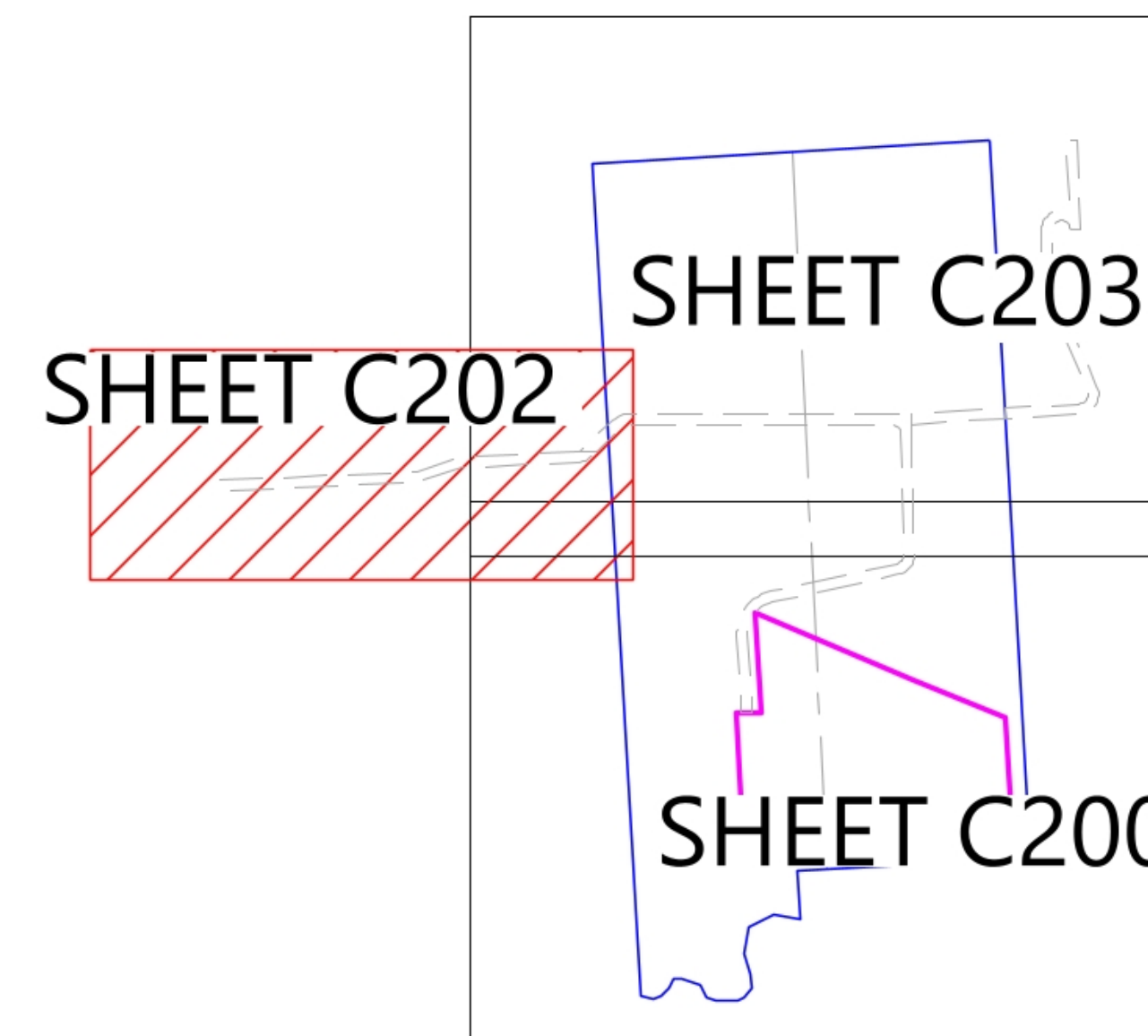
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

LEGEND:

- PROJECT BOUNDARY
- PROPERTY LINE
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- EX. WETLAND
- EX. MONUMENT
- FEMA FLOOD ZONE
- PROPOSED MAIN ACCESS ROAD/FIRE LANE
- PROPOSED EASEMENT
- VEGETATION TO BE REMOVED
- PROPOSED CATTLE GUARD



KEY MAP:



PREPARED FOR:

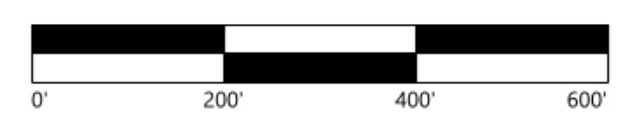


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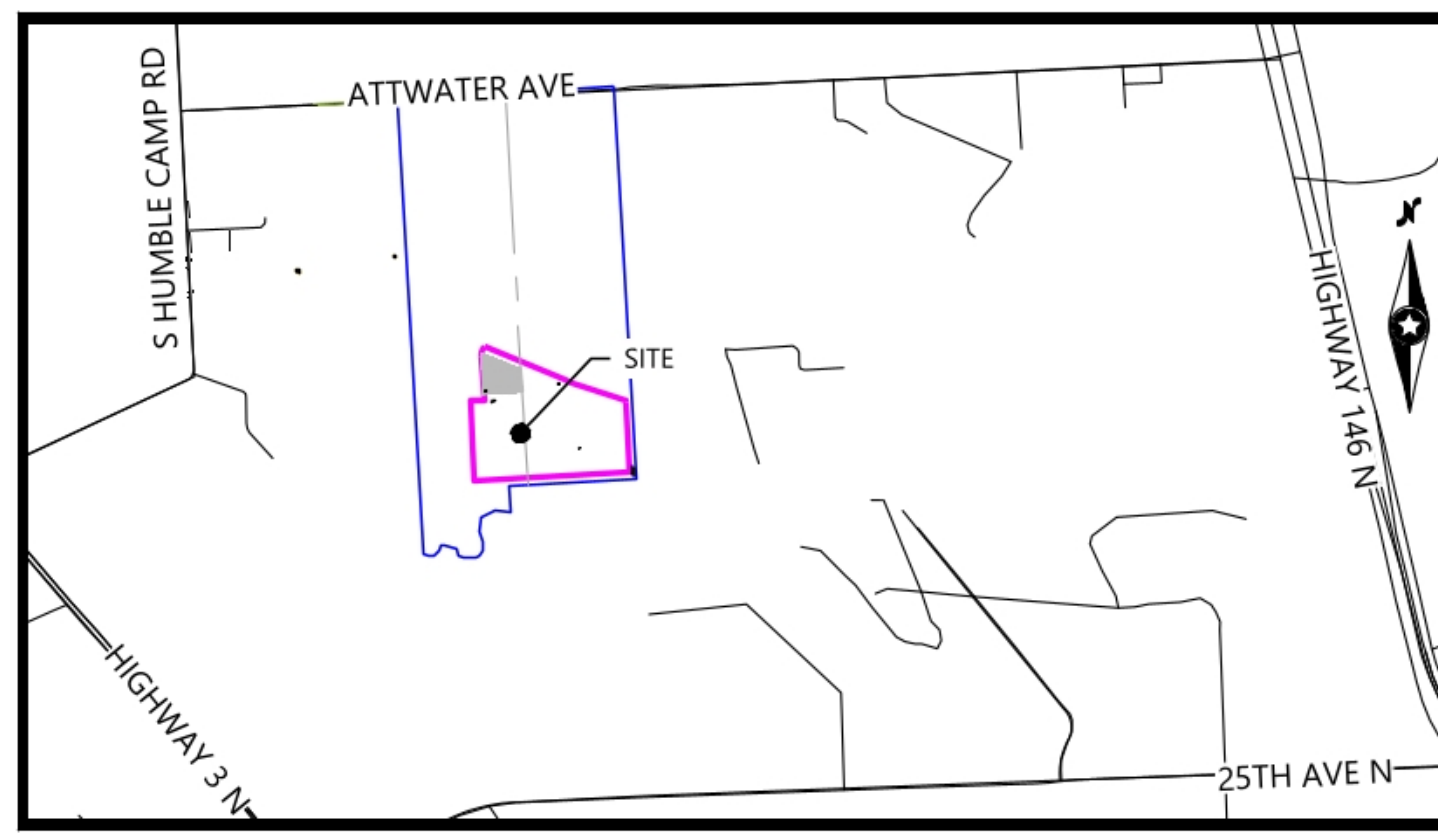
Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 3.

ISSUED FOR 90% REVIEW

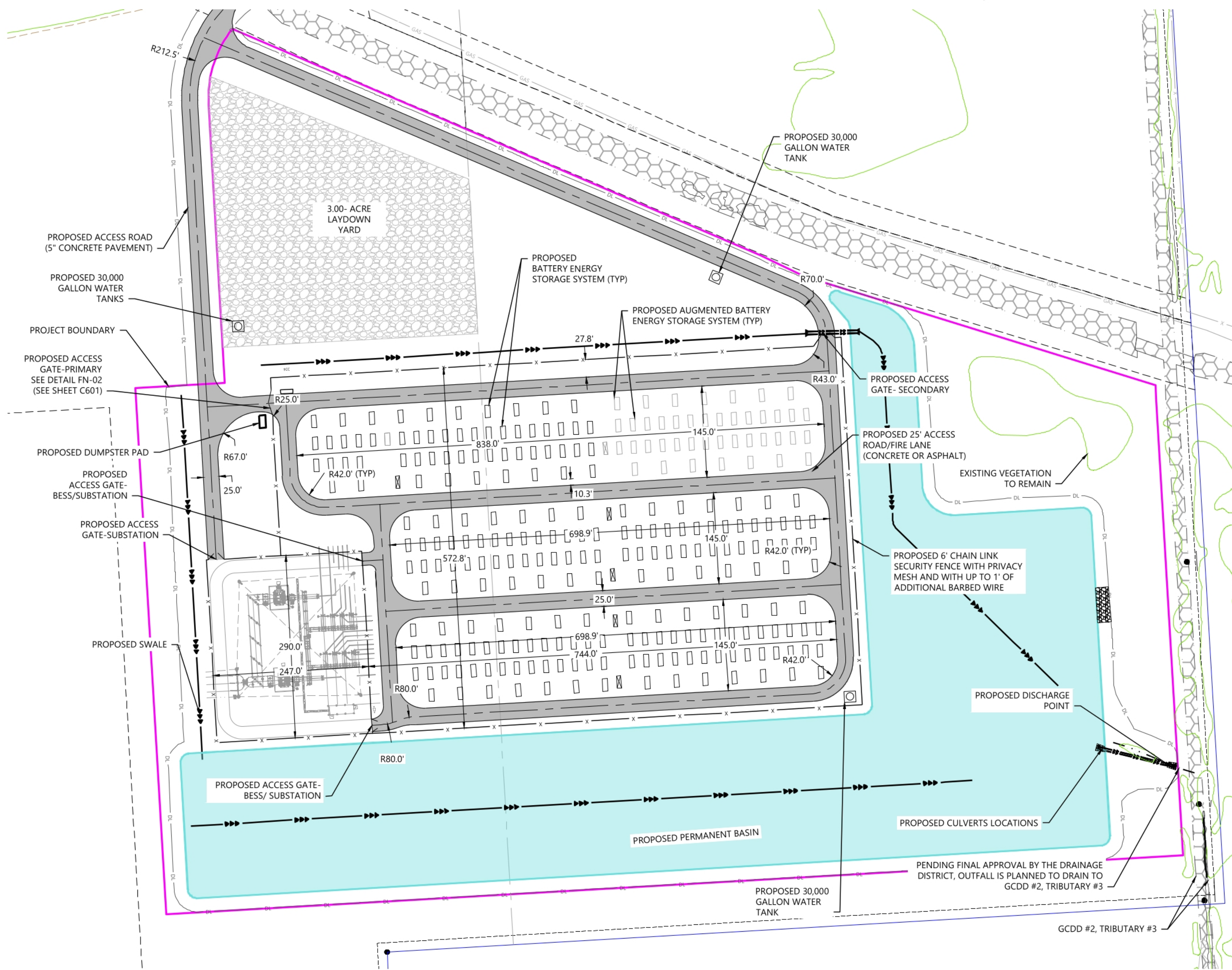
DATE: 05/23/2025
REV: D
SHEET: C202



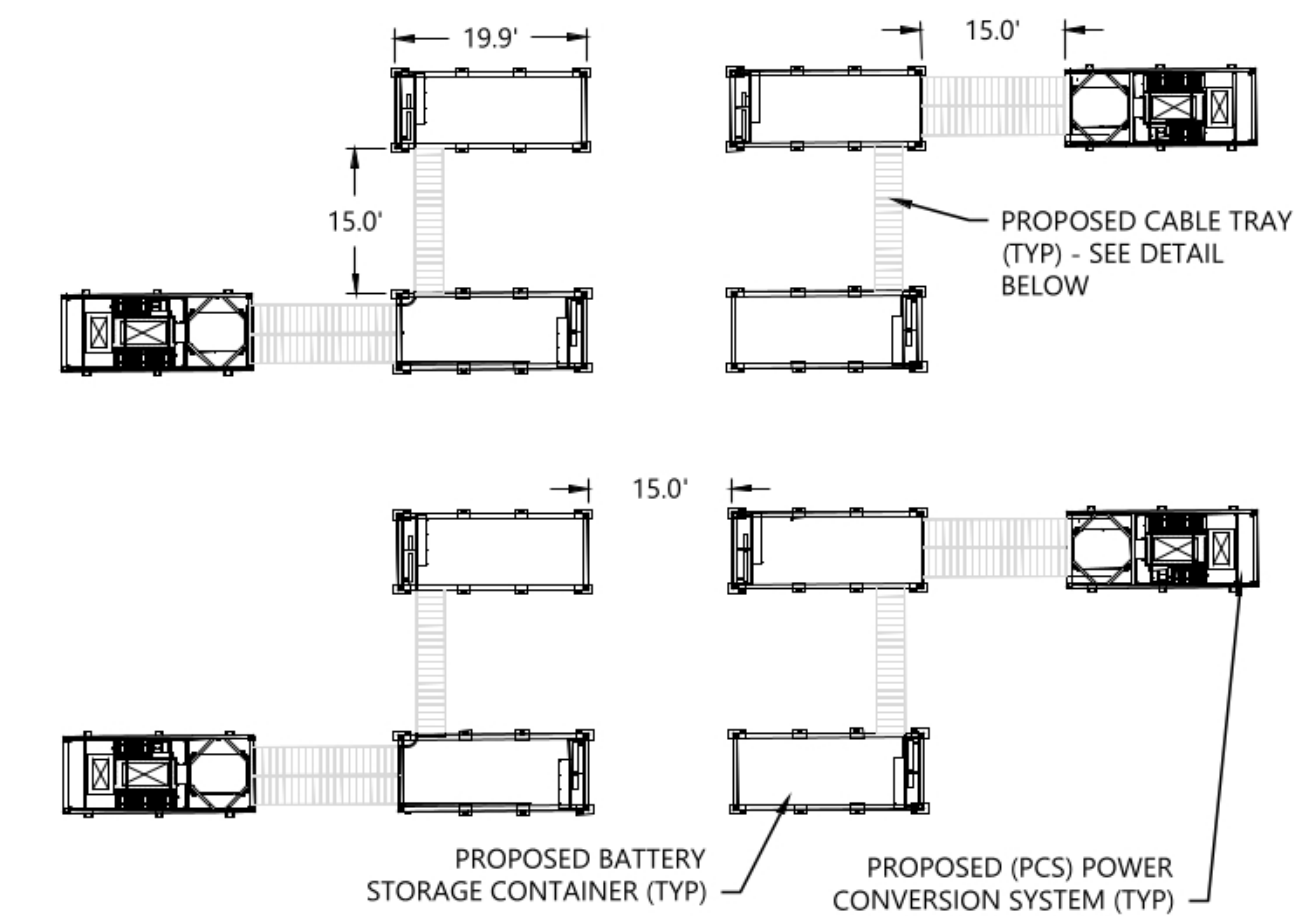
LOCATION MAP
SCALE: 1" = 2000'
TEXAS CITY, GALVESTON COUNTY

LEGEND:

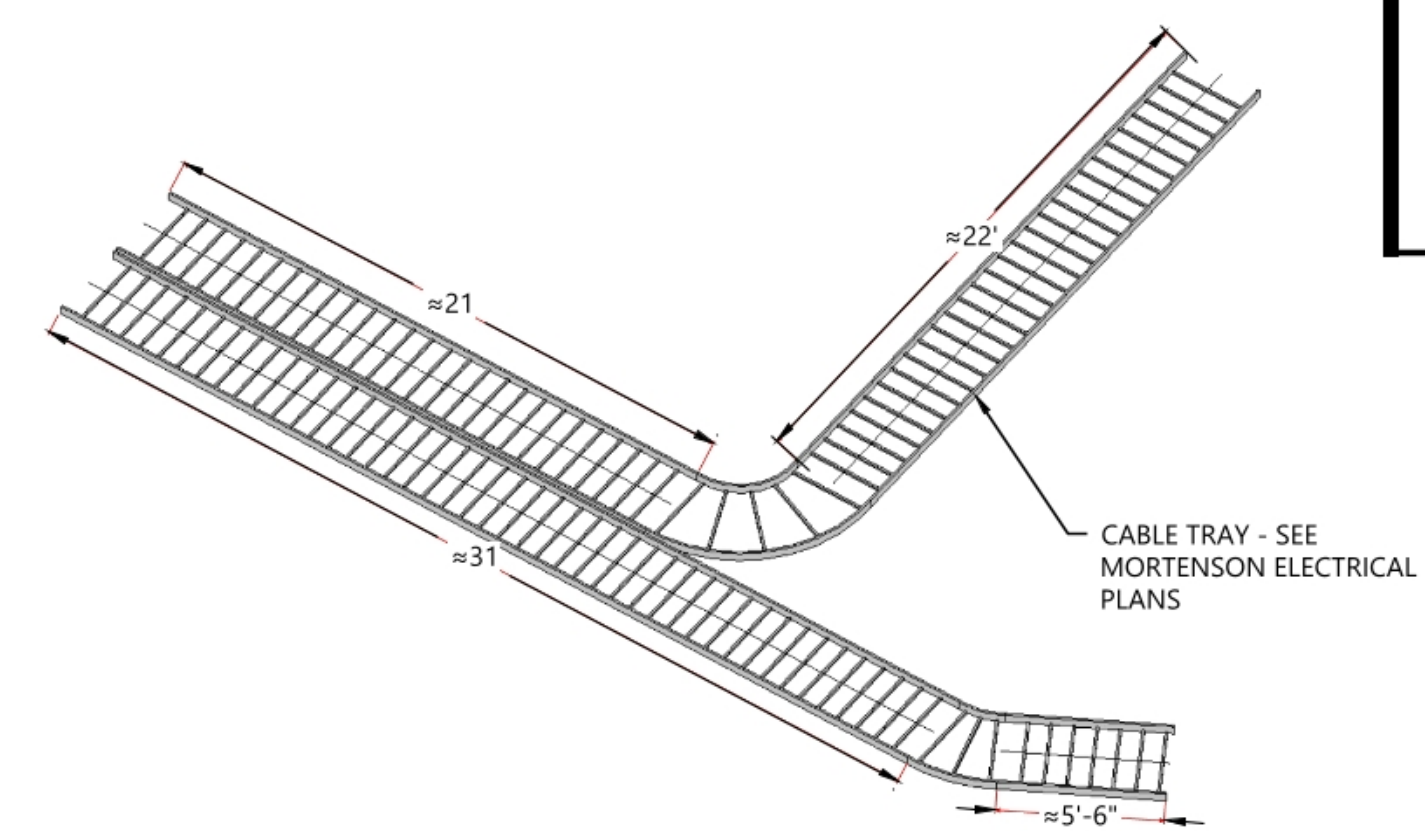
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- ▬ PROPOSED SWALE
- ▬ PROPOSED CULVERT
- ▬ VEGETATION TO BE REMOVED
- WATER TANK



TYPICAL EQUIPMENT LAYOUT:



CABLE TRAY DETAIL:



PREPARED FOR:

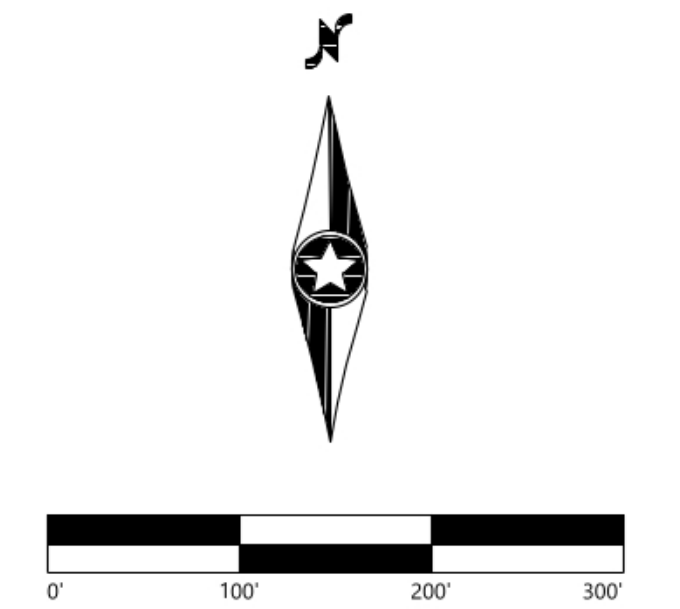
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 CONTACT: PETER ROOD
 EMAIL: REDEGRETBESS@SPEARMINTENERGY.COM
 PHONE: 310-970-4068



Red Egret BESS Project

Texas City, Galveston County, Texas

Detailed Site Plan - 4

ISSUED FOR 90% REVIEW

DATE: 05/23/2025
 SHEET: C203 D

SPEARMINT ENERGY CAPABILITIES AND EXPERIENCE

SpearMint Energy's team of more than 50 electrical engineers, construction managers, project developers, transmission planners, and market experts is one of the most experienced in the industry. The SpearMint team has developed over 15,000 MW of energy generation and storage projects.

We develop, build, own, and operate battery storage facilities with a focus on safety and professionalism at every step of the process. As an American company, we are dedicated to working in partnership with landowners, local government, and communities as well as creating good paying jobs and economic growth right here at home.

SpearMint owns and operates a 150MW/300 MWh BESS in Texas and has more than 20 projects in development across 10 US states.

KEY TEAM MEMBER EXPERIENCE AND QUALIFICATIONS

SpearMint Energy's team has experience across the United States and in all aspects of energy projects, including development, permitting, finance, construction and operations and maintenance. Key team members' experience is summarized below:



Peter Rood – Chief Development Officer

Peter has nearly 20 years of clean energy development experience, including over a decade of experience developing energy storage projects. Previously, he led the development of a 3,500 MW of battery storage portfolio at GlidePath Power Solutions, and earlier held roles at RES Americas, NRStor, Acciona Energy, and Gamesa Energy.



Jeff Jackson – SVP Project Execution

Jeff has more than a decade of experience in renewables and data center site development, project implementation, strategic partnerships, and leadership. In his prior role, Jeff formed and led the teams responsible for site development, engineering, procurement, construction, and origination for a data center startup that was ranked on the Inc. 5000 Top 100 list.



Gina Wolf – SVP, Strategy and Project Development

Gina Wolf is responsible for project strategy, mergers & acquisitions, and greenfield development for the Spearmint Energy portfolio. Gina brings more than 20 years of clean energy development experience with over 2GW of wind, solar and co-located battery storage projects constructed.



Nick Coil – Vice President, Development

Nick has nearly 15 years of experience developing renewable energy projects throughout the country. He began his career developing wind and solar at Tradewind Energy before managing a 20+ GW pipeline of renewable energy projects and a team of 45 developers as the Head of Development for Enel North America.



Courtney Timmons – Senior Director of Strategy and Origination

Courtney brings over 15 years of experience in energy development throughout the U.S. and internationally. Courtney has led the development of over 1,000 MW of installed energy facilities resulting in over \$1B in deployed capital. Courtney is also a military veteran who served a year-long deployment in Iraq for the Army National Guard.



Amber Zuhlke – Permitting Lead

Amber has 20+ years of experience in the energy sector, with the last 16 years focused on utility-scale clean energy projects, including battery energy storage. Focused primarily on the siting, development, and permitting side of the business, Amber has had the opportunity to participate in various industry work groups and task forces throughout her career and has worked on projects in every major region of the United States.



LIQUID-COOLED POWERTITAN 2.0 BATTERY ENERGY STORAGE SYSTEM

WHITE PAPER

TABLE OF CONTENTS

1. Executive summary	01
2. Introduction	02
3. Understanding the safety concerns with batteries	03
3.1. Overview of BESS quality risks and manufacturing defects.....	03
3.2. CEA's findings on fire safety and risks.....	03
3.3. Market response to BESS fire safety concerns.....	04
4. Liquid-cooled technology overview	05
4.1 What is liquid-cooled technology?.....	05
4.2. Advantages over traditional air-cooling lithium-ion technologies.....	05
5. Sungrow's fully liquid-cooled PowerTitan 2.0 BESS	06
5.1. Introduction to PowerTitan 2.0 BESS.....	06
5.2 BESS safety features for fire suppression and thermal management.....	08
5.3. Additional key features and innovations.....	11
5.4. Certifications and design standards.....	12
5.5. Quality assurance and factory acceptance testing.....	12
7. Conclusion	13



EXECUTIVE SUMMARY

Battery energy storage system (BESS) technologies are propelling us towards a net-zero economy. They're necessary for harnessing the full power of intermittent renewable energy sources without experiencing gaps in power.

However, while generally effective and reliable, some have expressed concerns over the quality and safety of batteries. Leaders in the fossil fuel industry, for example, have been quick to criticize this technology. And because batteries are relatively new, the media and public tend to treat any issues with heightened levels of attention and scrutiny, threatening the deployment of battery technology.

To address these concerns and increase the adoption of BESS technology, companies need to ensure that batteries are as safe, reliable, and powerful as possible.

Sungrow has recently introduced a new, state-of-the-art energy storage system: the PowerTitan 2.0 with innovative liquid-cooled technology. The BESS includes the following unique attributes:

- Offers an **easily scalable design** with plug-and-play architecture backed by pre-certified fire safety compliance testing.
- **Maintains consistent temperatures** – increasing performance, safety, reliability, and profitability.
- **Reduces installation time by 80%**, compared to a conventional ESS, requiring only one hour for cabinet installation due to its pre-integrated design.
- Ensures a **Ensures a high ROI by reducing auxiliary power consumption by 40%** (compared to a conventional ESS) – prolonging system life and mitigating unnecessary degradation.
- **Sustains top performance in harsh environments** – including high humidity areas, dusty deserts, or high elevations up to 3000 meters (9843 feet) above sea level.
- Includes **enhanced safety features for fire suppression and thermal management**.

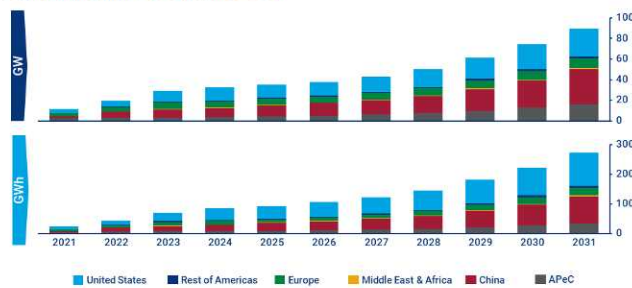
This white paper outlines the promise and criticisms of batteries, and highlights the key features, benefits, and market significance of Sungrow's liquid-cooled PowerTitan 2.0 BESS as an integrated turnkey solution from cell to skid.

INTRODUCTION

Energy storage is essential to the future energy mix, serving as the backbone of the modern grid. The global installed capacity of battery energy storage is expected to hit **500 GW** by 2031, according to research firm Wood Mackenzie.

The global energy storage ten-year market outlook is bright

Annual deployments by region: 2021-2031



Source: Wood Mackenzie

[Click to view chart](#)

The U.S. remains the energy storage market leader – and is expected to install **63 GW** of storage between 2023 and 2027, and exceed **130 GW** by 2030. The U.S. Inflation Reduction Act has further increased projected solar and onshore wind capacity by **40%** and estimated battery capacity by an additional 20 GW.

As the young industry rapidly grows, concerns about quality and safety have emerged – including the possibility of battery fires.

While rare, these issues can occur due to low integration of energy storage systems, inconsistent design standards and quality control, lack of experience in managing energy storage systems throughout the life cycle, and improper understanding and implementation of standards.

Ultimately, thermal runaway and system-level defects can result in costly delays and downtime – and in very unlikely scenarios, potential threats to safety.

Importantly though, batteries are overwhelmingly safe and effective. The California Public Utilities Commission, for example, estimates that only **2%** of grid storage facilities will experience “major safety-related” incidents.

Notably, the natural gas industry causes **thousands** of explosions every year in the United States. But these incidents often go unreported or do not face heavy scrutiny.

Nevertheless, given lingering skepticism about batteries, Sungrow recognizes the importance of providing cutting-edge solutions that meet top performance and safety standards. Sungrow’s PowerTitan 2.0 liquid-cooled BESS marks the next generation of highly integrated, plug-and-play, pre-certified grid-scale energy storage – offering unmatched reliability, efficiency, performance, and safety to invest in batteries with confidence.

UNDERSTANDING THE SAFETY CONCERNS WITH BATTERIES

3.1. OVERVIEW OF BESS QUALITY RISKS AND MANUFACTURING DEFECTS

Over the past decade, battery cells have [expanded](#) their capacity from under 100 Ah to 300+ Ah, transitioned from 12-meter walk-in containers to highly integrated, adaptable cabinets half the size, and incorporated liquid-cooled technology to support larger batteries. This rapid change and high growth rate has introduced new risks across the supply chain, such as manufacturing defects and complex subsystems with additional points of failure, which can lead to uncontrolled [thermal runaway](#) (a chain reaction that can cause fire, or rarely explosions).

As more novice players enter the energy storage industry, there are huge product variations, which can result in various fire hazards. Advanced components like the battery management system (BMS), energy management system (EMS), and power conversion system (PCS) are supplied by different companies – sometimes causing difficult on-site installation, long system commissioning cycles, poor operation adaptability, and frequent on-site operation and maintenance —negatively affecting the levelized cost of energy (LCOE).

3.2. CEA'S FINDINGS ON FIRE SAFETY AND RISKS

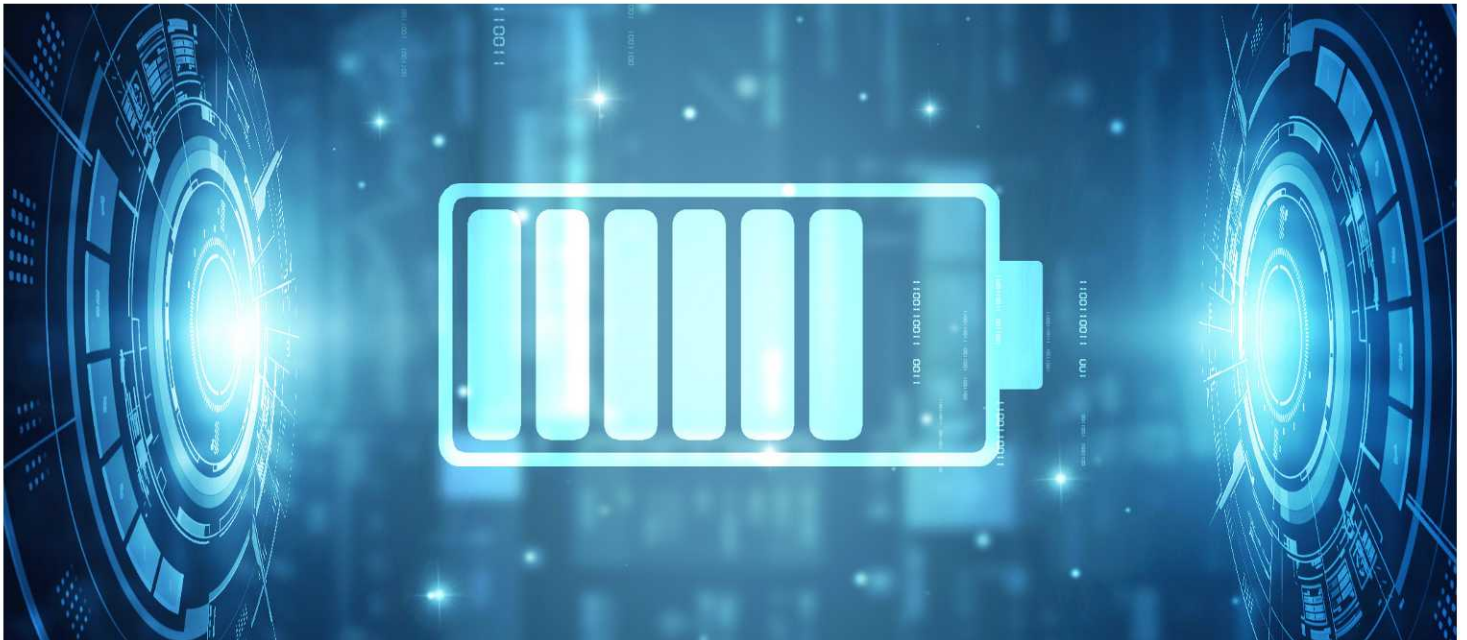
Clean Energy Associates (CEA), a leading renewable energy consultancy, conducted over [320](#) quality and safety inspection audits at 52 BESS factories worldwide, spanning 30 GWh of lithium-ion energy storage projects. Their extensive audit – published in February 2024 – revealed that **26% of BESS projects had quality issues related to fire detection and suppression systems and 18% had issues with thermal management systems.**

Nearly half of CEA's quality assurance (QA) findings were related to system-level defects, highlighting overlooked integration problems in the production process. The BESS integration of the cell and module is a highly manual, labor-intensive, and complex process, leading to QA vulnerabilities from lengthy production processes, high-performance sensitivity, and less strict quality control (QC) measures.

Notably, installers screen for and correct these malfunctions during the installation and commissioning process under the nationally recommended safety standard [NFPA 855](#).

But correcting these issues can delay projects for months and reduce profits. That makes it all the more important to prioritize pre-integrated systems and employ rigorous quality control measures throughout the manufacturing process.

3.3. MARKET RESPONSE TO BESS FIRE SAFETY CONCERNS



Batteries are overwhelmingly safe. The problem is: There are still renewable energy naysayers who hope to prevent the utilization of batteries. And as a newer technology, batteries are naturally subject to heightened public scrutiny.

At the [Energy Storage Summit](#) this past March 2024, Aron Branam, VP of development and construction for Arevon Energy, said, “One fire for one battery is a fire for everyone in the industry.” Mike DeSocio, founder and CEO of Luminary Energy, chimed in, saying, “...there has been a lot of trust lost in batteries in New York in the last few years.”

Some communities have imposed [moratoriums](#) on battery permits to assess safety concerns and enhance emergency response planning. Legislative measures, such as California’s [Senate Bill 38](#) signed in October 2023, aim to enforce safety standards and improve emergency response protocols for battery storage facilities.

Safety measures are still evolving in the energy storage industry, with strategies to prevent battery fires differing across each manufacturer as the industry evolves.

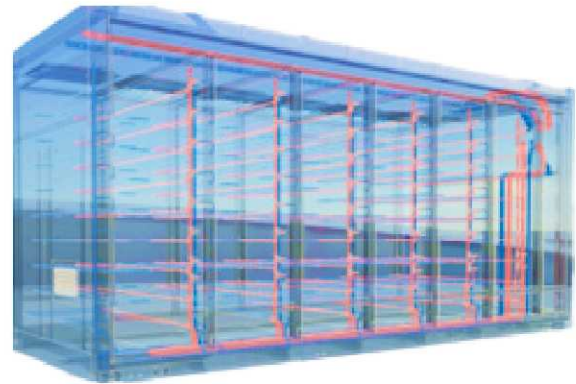
For example, in [Moss Landing](#), California (the [largest](#) operating battery storage facility in the U.S. at 750 MW) the BESS’ fire suppression systems – designed to prevent thermal runaway – were accidentally activated due to [rainwater intrusion](#) (i.e. water ingress), resulting in arcing and short-circuiting from flooding the batteries. Clearly continuous improvement is needed.

“To quell public concern, it’s critical to do everything in our power to reduce the risk of battery malfunctions. Sungrow has done precisely that.”

LIQUID-COOLED TECHNOLOGY OVERVIEW

4.1. WHAT IS LIQUID-COOLED TECHNOLOGY?

Liquid-cooled technology is widely utilized in energy storage, electric vehicles, and other energy sectors due to its high energy efficiency ratio and temperature uniformity. The liquid-cooled system uses coolant to move heat from the battery cell enclosure to the ambient environment to lower the overall temperature.



As an ultra-efficient heat exchanger, liquid-cooled technology has a high specific heat capacity and excellent thermal conductivity, able to rapidly transfer more heat from the hotter to colder region and cool down the system more quickly and effectively.

4.2. ADVANTAGES OVER TRADITIONAL AIR-COOLING LITHIUM-ION TECHNOLOGIES

Conventional air-cooled systems use fans to pull in external air, potentially introducing humidity and condensation (i.e., water ingress) into the system, which can lead to short-circuiting and thermal events. Instead, liquid-cooled technology offers improved fire safety, among other benefits, by enabling faster and more efficient cooling.

	Liquid-cooled BESS	Air-cooled BESS
Enhanced efficiency	✓	
Improved thermal performance	✓	
Extended system life	✓	
High energy density	✓	
Low noise	✓	
More reliable operation	✓	
Better scalability	✓	

SUNGROW'S FULLY LIQUID-COOLED POWERTITAN 2.0 BESS

As the world's most [valuable](#) solar company and bankable inverter brand with over 27 years of experience, Sungrow's energy storage systems have exceeded 19 GWh of contracts worldwide. Sungrow has been at the forefront of liquid-cooled technology since 2009, continually innovating and patenting advancements in this field.

“As a system solution supplier and product OEM, as opposed to an integrator, Sungrow is able to achieve a tight integration that is reliably repeatable, high-quality, and system-level safe to adhere to strict third-party guidelines.”

5.1. INTRODUCTION TO POWERTITAN 2.0 BESS

[Sungrow's latest innovation, the PowerTitan 2.0 Battery Energy Storage System \(BESS\)](#), combines liquid-cooled technology with advanced power electronics and grid support features, marking a significant leap forward in BESS solutions.

This plug-and-play BESS uniquely pre-integrates all internal components—including the batteries, string PCSs, BMS, thermal management, and fire suppression systems—within a 20-foot container for easy installation, improved adaptability, and high performance.



Customer reviews highlight flexibility, reliability, safety, and ROI as key priorities. Sungrow's PowerTitan 2.0 not only meets these expectations but also effectively addresses fire safety concerns. Our standout offering includes a **complete turnkey solution, from cell to MV skid, supported by our local in-house service and backed by a 20-year system-level guarantee.** This integrated approach reduces project delays and eliminates the need for on-site system-level certification, setting us apart from competitors, such as DC lock providers, who lack system-level solutions.

The globally liquid-cooled system (encompassing the battery modules and patented PCS) provides top-level performance with a **round-trip efficiency (RTE) up to 92.5%** for 4 hour solutions, with long duration options of 2 to 8 hours available.

Easily scalable

The PowerTitan 2.0 is a **scalable plug-and-play solution backed by pre-certified fire safety compliance testing for fast deployment and reduced risk.**

The BESS also simplifies commissioning efforts and site-level integration. That's largely because it does not have to run conduit between the battery and PCS – lowering conduit by 50%, reducing project footprint, and increasing energy density relevant to traditional solutions.

High-performance

With liquid-cooled technology, the BESS **maintains consistent temperatures within 2.5°C across almost 5,000 battery cells in one container** and eliminates any outlier cells to maximize performance, safety, reliability, and profitability. The system boasts an RTE up to 92.5% for 4 hour solutions, with long duration options of 2 to 8 hours available. This is an enhancement of 2% from the first-generation PowerTitan 1.0, with its Cell to Grid technology (C2G) that simplifies the energy conversion between DC and AC power.

Fast deployment

The all-in-one AC-DC block design streamlines deployment with embedded PCSs, pre-assembled components, MVT, and comprehensive factory testing to reduce installation time by 80% (compared to a conventional ESS), requiring only one hour for cabinet installation.

Additionally, the system comes **pre-certified with AC-level UL 9540**, shortening grid interconnection processes, and adheres to various safety standards. Grid-debugging time is also cut by 50%, lasting only 15 days compared to conventional BESS systems due to necessary pre-installations.

High ROI

Using precise temperature control made possible with liquid-cooled technology, the PowerTitan 2.0 has a high ROI by reducing auxiliary power consumption up to 40% (compared to a conventional ESS), prolonging system life, and mitigating unnecessary degradation. Enhanced temperature balancing enables individual rack control – boosting usable capacity, optimizing system availability, and reducing the discharging barrel effect.

This advanced temperature balancing results in up to a **7% increase in system discharge** (depending on site conditions). In the case of a PCS fault, the system experiences only an 8% loss, as the remaining 11 PCS systems can remain online, unlike traditional centralized BESS setups where a shutdown leads to a 100% loss that can last for days.

Environmental resilience

By eliminating the need for external air to enter the system, the liquid-cooled BESS enhances resilience in harsh environments, such as **high humidity areas, dusty deserts, or high elevations up to 3000 meters above sea level.**

Enhanced safety

The liquid-cooled PowerTitan 2.0 BESS incorporates robust safety features superior to those required in NFPA (National Fire Protection Agency) standards, including separate partitions for power electronics and battery cabinets to prevent thermal runaway, fire-resistant bulkheads lasting up to two hours, and advanced fire protection mechanisms to minimize fire risks.

The battery energy storage system meets global liquid-cooled heat dissipation standards and employs technology to reduce short-circuiting and arcing risks. Also, without introducing foreign particles (such as dust) and humidity into the enclosure, the system mitigates short-circuiting and thermal events for added reliability. As the liquid-cooled system is low noise at or below 75 dBA, the BESS can also operate in noise-restricted environments.

The multi-level architecture of safety measures, such as inter-rack fusing protection, active anomaly detection, and millisecond-level arc detection, enhance overall safety, while multi-stage overcurrent protection and integrated BMS ensure rapid response to potential hazards.

NFPA 855 compliance design options of:
- NFP (Deflagration venting) as standard offer
- NFP (Explosion prevention system) as an optional choice

NFPA13 compliant Sprinkler and Dry Pipe as an optional choice

SMOKE/TEMPERATURE



NFPA 68 DEFLAGRATION PANEL FOR EXPLOSION RELEASE

NFPA 69 (OPTIONAL) GAS DETECTOR, AIR EXHAUST



FACP



PARTITION DESIGN (BATTERY VS PCS) (BATTERY VS LCU)

MULTIPLE LAYERS SPRINKLER



5.2. BESS SAFETY FEATURES FOR FIRE SUPPRESSION AND THERMAL MANAGEMENT

Effective fire suppression and thermal management are crucial for the safety and longevity of energy storage systems. Sungrow prioritizes safety, with a superb track record of zero reported BESS thermal events or explosions.

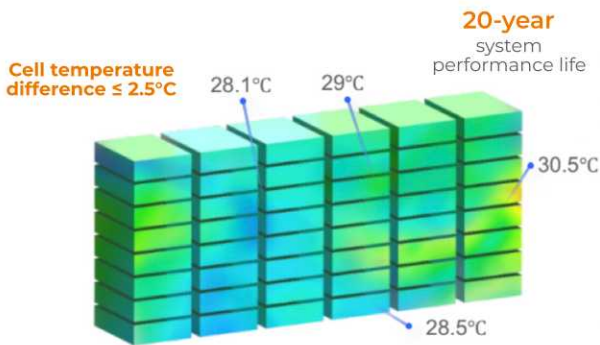
To uphold Sungrow's strict safety priorities, the PowerTitan 2.0 offers a comprehensive safety design across the cell, electrical, and system levels. From compartmentalized designs to advanced fire suppression systems, the system ensures the highest level of safety and reliability in various operating conditions.

As a liquid-cooled system, as opposed to air-cooled, humidity and condensation are not introduced into the system, removing water ingress – allowing for more control of the system's internal environment conditions and reducing the risk of short-circuiting.

Sungrow's PowerTitan 2.0 liquid-cooled BESS employs various features to address fire safety concerns:

Balanced temperature control:

A patented liquid-cooled heat dissipation scheme and 4D sensing technology maintain a balanced system temperature with a $\leq 2.5^{\circ}\text{C}$ temperature difference across all battery cells – prolonging battery life by two years, reducing degradation, improving auxiliary power efficiency, and enhancing system performance with a 15% increase in discharge capacity over the system's life cycle.



Professional integration:

Integrating BMS and string PCSs improves system compatibility and adaptability for elevated safety and performance – with an RTE up to 92.5% for 4 hour solutions (with long duration options of 2 to 8 hours available) and ease of commissioning.

Overcurrent protection design:

Multi-level fuse protection ensures reliable disconnection to minimize the risk of thermal runaway.

Integrated arc fault detection and arc fault circuit interruption:

Advanced algorithms detect electrical abnormalities, improving system safety by reducing short-circuit current by 75% in 10 microseconds and 100ms-level shutdown for 100% rack-level protection to mitigate thermal events.

Remote monitoring:

In the unlikely event of an electrical fire, the system automatically triggers multiple firefighting measures, preventing battery deterioration and eliminating thermal runaway at the early stage.

Compartmentalized design:

Partition design separates power electronics and battery compartments with fire-resistant walls to prevent fire from spreading for up to two hours, minimizing damage and avoiding fast contagion of thermal runaway.



Integrated AC-DC blocks:

Compared with traditional centralized PCS design, the built-in PCSs and factory-installed interior DC wiring reduces project footprint and safety risks by reducing the risk of short-circuiting and arcing.

System-level fire safety:

To minimize fire risks, reduce flammable gas concentrations, and ensure electrical safety, the system employs overcurrent fast-breaking and arc extinguishing protection, over-temperature protection, NFPA68-compliant deflagration venting, optional integrated sprinklers inside the BESS container, and optional NFPA69-compliant explosion prevention systems.



Manual switch disconnecter (MSD):

The technology mitigates the risk of short circuits for safer shipping, maintenance, and lower personal protection equipment, or PPE, classes, translating into faster project deployment with more efficient installation and commissioning.

Integrated AC-DC blocks:

Compared with traditional centralized PCS design, the built-in PCSs and factory-installed interior DC wiring reduces project footprint and safety risks by reducing the risk of short-circuiting and arcing.

System-level fire safety:

To minimize fire risks, reduce flammable gas concentrations, and ensure electrical safety, the system employs overcurrent fast-breaking and arc extinguishing protection, over-temperature protection, NFPA68-compliant deflagration venting, optional integrated sprinklers inside the BESS container, and optional NFPA69-compliant explosion prevention systems.

Rapid arc extinguishing:

Second-level arc extinguishing eliminates potential fire hazards by blocking thermal runaway at the source.

Pre-testing for fire safety compliance:

Various safety tests, including fire simulations and fire testing, ensure compliance above and beyond industry standards.

Inter-rack fusing protection:

The system reduces the incident energy with low arc energy and protects the safety of maintenance personnel with a lower class of required PPE by limiting exposure to high voltages and currents.

Self-sealing coolant loop connectors:

The system's patented plug connectors for liquid cooling have prevented 100% of leaks in over 100,000 industrial installations.

5.3. ADDITIONAL KEY FEATURES AND INNOVATIONS

In addition to fire safety, below are various other key benefits of the liquid-cooled PowerTitan 2.0 BESS:

Multi-level monitoring devices:

Multi-level sensors, from the module to the rack and system level, provide real-time insights into performance and system health to ensure system efficiency, safety, and reliability, with integration into third-party SCADA and control systems. These devices enable proactive fault detection and system optimization – decreasing downtime, maximizing performance, and prolonging the system’s life.

Increased capacity:

The high performance DC/AC inverter supports 0% to 100% depth of discharge with – enhancing overall efficiency, adaptability, and revenue with increased usable capacity.

Enhanced energy capacity and efficiency:

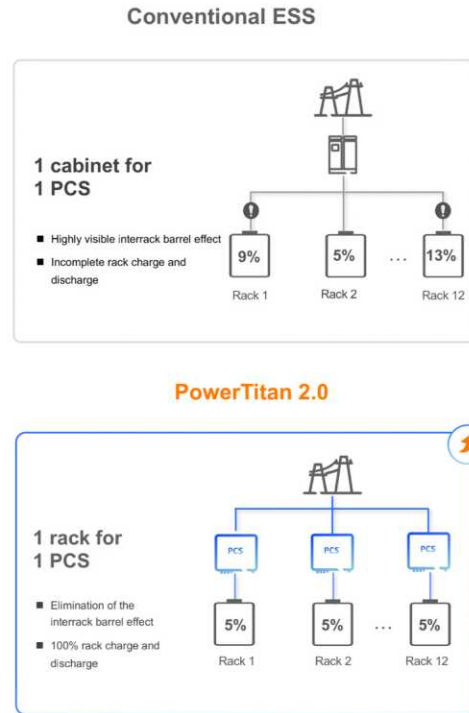
Innovative technologies such as C2G and liquid-cooled thermal management improve energy capacity and efficiency.

Quieter operation:

The system produces less noise than air-cooled systems, at or below 75 dBA, making the BESS suitable for noise-sensitive areas.

Individual rack-level management:

Independent control of charge and discharge in each battery rack increases discharge capacity by up to 7% (depending on site conditions) and improves system flexibility.



Higher energy density:

The system occupies 32% less footprint than a conventional energy storage system with a centralized PCS, improving the LCOE and system energy density with fewer containers, easier construction, and lower balance of plant costs.

Stable operation in weak grids:

Integrated with leading grid following and grid forming control algorithms, the BESS offers advanced grid support functions such as low voltage ride through, frequency and voltage support, black start capability (depending on site conditions), wind-band oscillation suppression, and flexible inertia support.

User-friendly O&M:

Automatic coolant replenishment, auto-calibration state of charge, and refined battery management minimizes O&M costs, enhances system longevity, ensures long-term system reliability, and reduces downtime to boost profitability.

5.4. CERTIFICATIONS AND DESIGN STANDARDS

Sungrow's commitment to quality and safety is reflected in the PowerTitan 2.0's adherence to rigorous certifications and design standards, including NFPA, IEC, and UL standards.

“Pre-certified with UL 9540, the PowerTitan 2.0 eliminates the need for on-site testing – preventing delays, additional costs, and uncertainties for an added layer of confidence.”

The PowerTitan 2.0 BESS comes pre-certified with, but not limited to:

- UL 9540 (2023)
- UL 9540A (2019 4th edition)
- UL 1973 (2022)
- UN 38.3 & UN 3536
- UL 1741 SB (PCS) (2019 3rd Edition)
- IEEE 1547:2018 (PCS) (2018)
- CSA C22.2 No.107.1-16 (PCS) (2021 4th Edition)

The battery energy storage system also adheres to the below design standards:

- NEC (2023)
- NFPA 855 (2023)
- NFPA 72 (2022)
- NFPA 68 (2023)
- NFPA 69 (optional configuration)(2024)
- NFPA 13 (optional configuration)(2022)

For more information, refer to the PowerTitan 2.0's datasheet [here](#).

5.5. QUALITY ASSURANCE AND FACTORY ACCEPTANCE TESTING

Sungrow implements a comprehensive QA and QC process management (ISO 9001) to ensure the safety and reliability of the PowerTitan 2.0 energy storage system. This QA and QC includes rigorous procedures such as functional tests conducted in the factory and over 350 quality tests covering cell, pack, rack, PCS, ESS, and energy management strategy testing.

Additionally, Sungrow's state-of-the-art testing facility includes hardware-in-the-loop setups, an in-house lab, a temperature room, a noise room, and a 5 MW grid simulator. **Large-scale fire simulations exceeding UL 9540A standards are performed alongside IP55 liquid-cooled design testing to verify the PowerTitan 2.0 container's system safety under various conditions.** Factory acceptance testing further enhances developer and investor confidence, minimizing commissioning delays.



“*By the end of December 2023, Sungrow’s PowerTitan series had secured 19 GWh of global contracts, attributed to its exceptional security features and advanced efficiency.*”

7. CONCLUSION

Customer feedback consistently points to flexibility, reliability, safety, and return on investment as the most critical factors when choosing a BESS solution. Sungrow’s liquid-cooled PowerTitan 2.0 BESS excels in these areas, while also effectively addressing fire safety concerns.

What truly sets us apart is our Turnkey Solution Value. From cell to MV skid, we provide a complete, end-to-end solution, supported by a local in-house service team and backed by a 20-year system-level guarantee. This integrated approach not only reduces the risk of project delays but also eliminates the need for on-site system-level certification, enabling faster and smoother deployment.

As the energy storage industry continues to evolve, Sungrow remains at the forefront of innovation, delivering system-level solutions that meet the highest standards of quality, safety, and performance. To learn more about how our liquid-cooled PowerTitan 2.0 BESS can drive the success of your next utility-scale project, [reach out to our customer service specialists today.](#)

ABOUT SUNGROW

Sungrow Power Supply Co., Ltd. ("Sungrow") is a global leading PV inverter and ESS supplier with over 515 GW of power electronics equipment installed worldwide as of December 2023. Founded in 1997 by University Professor Cao Renxian, Sungrow is a leader in the research and development of solar inverters with the largest dedicated R&D team in the industry and a broad product portfolio offering PV inverter solutions and ESS for utility-scale, commercial & industrial, and residential applications, as well as internationally recognized floating PV plant solutions, NEV driving solutions, EV charging solutions and renewable hydrogen production systems. With a strong 27-year track record in the PV space, Sungrow products power over 170+ countries worldwide. For more information about Sungrow, visit: www.sungrowpower.com.



SUNGROW
Clean power for all



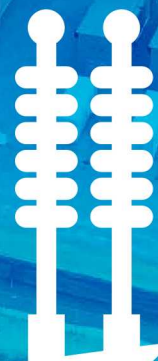
SUNGROW USA CORPORATION
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Costa Mesa, CA 92626

www.sungrowpower.com

BUILDING FOR THE GREATER GOOD

ENERGY STORAGE QUALIFICATIONS

Q1 2025



ENERGY STORAGE EXPERIENCE SUMMARY

From gigawatt-scale renewable energy generation and storage to commercial microgrids and more, we offer extensive expertise in designing and executing complex energy projects.

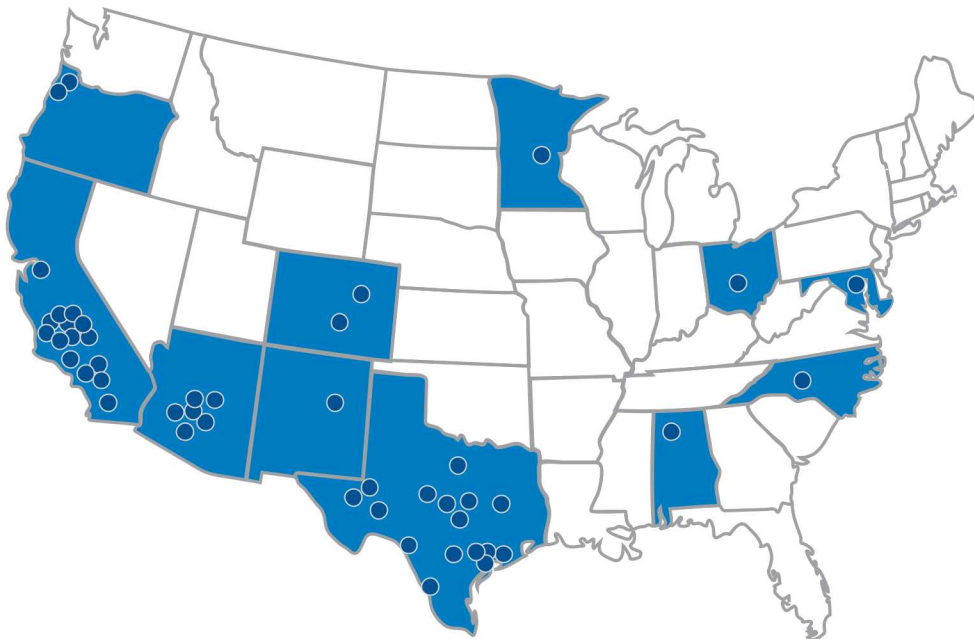
As one of the most experienced builders of energy storage systems, we are revolutionizing the energy landscape through our team's integrated solutions – constantly expanding the breadth of our EPC capabilities to lead the industry with efficient execution.

10
years

50+
projects

32+
gigawatt-
hours

#1
ENR
ranking



Status	# of Projects	Total MW	Total MWh
Completed	22	3,117	8,966
Under Construction	17	2,426	8,086
Under Contract	13	4,210	15,206
Totals	52	9,753	32,258

By Technology	# of Projects	Total MW	Total MWh
Tesla	7	2,165	8,660
BYD	11	2,350	9,071
Sungrow	11	2,265	6,200
Canadian Solar	2	300	800
LG	2	397	1,588
Powin	3	254	1,016
Fluence	1	500	2,000
Custom Enclosure	3	559	1,390
Other*	12	963	1,534
Total	52	9,753	32,258

In Texas	# of Projects	Total MW	Total MWh
Completed	6	790	1,030
Under Construction	7	1230	3,160
Under Contract	3	900	1,800
Totals	16	2,920	5,990

ENERGY STORAGE EXPERIENCE HIGHLIGHTS

NOVA POWER BANK | 2,720 MWh MENIFEE, CA



Mortenson was chosen as the EPC contractor for both the battery storage and substation scopes for Calpine Corporation's Nova Power Bank energy storage project.

The 680-megawatt project, one of the largest standalone projects in the country, is being built on the site of a decommissioned gas plant.

REVOLUTION ENERGY STORAGE | 300 MWh CRANE, TX



Mortenson was the EPC contractor for Spearmint Energy's 150 megawatt, 300 megawatt-hour battery energy storage project in West Texas.

Mortenson designed and built the battery storage facility, substation, and transmission line connecting the project to the Electric Reliability Council of Texas (ERCOT) grid.

EDWARDS & SANBORN | 3,287 MWh MOJAVE, CA



Terra-Gen, LLC selected Mortenson as the full EPC contractor for both the solar and energy storage scopes of the Edwards & Sanborn solar and energy storage project located in Kern County, California.

The project consists of 864 megawatts of solar and 3,287 megawatt-hours of energy storage. It is currently the largest operational solar and battery energy storage project in the US.

DECORDOVA ENERGY STORAGE | 260 MWh GRANBURY, TX



Vistra and Mortenson successfully completed the DeCordova Energy Storage Facility, bringing 260 MW/260 MWh battery energy storage to Texas. The facility is now operational, storing and distributing electricity to the grid across the region.

The project provides resiliency in Texas by being co-located on the Luminant (a subsidiary of Vistra) DeCordova gas power plant.

LET'S EXPAND THE UNIVERSE OF BIG IDEAS

Founded in 1954, Mortenson is a U.S.-based, family-owned construction and development services company. Over the last 70 years, Mortenson has grown to over 7,000 team members with project operations extending across 48 states and Canada. With revenues surpassing \$5.5 billion, Mortenson is recognized as the 27th largest construction firm in the United States, according to *Engineering News-Record* (ENR) rankings. Our financial position is exceptionally strong and is among the best in the construction industry.



FAMILY-OWNED FIRM

Founded by M. A. Mortenson, Sr.
Incorporated in Minnesota in 1954



REGIONAL OFFICE LOCATIONS

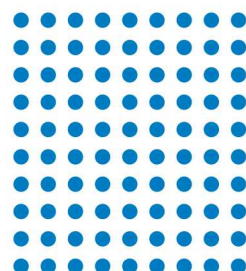
27TH TOP BUILDER IN THE UNITED STATES



ENR Top 400 Contractors every year since 1969



BEST WORKPLACE AWARDS
in the last 5 years across our offices



7,000+

TEAM MEMBERS
2,500 salaried
team members

\$5.5 IN ANNUAL REVENUE



Nationwide O&M Services

Pearce Renewables is a forward-thinking organization committed to a clean energy future. With over a decade of experience managing utility-scale and DG projects, we are uniquely qualified to be the Operations and Maintenance service partner for your projects.

WHO WE ARE

Community, safety, and perpetual improvement are core values at Pearce Renewables. We employ local, thoroughly trained, and full-time employees with an unwavering focus on safety, quality and responsiveness. We incorporate the latest technologies and procedures, ensuring that our team has the tools, knowledge, and training to not only quickly and safely identify, communicate, and resolve issues, but also apply industry-best maintenance practices to maximize uptime and ROI.

WHY CHOOSE US

Nationwide Coverage

Pearce is the largest independent service provider in the renewables space in the country. We have full time technicians dedicated to your assets or that can be mobilized quickly nationwide to meet your needs

Single Point of Contact

Pearce provides dedicated Project Managers to keep your projects organized and on time wherever your project is we're just a phone call away.

Experience and Training = Quality, Reliability, and Consistency

With 500 SMEs, over 75-years of experience, and two fully staffed and equipped training centers Pearce has the experience and training chops to provide quality, value-added services to your portfolio of critical renewable assets.

Technology

Pearce's in-house designed CMMS platform, 'Insite', provides seamless ticket issuance, work completion, reporting and an asset service historian, that is stand-alone or can integrate a customer's own platform.

OUR SERVICES

Preventive Maintenance

- Visual inspections
- Scheduled repairs and replacements
- Calibrations
- Daily work reports and activity logs

Corrective Maintenance

- Fault diagnosis
- Repairs and replacements
- Calibration and testing
- System revalidation

ROC Monitoring

- 24/7 active monitoring of operations
- Remote diagnosis and self-dispatch
- Active power control, ramping, and curtailment
- Forecasting and reporting

NERC Services

- Registration as GOP
- Reporting and documentation
- Compliance monitoring and auditing
- Cybersecurity and physical security
- Training

Spare Parts Management

- Spare parts procurement and inventory management

Warranty Management

- Management of the warranty process
- Consultation with OEMs for repairs

Battery Energy Storage (BESS) 101

Battery Architecture

Li-Ion Cells



Li-Ion Module



Li-Ion Rack



Li-Ion Enclosure



Battery Energy Storage (BESS) 101

Battery Architecture

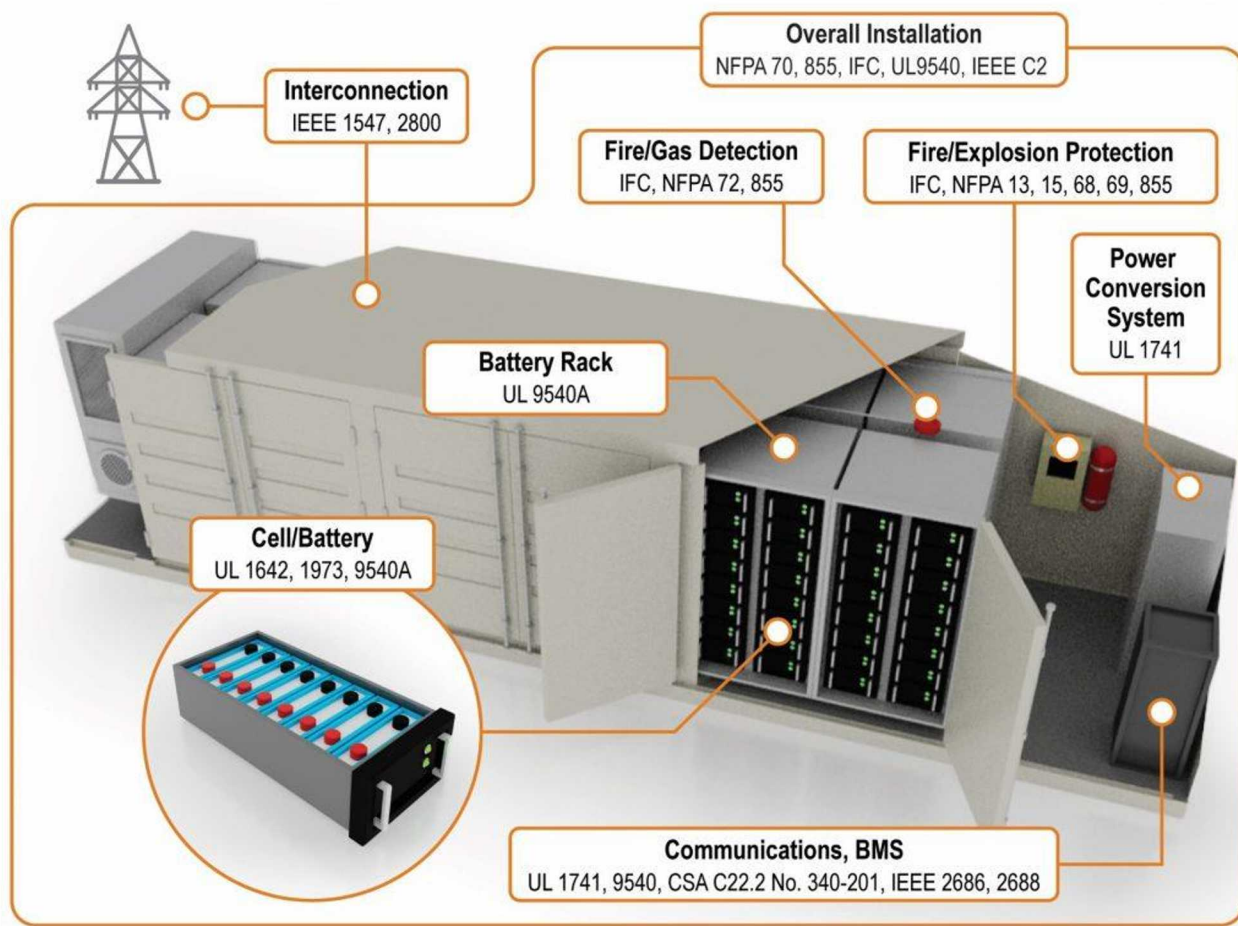
Li-Ion Enclosure



Safety is the #1 Priority

Highly regulated industry:

Energy storage technology has evolved rapidly over the last several years, and largely due to the level of regulatory pressure and lessons learned from previous generation of BESS



STANDARDS

IEEE: Institute of Electrical and Electronics Engineers

NFPA: National Fire Protection Association

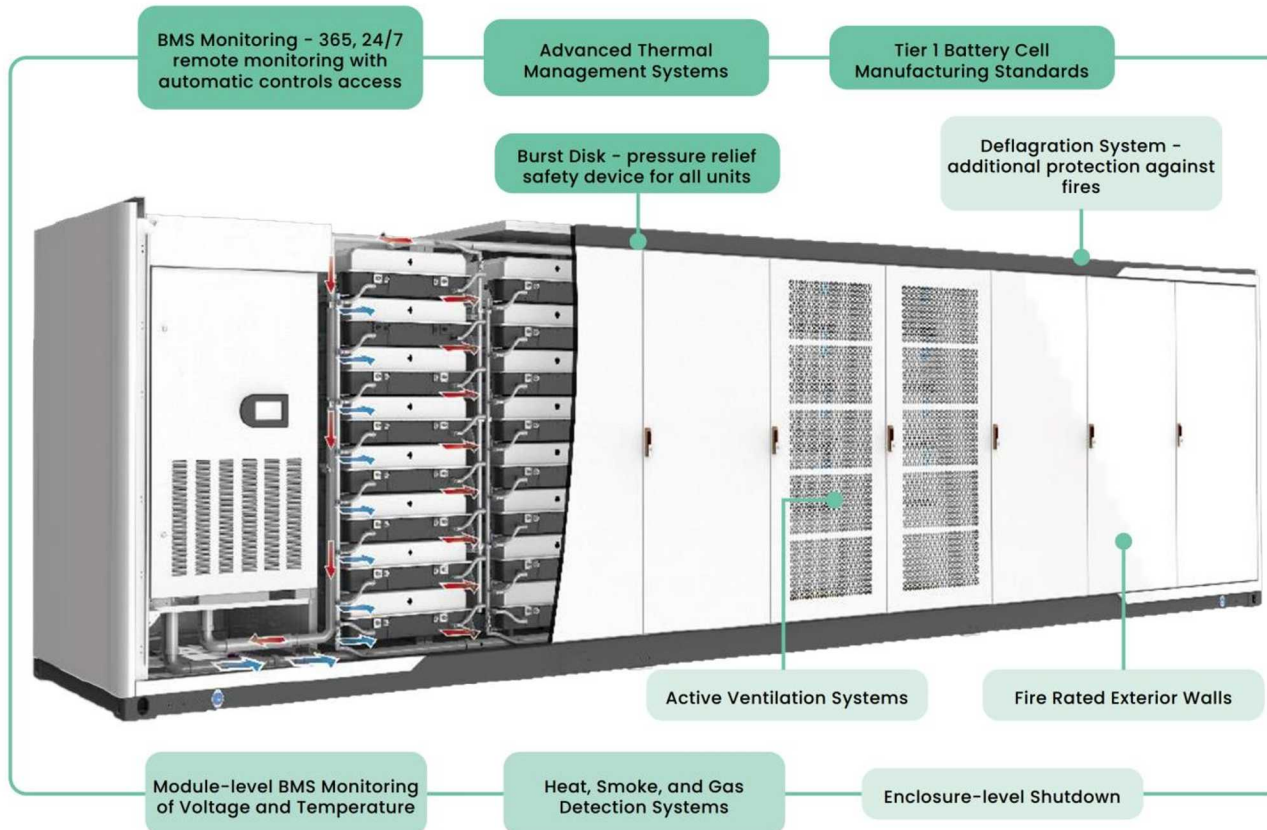
IFC: International Fire Code

UL: Underwriters Laboratories



Safety is the #1 Priority

Safety as a tiered approach: Prevention, Detection, Mitigation



PREVENTION

- Battery cell burst disk
- Tier 1 battery cell manufacturers
- Advanced thermal management systems
- Battery Management System (BMS) monitoring
- Compliance with latest applicable codes and standards

DETECTION

- Heat, smoke, and gas detection systems
- Voltage, current, and temperature monitoring.
- State-of-Charge and State-of-Health monitoring and assessment.
- Cell Balancing: maximizes overall performance and lifespan.
- Protection against overvoltage, overheating, etc.
- Thermal Management: activates cooling systems if necessary.
- Communication Systems provide real-time data and receive commands.

MITIGATION

- Deflagration system
- Fire rated exterior walls
- Enclosure level shut down
- Active ventilation systems
- Automatic shut down at the component level if an issue is identified.



LEGAL DESCRIPTION

DESCRIPTION OF A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9 OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS, SAID 38.653 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4 INCH IRON PIPE FOUND AT AN INTERIOR ELL CORNER OF SAID LOT 8, AND BEING AT THE NORTHWEST CORNER OF THAT CERTAIN CALLED 7.38 ACRE TRACT OF LAND CONVEYED TO TEXAS GULF COAST HOLDINGS I LP RECORDED IN DOC. NO. 2004020691, GALVESTON COUNTY OFFICIAL PUBLIC RECORDS ,

THENCE NORTH 80 DEGREES 20 MINUTES 24 SECONDS WEST, OVER AND ACROSS SAID LOT 8, A DISTANCE OF 356.00 FEET TO THE SOUTHWEST CORNER AND POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT;

THENCE OVER AND ACROSS SAID LOT 8 AND SAID LOT 9 FOR THE FOLLOWING COURSES AND DISTANCES:

NORTH 03 DEGREES 19 MINUTES 18 SECONDS WEST, A DISTANCE OF 836.79 FEET TO A POINT;

NORTH 86 DEGREES 40 MINUTES 24 SECONDS EAST, A DISTANCE OF 142.12 FEET TO A POINT:

NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET TO A POINT AT THE END OF SAID CURVE;

SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;

SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;

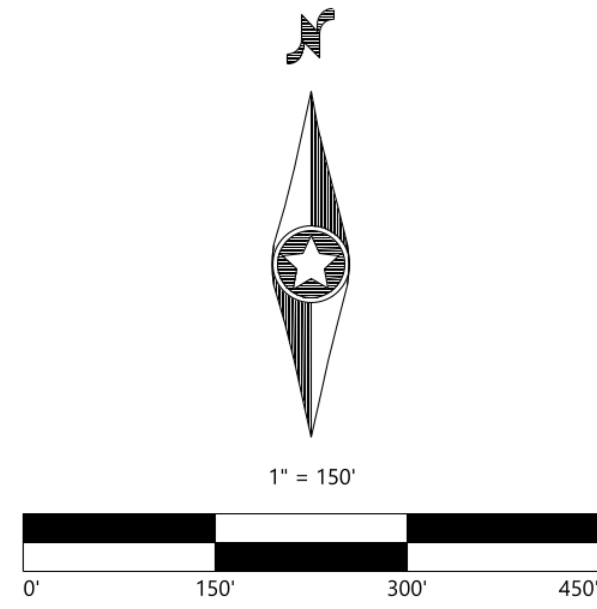
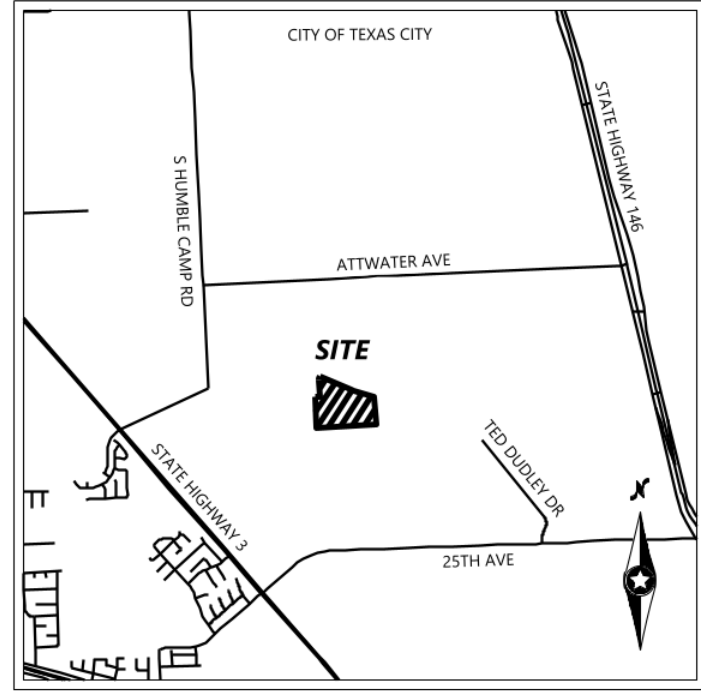
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;

SOUTH 03 DEGREES 21 MINUTES 02 SECONDS EAST, A DISTANCE OF 747.55 FEET TO A POINT;

SOUTH 86 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 1616.59 TO THE POINT OF BEGINNING;

CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

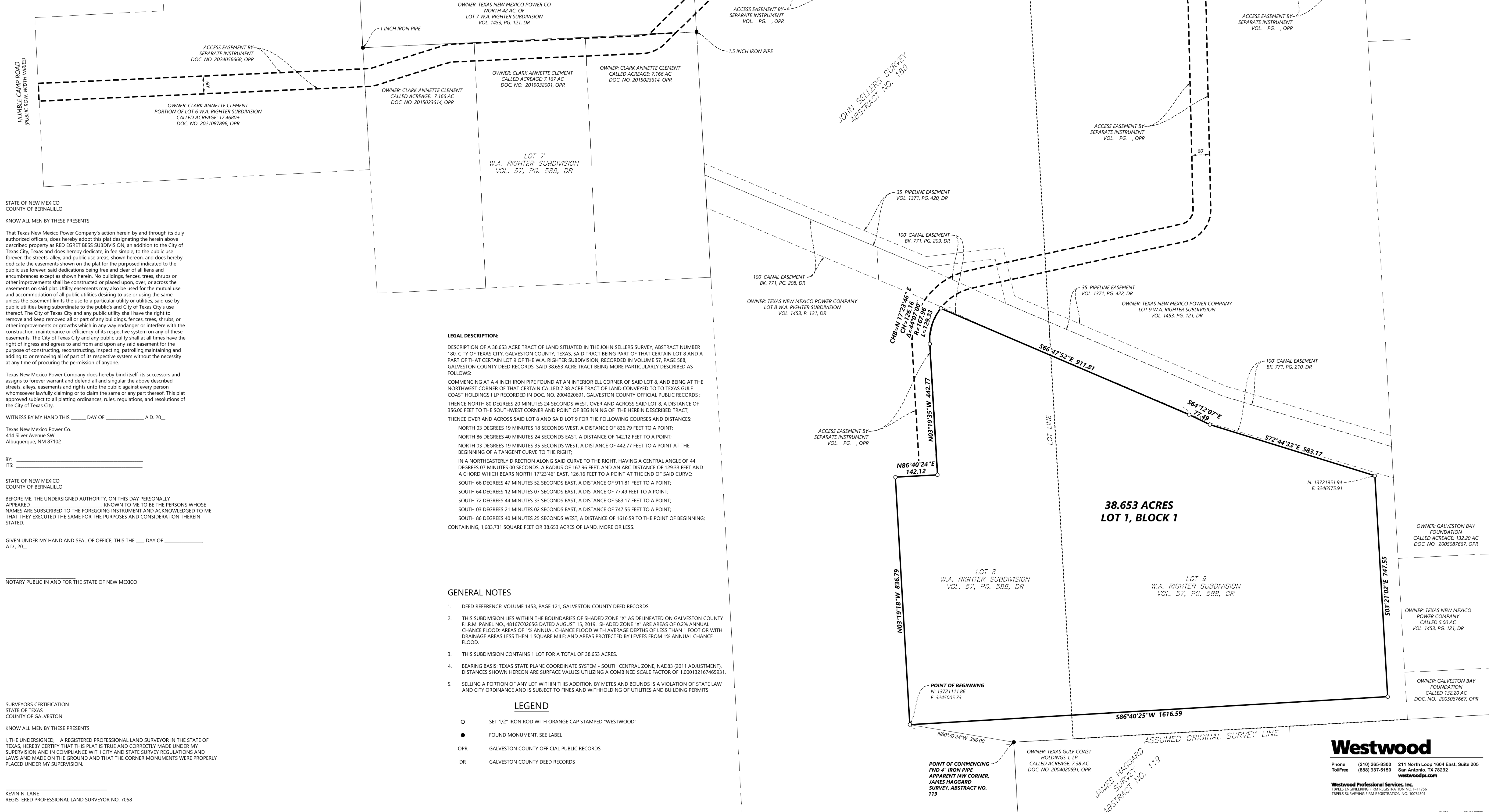
VICINITY MAP
(NOT TO SCALE)



FINAL PLAT
RED EGRET BESS SUBDIVISION

BEING A REPLAT OF A PORTION OF THE
W.A. RIGHTER SUBDIVISION
CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS

A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9, OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS



STATE OF NEW MEXICO
COUNTY OF BERNALILLO

KNOW ALL MEN BY THESE PRESENTS

That Texas New Mexico Power Company's action herein by and through its duly authorized officers, does hereby adopt this plat designating the herein above described property as RED EGRET BESS SUBDIVISION, an addition to the City of Texas City, Texas and does hereby dedicate, in fee simple, to the public use forever, the streets, alley, and public use areas, shown hereon, and does hereby dedicate the easements shown on the plat for the purposes indicated to the public use forever, said dedications being free and clear of all liens and encumbrances except as shown herein. No buildings, fences, trees, shrubs or other improvements shall be constructed or placed upon, over, or across the easements on said plat. Utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to a particular utility or utilities, said use by public utilities being subordinate to the public's and City of Texas City's use thereof. The City of Texas City and any public utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its respective system on any of these easements. The City of Texas City and any public utility shall at all times have the right of ingress and egress to and from and upon any said easement for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all of part of its respective system without the necessity at any time of procuring the permission of anyone.

Texas New Mexico Power Company does hereby bind itself, its successors and assigns to forever warrant and defend all and singular the above described streets, alleys, easements and rights unto the public against every person whosever lawfully claiming or to claim the same or any part thereof. This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Texas City.

WITNESS BY MY HAND THIS ____ DAY OF _____ A.D. 20__

Texas New Mexico Power Co.
414 Silver Avenue SW
Albuquerque, NM 87102

BY: _____

ITS: _____

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED _____, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS ____ DAY OF _____ A.D., 20__

NOTARY PUBLIC IN AND FOR THE STATE OF NEW MEXICO

SURVEYORS CERTIFICATION
STATE OF TEXAS
COUNTY OF GALVESTON

KNOW ALL MEN BY THESE PRESENTS

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE UNDER MY SUPERVISION AND IN COMPLIANCE WITH CITY AND STATE SURVEY REGULATIONS AND LAWS AND MADE ON THE GROUND AND THAT THE CORNER MONUMENTS WERE PROPERLY PLACED UNDER MY SUPERVISION.

KEVIN N. LANE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 7058

LEGAL DESCRIPTION:

DESCRIPTION OF A 38.653 ACRE TRACT OF LAND SITUATED IN THE JOHN SELLERS SURVEY, ABSTRACT NUMBER 180, CITY OF TEXAS CITY, GALVESTON COUNTY, TEXAS, SAID TRACT BEING PART OF THAT CERTAIN LOT 8 AND A PART OF THAT CERTAIN LOT 9 OF THE W.A. RIGHTER SUBDIVISION, RECORDED IN VOLUME 57, PAGE 588, GALVESTON COUNTY DEED RECORDS, SAID 38.653 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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NORTH 03 DEGREES 19 MINUTES 35 SECONDS WEST, A DISTANCE OF 442.77 FEET TO A POINT AT THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;
IN A NORTHEASTERLY DIRECTION ALONG SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 44 DEGREES 07 MINUTES 00 SECONDS, A RADIUS OF 167.96 FEET, AND AN ARC DISTANCE OF 129.33 FEET AND A CHORD WHICH BEARS NORTH 17°23'46" EAST, 126.16 FEET TO A POINT AT THE END OF SAID CURVE;
SOUTH 66 DEGREES 47 MINUTES 52 SECONDS EAST, A DISTANCE OF 911.81 FEET TO A POINT;
SOUTH 64 DEGREES 12 MINUTES 07 SECONDS EAST, A DISTANCE OF 77.49 FEET TO A POINT;
SOUTH 72 DEGREES 44 MINUTES 33 SECONDS EAST, A DISTANCE OF 583.17 FEET TO A POINT;
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CONTAINING, 1,683,731 SQUARE FEET OR 38.653 ACRES OF LAND, MORE OR LESS.

GENERAL NOTES

- DEED REFERENCE: VOLUME 1453, PAGE 121, GALVESTON COUNTY DEED RECORDS
- THIS SUBDIVISION LIES WITHIN THE BOUNDARIES OF SHADED ZONE "X" AS DELINEATED ON GALVESTON COUNTY F.I.R.M. PANEL NO. 48167C0265G DATED AUGUST 15, 2019. SHADED ZONE "X" ARE AREAS OF 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THEN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD.
- THIS SUBDIVISION CONTAINS 1 LOT FOR A TOTAL OF 38.653 ACRES.
- BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM - SOUTH CENTRAL ZONE, NAD83 (2011 ADJUSTMENT), DISTANCES SHOWN HEREON ARE SURFACE VALUES UTILIZING A COMBINED SCALE FACTOR OF 1.000132167465931.
- SELLING A PORTION OF ANY LOT WITHIN THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF STATE LAW AND CITY ORDINANCE AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS

LEGEND

- SET 1/2" IRON ROD WITH ORANGE CAP STAMPED "WESTWOOD"
- FOUND MONUMENT, SEE LABEL
- OPR GALVESTON COUNTY OFFICIAL PUBLIC RECORDS
- DR GALVESTON COUNTY DEED RECORDS

Westwood

Phone (210) 285-8300 211 North Loop 1604 East, Suite 205
TollFree (888) 937-5150 San Antonio, TX 78232
westwood.com

Westwood Professional Services, Inc.
TPELS ENGINEERING FIRM REGISTRATION NO. F-11756
TPELS SURVEYING FIRM REGISTRATION NO. 10074301

DATE: 05/20/2025

STAFF REPORT

TO: Planning Board

FROM: Kim Golden, P.E., City Engineer



CC: Doug Kneupper, P.E., Consulting Engineer

DATE: June 28, 2025

RE: P6911 Attwater Ave - Red Egret Attwater BESS Project

Background: The applicant, Red Egret LLC, states an intent to build, own and operate a proposed BESS project at the subject location. The proposed project will encompass 38.653 acres of vacant property which is landlocked with no public access and no access to public water or sewer. The location is in an area south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Rd., and west of property owned by the Galveston Bay Area Foundation. The applicant states the site is 2,000 feet from the nearest occupied structure. The property is currently zoned District "H" (Heavy Industrial). The applicant proposes to access the site through private easements.

The applicant has a lease and purchase agreement with TNMP with the intent to purchase the project site once the project begins commercial operations. The project proposes to develop 149 lithium-ion containers and 75 medium voltage transformer skids with room for additional future containers to maintain full project capacity of 300 MW, 600 MWh over the life of the project at the site. The applicant seeks to begin construction in 2025 with the project to be online and fully operational in 2026.

TNMP Freeway Substation – The applicant has an interconnect agreement in place with TNMP for the Freeway Substation located at 25th Ave N and SH 3. The Freeway Park substation was recently rebuilt by TNMP and functions to convert high-voltage electricity supplied to the substation by long-distance transmission lines to lower voltage which is then distributed from the substation to nearby homes and businesses. TNMP will connect to the BESS project through infrastructure upgrades within TNMP's existing land rights.

Requested action: The applicant, Red Egret, LLC, has two applications presented for Planning Board action:

- (i) Zoning change of a 38.653-acre site from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a battery electric storage system (BESS) utilizing lithium-ion battery technology.
- (ii) Development Plan (Site Plan) for the District "S-P" rezoning of the proposed BESS installation.

TNMP, as the current owner of the property, is a co-applicant for the zoning change. The requested actions are cross conditioned upon approval of all pending applications.

Staff review:

ZONING CHANGE FROM DISTRICT "H" (HEAVY INDUSTRIAL) TO DISTRICT "S-P" (SITE PLAN): The application is being processed as a District "S-P" (Site Plan) rezoning consistent with Section

"the place where COMMUNITY MATTERS"

160.051(A)(1)(f) provide for the development of specific uses which are not normally found in zoning districts, and (h) provide additional information and regulatory controls concerning the proposed use or uses for the protection of the public health, safety, morals and general welfare of the community. The District "S-P" process also provides some limited flexibility from standard ordinance requirements as long as those deviations continue to meet the intent of the chapter.

The District "S-P" rezoning is tied to a specific site plan as reviewed and recommended by the Planning Board to the Zoning Commission. Zoning Commission recommendation will then be presented to the City Commission for action regarding the requested zoning change.

The site is vacant and is currently zoned District "H" (Heavy Industrial). There are no developed industrial uses in the area. All adjacent properties are vacant, with the nearest development being the juvenile justice and state prison facilities located on Attwater Ave. and the low-density residential occupancies on large acreage lots along S. Humble Camp Rd. The Future Land Use Plan identifies the future development of the site as a Neighborhood Growth Area. The site is located within the Texas City hurricane levee which supports its future use for residential neighborhood development. The applicant acknowledges the BESS is an industrial use that fits within the District "H" (Heavy Industrial) zoning designation.

DEVELOPMENT PLAN (Site Plan): The project will start with 149 individual battery containers for the designed 300 MW, 600 MWh two-hour capacity at the site. The project will be augmented with more containers over the life of the project to maintain the design capacity as the battery units age and decrease in charging capacity. The two-hour designation is in reference to the time to fully charge and fully discharge under standardized conditions. The applicant estimates the fully charged capacity of the project equates to powering an estimated 200,000 homes for up to a 2-hour duration. The stated aim of the project is to reduce grid volatility, increase system resiliency and help minimize carbon emissions in a responsible and efficient way.

This proposed BESS installation is approximately 50% larger in battery capacity than the largest previously approved BESS installation in Texas City which is the Southern Select Energy project at 701 Hwy 146 at 205 MW and 410 MWh with 106 containers. The site is also approximately 5 times as large as the Southern Select Energy project which was 6.29 acres with 5.71 acres in use for batteries. The two projects previously approved before the Southern Select Energy project were 0.48 acres and 1.5 acres respectively with fewer than 10 containers at each site.

Existing site – The existing site is vacant, wooded, and landlocked with no access by public street, no frontage on a public street and no access to public water or sewer services.

Proposed Site Improvements – The site improvements will include a 20ft concrete perimeter fire lane with access to all containers and two points of access approved by the Fire Marshal. Proposed container spacing is the 15ft spacing required by the Fire Marshal and the local amendments to the 2024 International Fire Code.

Water and Sewer – The site improvements will NOT include water or sewer service. Applicant represents the site will be un-manned with **no office or restroom facilities provided on site.**

Offsite Access and Improvements - The applicant proposes to access the site via private access easement agreements with no public access to the Project. Paved access drive and fire lanes to be

designed as 25ft. The City standard in Chapter 159 is 30ft wide concrete street with curb and gutter in a 60ft publicly dedicated right of way. The private access easement is shown as 60ft on the detailed site plan. **Any recommendation to approve the applications should be conditioned upon the easements being in form satisfactory to the City Attorney and City Engineer.**

Construction related damage and maintenance of S. Humble Camp Rd. - Site preparation will require a significant amount of heavy traffic transporting dirt which is likely to damage S. Humble Camp Rd., which is not built for heavy loading. Alternate access is not available through Attwater Ave., which also has limited load carrying capacity due to the existence of several pipeline crossings. It is recommended that consistent with prior practice the Applicant provide a maintenance bond for repairs to maintain access during construction and then either restore or pay for restoration of the roadway to pre-construction conditions. The Applicant has indicated support for this concept with details to be worked out in coordination with Public Works consistent with prior practice. **Staff recommend any recommendation to approve the applications be conditioned upon the Applicant providing a bond to maintain access during construction and be responsible for the cost of any repairs needed to restore the roads to pre-construction conditions after construction of the project is complete.**

Drainage – The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Security fencing - Proposed security fencing is not yet compliant with the standards applied to the previously approved projects which had masonry walls and at least 15% improved landscaping. Proposed fencing is chain link with plastic inserts, which Applicant cites as the existing fencing at TNMP substations. However, for reasons of security and weather resilience TNMP is replacing the chain link fencing at existing substations with masonry walls and is building masonry walls at all new substations. **Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall and/or a decorative metal fence with masonry columns which has been deemed an acceptable alternative to the full masonry screening wall in some applications.** The Applicant advised it is committed to working with the City to reach a solution that meets the City's needs and concerns, but requires additional time to review the engineering, design and feasibility of a masonry wall. The Applicant advises a final commitment on a screening wall can be presented for review and recommendation before presentation to the Zoning Commission.

Landscaping - Proposed site improvements do not include any landscaping improvements. The applicant maintains the existing foliage of the site supports an exception for the landscaping requirement citing the comparability standard embedded in Section 160.051(D)(12). The Applicant proposes instead to **defer the installation of landscaping until the City approves and permits residential development on adjacent properties and provided such development is actually installed within 500 feet of the property line.** This deferral is consistent with the provisions recommended in the proposed BESS ordinance and recommended by staff.

Fire Protection – The site does not have access to a public water supply. The nearest water main is 8,000ft from the site, would require boring under Moses Bayou and would need to be looped to

provide the required pressure and flow for fire protection. Although current best practices would not use water for fire suppression of BESS fires, other events may occur at occupied facilities such as work injuries, vehicle fires, grass or vegetation fires, or other events that would need access to water for fire suppression. The applicant has coordinated with the Fire Marshal and amended **the site plan to add three (3) 30,000-gallon water tanks with alarms and enunciator to alert when water volume is below 75% capacity**. Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

On site Access - The applicant proposes two gated access points to the BESS area. Primary access gate on the west side of the BESS and secondary access gate on the east side of the BESS. The primary and secondary access points will be separated by more than 800ft, with another 500ft from the nearest intersection point. The access point locations have been reviewed and coordinated with the Fire Marshal and Texas City emergency response officials. The NFPA requires a separation of 100ft from exposures.

Adjacent Properties – The site is adjacent to the GCWA canal which supplies the Texas City reservoir and the Thomas Mackay Water Treatment Plant. Access to the site will require a crossing agreement from GCWA to use an existing crossing of the canal. Applicant indicates initial contacts with the GCWA presented no initial concerns and a willingness of the agency to work with the Applicant. All other adjacent properties are vacant. The applicant indicates the nearest occupied structure is 2,000ft from the site.

Flood Plain/Coastal Environment – The site is not located in a designated flood plain (Special Flood Hazard Area). It is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

The coastal environment (additional atmospheric corrosivity) is accounted for by the BESS enclosures having NEMA 3R ratings and by having all of the BESS enclosures specified with “C5” Marine Coating on the exterior to mitigate any type of external corrosion of the enclosures from the salt spray or corrosive atmosphere. A NEMA rating is the numeric standard created by the National Electrical Manufacturers Association (NEMA) to indicate the level of protection for electrical and electronic enclosures. NEMA 3R is the standard enclosure rating for outdoor equipment which needs to be protected in an outdoor environment.

Battery Chemistry and Manufacturer – The applicant states an intent to use the Sungrow PowerTitan 2.0 system for the Project. The Battery Management System (BMS) is included in the PowerTitan 2.0 system from Sungrow. The Project will also employ an Energy Management System (EMS) provided by Indie Energy, Inc.

The BMS is the brain of the BESS enclosures, focusing on monitoring, protecting, and optimizing battery performance. It continuously tracks essential parameters such as voltage, current, temperature, and state of charge ensuring the batteries operate within safe limits. The EMS oversees the entire BESS facility as the operational brain. It coordinates the interaction between the BESS and the power grid and acts as the master controller responsible for the overall coordination and control of the subsystems. It provides visibility into the BMS data for all units. Ultimately, the EMS ensures that the BESS operates safely and in compliance with grid requirements.

Applicant's Experience/Company History – **Red Egret LLC**, is a subsidiary of Spearmint Energy (Spearmint Renewable Development Company, LLC) and is the intended developer, owner and operator of the Red Egret BESS project at the Attwater location. Both Spearmint Energy and Red Egret LLC were formed in November 2022 in Delaware. Spearmint Energy headquarters are located in Miami, FL with a second office in Eden Prairie, MN where the Chief Development Officer and many development and operations staff are located. Spearmint Energy is a rapidly growing company with over 80 employees as of July 1, 2025. The Spearmint Energy team is identified as having a strong history of developing energy generation and storage projects with a total of 15,000MW of installed capacity.

Notwithstanding the individual qualifications of its leadership and staff, Spearmint Energy owns and operates one project which is half the size of the proposed Red Egret Attwater project in Crane County, TX. It has 20 other projects in 10 states under development with two of those currently being in construction in Texas. **Mortenson** has been selected as the engineering and construction partner responsible for project design and construction of the Red Egret Attwater project. Mortenson has been the EPC contractor for all of Spearmint's projects and is represented by Applicant as being one of the largest BESS Engineering, Procurement and Construction contractors in the United States, having completed more than 35 BESS projects with over 12 GW combined capacity. It is ranked #1 in the BESS category by Engineering News-Record. **Pearce Renewables** is operator of the Crane County project and is the expected Operations and Maintenance (O&M) provider for the Red Egret Project and the other projects Spearmint Energy has in development. Pearce Renewables is represented by Applicant as being the largest independent services provider in the United States with a total O&M capacity of 4.5GW with includes 8,600MWh of operating energy storage projects. It is a large organization with 500 subject matter experts available as resources and has two fully staffed and equipped training centers.

Commissioning and Decommissioning - Applicant affirms testing, inspections, and commissioning will occur at periods during construction and upon completion of the construction period. During operations, there will be one (1) full-time technician dedicated to the Red Egret BESS Project. At the end of commercial operations, Red Egret will be responsible for removing all BESS components and associated facilities. In collaboration with Texas City a detailed Decommissioning Plan will be provided prior to the application for Building Permits. The plan will include a proposed financial security in a form agreeable to Texas City, to provide sufficient resources to cover the cost of decommissioning in the event the Project does not meet its decommissioning obligations. Applicant agrees to provide the necessary security prior to the issuance of a Certificate of Occupancy or other authorization to operate the facility. This condition is consistent with the provisions recommended in the BESS ordinance and recommended by staff.

Analysis and Recommendation: The proposed project is the largest to be considered by the City of Texas City to date. It is also twice as large as the only facility the applicant, Spearmint Energy, is currently operating. The Applicant is a relatively new entity staffed with experienced personnel and contracting with industry leaders for engineering, procurement and construction and for operations and maintenance. The vetting and posting of confirmed financial security will be essential to assure the performance of represented capacities and commitments to protect Texas City and its citizens. For this reason, all conditions for approvals should be memorialized in a development agreement which attaches to the project and will be binding upon successors and assigns of the Applicant.

The project site is currently remote from any other development and is landlocked with no access to municipal water or sewer. But it is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

The BESS technology is acknowledged as having benefits to system wide grid stability. Due to current conditions of the grid there is some acknowledged direct benefit to Texas City residents and industries by having the BESS projects located in Texas City. Policies and procedures to be implemented by the Building Officials and Fire Marshals through the permitting process will provide the flexibility to adapt to evolving technologies and assure the highest levels of protection and accountability for the citizens of Texas City.

Concerns with fire protection and response have been noted and addressed with provisions in the proposed site plan. Although the Fire Marshal has accommodated the installation of fire water tanks to provide for fire suppression, it is upon condition the project will connect to public water sources for fire protection when available to the area.

The lack of access to a public street is a concern which is being addressed with access easements through private property. Although this accommodation is not a best practice and should not prevail in other applications, it is compatible with the BESS project installations for two reasons. First, the BESS projects are perceived as temporary installations which will be removed at the end of the service life of the equipment and the site restored to pre-project conditions. In such case the expiration/release/cancellation of the easement is not an issue. Secondly, TNMP is the grantor of most of the easement and has a vested interest in the operation of the BESS projects. This alignment of interest assures the parties have motivation to work through any issues which may arise from the easement not being publicly dedicated permanent developments of any kind.

Concerns with land use regulations and impact on future development have been addressed with deferrals regarding landscaping, platting and access to public utilities upon conditions which may be triggered as development of the surrounding properties occurs. The installation of a masonry screening wall for security and weather resilience should be maintained as the operative standard for a BESS project.

Anticipated damage to the public streets by construction related traffic and heavy loads is not a new or unique issue. The development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Subject to the following conditions being memorialized in a development agreement, staff have no objection to approval of the proposed site plan and the rezoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan):

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.
- 2) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.
- 5) Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.

PLANNING BOARD MINUTES
July 7, 2025

The Planning Board of the City of Texas City met in a regular meeting on Monday, July 7, 2025, at 5:00 p.m. Staff members present: Ms. Kimberly Golden, P.E. (City Engineer, Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician) and Caroline Luke (Administrative Assistant). Guests were: Megan Van De Pitte (Mastec Communications Group), Maria Valenzuela (AT&T), Nick Coil (Spearmint Energy), Amanda Latkany (Spearmint Energy), Terry Lee (KAOH Media), Erin Knesek (SPI Engineering), Eric Joseph (Del Papa Distributing), and Felix Herrera (Awesome Auto Accessories).

Chairman Dickey Campbell indicated a quorum was present and called the meeting to order.

(1) ROLL CALL

The following members answered roll call: Commissioner Jami Clark, Co-Chairman Perry O'Brien, Chairman Dickey Campbell and Commissioner Thelma Bowie.

* * * * *

(4) REGULAR AGENDA

- a. Consider and make recommendation to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue.

Ms. Kimberly Golden introduced the project and noted the location for the project as a vacant site north of Moses Bayou. She reminded the Planning Board this was a different location from the previously considered application for a site at SH3 and 25th Ave N which the Planning Board had declined to recommend about two years previously.

The significant challenge for location is there is no access to public water. Even though using water is not recommended for fighting fire at a BESS location, a site which is occupied or used by humans needs to have access to water for public safety reasons. The Applicant has coordinated with the Fire Marshal and revised its proposed site plan to add three (3) 30,000-gallon water tanks with alarms and enunciators to alert when water volume is below 75% capacity. The Applicant notes this capacity is three times the requirements of the NFPA Section 1142 for BESS facilities. The Applicant has also agreed to annual inspections to ensure proper maintenance and functionality of the tanks, annual trainings regarding the BESS units, and to provide and maintain connectors compatible with TCFD firefighting apparatus. Additionally, in the event public water supply becomes reasonably available to the site, the Applicant commits to making a permanent public water supply available to emergency responders in lieu of the water tank solution.

Another issue of concern is the project site being remote from any other development and landlocked with no access to municipal water or sewer. The Applicant proposes to provide a very long private access easement to be obtained from three (3) property owners, the longest part of the easement being granted by TNMP. The site is also located within and protected by the Texas City hurricane levee and is close in proximity to one of TNMP's largest and most updated substations in Texas City. Although not currently developed, the area around the site is developable with its potential for development increasing as other areas of Texas City develop and build out.

Nicholas Coil, Spearmint Energy, added that access easement is made possible by two (2) property owners in front of the site.

Ms. Golden stated staff's concern about construction traffic on Humble Camp Road. Because the road as existing is not intended for heavy construction loads, the development agreement should make provision for the developer to bear the cost of keeping the public roads open and accessible during construction and to repair and restore the road to pre-construction conditions when the construction period is complete.

Attwater Avenue is in poor condition and is also not built for heavy traffic. There are pipelines present that prevent the construction of a heavy-duty road. The post-construction restoration of damages caused to Attwater Avenue by the heavy construction vehicles should also be in the development agreement. Ms. Golden believes there will be minimal issues in this agreement process because the developer has been willing to negotiate thus far, and it is a process familiar to Public Works which has made similar agreements with other developers and contractors.

The applicant proposes to provide stormwater impoundment for a 2-year design event (8.3-acre feet) and remains in consultation with Galveston Drainage District No. 2 regarding final selection from the two design options presented in the detailed site plan. Once a design option is selected, the necessary drainage easements will need to be dedicated to the drainage district.

Ms. Golden regarded the composition of the security fence. Security fencing should be masonry but doesn't necessarily have to be as nice as a brick fence. Staff recommend maintaining consistency with the previous approvals and maintaining the requirement for a masonry screening wall. Landscaping requirements can be deferred in the development agreement until the surrounding area develops eventually and probably as residential.

The site is located inside the area protected by the Texas City Hurricane Levee. Based on hydrologic studies completed as part of the development process, the BESS and substation equipment areas will be elevated to 8.0 MSL minimum finished floor elevation and equipment located on piles will be above that elevation.

Red Egret LLC is a startup company started in 2022 and is a subsidiary of Spearmint Energy. Although it is a startup company, it is an experienced team of individuals creating a new company. The developer is also proposing a project team of experienced companies. Mortenson will be the engineering, procurement and construction contractor, with Pearson Renewables as the proposed Operations and Maintenance (O&M) provider for the Red Egret Project. These are recognized as experienced providers in the industry.

Ms. Golden added that when dealing with a startup company, the soundness of the financial security posted for performance is very important and will be addressed during the building permitting process.

Staff are recommending the six conditions listed in the staff report as conditions for the approval of the site plan to be memorialized in the development agreement.

Commissioner Jami Clark stated that there was obviously a lot of work put into this project.

Chairman Campbell had questions about the financial security of the city in this situation and BESS as a whole. Ms. Golden replied that the security would be discussed and decided upon between BESS and City of Texas City.

Chairman Campbell asked about the BESS ordinance and the financial security aspect and wanted to know whether the securities would be bonds or deposits. Ms. Golden responded that the type of security will be sorted out through the permitting process. The development agreement will have the same language as the ordinance which allows the form of security to be worked out

with the City on a case-by-case basis in a form that is acceptable to the City Attorney, City Engineer and Mayor.

Chairman Campbell stated there will be two security provisions tied to two different pieces of the puzzle. How does this comply with the new BESS ordinance now that the first reading has been completed? Was it included in the current ordinance or will revisions be made to include them.

Ms. Golden replied that the security provisions in the development agreement will be the same as in the proposed ordinance. There are two things in the proposed BESS ordinance which will not apply to this project because the ordinance has not yet been adopted. First is the required application fee of \$5,000.00 for BESS applications. Currently, BESS applicants are just paying the normal zoning fee of \$300/\$350. Also, the ordinance as introduced makes provision for a payment in lieu of taxes if the appraised value of the property ever goes below the average value of commercial property in Texas City. This provision established a floor for the valuation of the property. There is also a reimbursement agreement that the proposed ordinance will require the application which will be applied to this project as part of the building permitting process. The reimbursement agreement will reimburse the city for its cost to have a third-party expert review the applications, but anything paid to reimburse for the 3rd party will be applied as a credit on the building permitting fee. The purpose of the reimbursement agreement is to be sure the City is not caught with unreimbursed out of pocket expenses if for any reason the project does not receive a building permit.

Chairman Campbell spoke about the potential of depreciation to negatively impact the school district. State comptroller gauges a value; local CAD has to be between 97 to 103 percent of the state comptroller value or the school district gets penalized. He then asked if Ms. Golden was saying that the new proposed ordinances for BESS will contain a multiplier to offset any penalty.

Ms. Golden replied, yes, the provision for a payment in lieu of taxes is in the proposed ordinance but will not apply to this project because the new ordinance has not yet been approved.

Chairman Campbell asked how close the project site is to the Kohfeldt tract. Ms. Golden replied the project lies north of Moses Bayou and most of the Kohfeldt tract is located south of Moses Bayou, although there is a small part of one parcel which is north of the bayou.

Chairman Campbell noted this would be a zoning recommendation. Ms. Golden reminded him that they are also considering a site plan in Item 4d to approve as a basis for the rezoning.

Chairman Campbell commented that this BESS project is certainly in a better location than the previous application.

A motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to recommend to the Zoning Commission on a zoning change request from Red Egret, LLC to change the zoning from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Installation of three (3) 10,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 2) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**

- 3) **Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 4) **Security fencing and screening acceptable to the City to be installed around the project, the particulars to be determined and presented before presentation of the project to the Zoning Commission.**
- 5) **Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

All other members present voted aye. Motion carried 4-0.

- b. **Consider and take action on the Development Plan/Site Plan for Red Egret, LLC to construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.**

After discussion of Agenda Item 4a, a motion was made by Commissioner Thelma Bowie/Commissioner Jami Clark to approve the Development Plan/Site Plan for Red Egret, LLC construct a Battery Energy Storage System (BESS) on 38.653 acres. Located at P6911 Attwater Avenue. Subject to approval of District "S-P" (Site Plan) rezoning.

All other members present voted aye. Motion carried 4-0.

END OF EXCERPT

ZONING COMMISSION

JULY 15, 2025

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, July 15, 2025, at 5:00 p.m. Zoning Commission members present were: Chairman Perry O'Brien, Commissioner Thelma Bowie, Member Bruce Clawson, and Alternate David Zacherl. Staff members present were: Kim Golden (Secretary), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician), Jason Brown (Fire Marshal), Joe Tumbleson (Emergency Management), and Caroline Luke (Administrative Assistant). Guests were: Amber Zuhlke, Amanda Latkany, Felix Herrera, Nick Coil, and Henry Gomez.

Chairman Perry O'Brien indicated a quorum was present and called the meeting to order.

1) ROLL CALL

The following members answered roll call: Chairman Perry O'Brien, Commissioner Thelma Bowie, Alternate David Zacherl, and Member Bruce Clawson.

2) APPROVAL OF MINUTES

A motion to approve the minutes of March 25, 2025, was made by Chairman Perry O'Brien/ Member Bruce Clawson. All other members present voted aye.

3) PUBLIC COMMENTS

There were no public comments.

4) PUBLIC HEARING

- a. Red Egret LLC seeks to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for construct and operate a proposed Battery Energy Storage System (BESS).**

Ms. Kimberly Golden stated the Applicant, Red Egret, LLC has requested to rezone the property at P6911 Attwater Avenue from District "H" (Heavy Industrial), and the application was to change the zoning to District "S-P" (Site Plan) to allow the development and operation of a battery energy storage system (BESS).

Ms. Kimberly Golden acknowledged Fire Marshal Jason Brown and Emergency Manager Joe Tumbleson and said they were in attendance to answer any questions about the project.

This is the largest BESS Texas City has considered so far. The property is land-locked, has no public access by road, is not served by city water or sewer, but has proximity to

a TNMP electrical substation. The area around the proposed site will eventually be developed residential. To address the unique condition of the property, six conditions were developed as part of a proposed development agreement between the Applicant and the city.

Ms. Golden gave a recap of the six conditions that have been negotiated between the city and the applicant to address concerns. The conditions are that (1) Red Egret will be required to post sufficient financial security for Texas City during commissioning and in the event of decommissioning/ (2) There will be three 30,000 gallon water tanks that were approved by Fire Marshal installed on site. Red Egret will connect to city water if it ever extends to the area; (3) When development extends to neighboring properties, landscaping and platting requirements which have been deferred will come into effect and be satisfied by the project; (4) Red Egret LLC will provide 25ft paved access through a private easement to ensure access for emergency vehicles; (5) the BESS installation will also be enclosed by a masonry fence to provide security for the batteries and deter unauthorized entry. Ms. Golden informed the board that an updated development plan has been submitted to reflect the change of the fence from chain-link to masonry.

Ms. Golden explained the final condition of the development agreement concerns the potential damage done to streets impacted by construction. After construction has been completed, Red Egret LLC will be responsible for paying to return the impacted roads to their pre-construction condition.

All these conditions will be memorialized in a development agreement that will be presented to City Commission as a condition for zoning approval.

Ms. Golden informs the board that Red Egret representatives are present in the meeting. Notices of hearing were sent to adjacent property owners, but no one responded with comments or opposition.

Mr. Nick Coil, a BESS representative, spoke about the process of addressing the city's concerns and expressed gratitude for making it this far in the process. He then asked if any of the board members had questions for him.

Member Bruce Clawson asked Mr. Coil about the ability of the soil to support construction weight. Mr. Coil said there have been geotechnical surveys completed to assess the quality of the subsoil. Red Egret LLC plans to bring in 4-7 feet of gravel fill to build up the site to meet elevation requirements. The battery enclosures will also be built across metal beams to distribute the weight evenly across the ground's surface. Mr. Coil said he would take note of these concerns and address them with engineers.

Member Clawson then inquired as to why there are water tanks if water is not used to put out these potential battery fires. Fire Marshal Jason Brown said the water tanks are

to protect other assets on the property. If anything else catches fire, emergency response personnel will need water access.

Member Clawson voiced concerns about the site being so close to the water canal. Is there any way to make sure you're as far as possible from the canal with anything that might harm the water supply? Mr. Coil said there are two options for the detention basin and there is nothing in the batteries that would leech into soil and damage the water system. Member Clawson reinforced to Mr. Coil that this is where the city gets its water. Mr. Coil further reassured Member Clawson by saying that Red Egret LLC has been collaborating with the water authority and drainage district to ensure that the development plans do not pose a threat to the water systems. The slope of the development site accommodates stormwater runoff not draining into the water canal. Even if the site flooded, there wouldn't be any liquid from the batteries that would contaminate the water canal.

Ms. Golden informed Member Clawson that Red Egret LLC would have to get a permit from the Gulf Coast Water Authority to use the existing canal crossing to access the site. If the Authority had any issues whatsoever with Red Egret LLC using the crossing, they wouldn't be able to get the crossing permit.

There were no further questions to which a motion was made by Alternate David Zacherl/Member Bruce Clawson to close the Public Hearing. All other members voted aye.

5) PRELIMINARY ZONING APPROVAL

- a. Consider and take action on a Zoning Change Request from Red Egret, LLC to rezone property from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for development and operation of a Battery Electric Storage System (BESS) utilizing lithium-ion battery technology. Located at P6911 Attwater Avenue, Texas City, TX 77590 - south of the GCWA canal, north of Moses Bayou, east of South Humble Camp Road and west of property owned by the Galveston Bay Area Foundation.**

Ms. Golden informed the Zoning Commission that the Development Plan was approved by the Planning Board last week. Staff recommended approval of the development plan to the Planning Board and she is now recommending it to the Zoning Commission. There are no objections to the rezoning based on the conditions that were outlined during the open public hearing and will be memorialized in a development agreement. All safety agreements will be sorted out when Red Egret LLC begins the permitting process.

Chairman Perry O'Brien made a note that there is a discrepancy in the name being used for the substation. TNMP refers to it as the Freeway Park Substation instead of

the Freeway Substation as referenced in the staff report. Ms. Golden took note of this comment and advised corrections would be made in the report to the City Commission.

A motion was made by Alternate David Zacherl/Chairman Perry O'Brien to approve the zoning change request from Red Egret LLC to rezone from District "H" (Heavy Industrial) to District "S-P" (Site Plan) for the purpose of constructing, owning and operating a Battery Energy Storage System (BESS) on 38.653 acres subject to the following conditions being memorialized in a development agreement.

- 1) Posting of financial security satisfactory to the City for the commissioning and decommissioning of the project.**
- 2) Installation of three (3) 30,000-gallon water tanks on the site at locations approve by the Fire Marshal, to be replaced by connection to a public water source if and when such source becomes available to the site.**
- 3) Landscaping improvements and requirements for platting and access to public utilities to be deferred until other development is approved within 500ft of the property, provided the existing suitable vegetation shall be retained and maintained to provide screening of the project until future installation of the required landscaping improvements.**
- 4) Private access easements in form and content acceptable to the City to be allowed for 25ft paved access suitable for the ingress and egress of emergency response and public safety vehicles.**
- 5) Security fencing and screening acceptable to the City to be installed around the project, which shall consist of no less than pre-cast concrete panels. Specific plans and specifications to be reviewed and approved through the building permitting process.**
- 6) Posting of financial security for the maintenance of access during construction and direct payment for the repair and restoration satisfactory to the Director of Public Works of any damage caused by the project related construction traffic to public streets.**

There were no further questions, all members voted Aye.

(9) ADJOURNMENT

A motion was made by Member Bruce Clawson/Alternate David Zacherl to adjourn. All members present voted aye.

Kimberly Golden, Secretary

Date

Minutes approved by the Zoning Commission at its meeting on

_____.

DRAFT

CITY COMMISSION REGULAR MTG

(8) (e)

Meeting Date: 08/06/2025

Adoption and submission of CDBG 2025-2029 Consolidated Plan and Annual Action Plan

Submitted For: Titilayo Smith, Community Development/ Grant Admin

Submitted By: Patricia Mata, Community Development/ Grant Admin

Department: Community Development/ Grant Admin

Information

ACTION REQUEST

Consider and take action on approving the adoption of the 2025-2029 CDBG Consolidated Plan and 2025 Annual Action Plan, and the submission of said plans to the U.S Department of Housing and Urban Development (HUD).

BACKGROUND (Brief Summary)

The City of Texas City presents its 2025 Community Development Block Grant (CDBG) Consolidated Plan, which outlines a strategic vision for community investment over the next five years. This Plan serves as a blueprint for how the City will utilize CDBG funds to address critical housing and community development needs, improve infrastructure, and enhance the quality of life for residents, particularly those with low and moderate incomes. The Consolidated Plan reflects the City’s commitment to creating a safe, inclusive, and resilient community through thoughtful planning and resource allocation. Guided by data, community input, and an understanding of local priorities, the Consolidated Plan (and 2025 Annual Action Plan) identifies key goals, measurable outcomes, and programmatic strategies for the 2025–2029 period. These efforts will support neighborhood revitalization, affordable housing initiatives, public services, and economic opportunities that benefit the entire community.

RECOMMENDATION

The Community Development Department recommends that the Commission approve the submission of the 2025-2029 CDBG Consolidated Plan and Annual Action Plan to the U.S. Department of Housing and Urban Development by the August 16, 2025, deadline.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: N/A

Source of Funds: CDBG Entitlement Grant

Account #: 601

Fiscal Impact:

The City of Texas City anticipates a total Community Development Block Grant (CDBG) entitlement allocation of \$432,691 for Program Year 2025.

Attachments

CDBG 2025-2029 CON PLAN & AAP



Texas City
COMMUNITY DEVELOPMENT

**2025-2029
CONSOLIDATED PLAN
&
2025 ANNUAL ACTION
PLAN**

COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG)

CITY OF TEXAS CITY
Mayor Dedrick D. Johnson, Sr.
Titilayo Smith, Director of Community Development
Grant Administration
Patricia Mata, Program Coordinator

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Texas City is proud to present its **2025 Community Development Block Grant (CDBG) Consolidated Plan**, which outlines a strategic vision for community investment over the next five years. This Plan serves as a blueprint for how the City will utilize CDBG funds to address critical housing and community development needs, improve infrastructure, and enhance the quality of life for residents—particularly those with low and moderate incomes.

The Consolidated Plan reflects the City’s commitment to creating a safe, inclusive, and resilient community through thoughtful planning and resource allocation. Guided by data, community input, and an understanding of local priorities, the Plan identifies key goals, measurable outcomes, and programmatic strategies for the 2025–2029 period. These efforts will support neighborhood revitalization, affordable housing initiatives, public services, and economic opportunities that benefit the entire community.

With this Plan, Texas City reaffirms its dedication to promoting livable neighborhoods, fostering economic growth, and ensuring that all residents have access to essential resources and services.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

This assessment features a series of detailed tables and charts that present key statistical indicators, highlighting disproportionately greater housing needs among various racial and ethnic groups across a broad range of income levels. It examines multiple household types, including single-person households, renters, homeowners, families with children, and seniors.

Additional analysis focuses on households living in substandard conditions, experiencing overcrowding, facing one or more housing problems, or paying more than 30% or 50% of their income toward housing, commonly referred to as cost-burdened or severely cost-burdened households.

Beyond general housing needs, this section also addresses special populations and services, including Public Housing, individuals and families experiencing homelessness, those with special needs, and broader non-housing community development concerns. Together, these elements guide the City in identifying and prioritizing its most urgent needs, ensuring federal funding is directed where it can have the greatest impact.

3. Evaluation of past performance

Over the past several program years, the City of Texas City has continued to refine and improve the administration of its Community Development Block Grant (CDBG) program. The 2020–2024 Consolidated Plan cycle focused on advancing housing stability, enhancing public services, and strengthening internal capacity to meet HUD’s national objectives and local priorities.

One of the City’s most consistent accomplishments has been the successful delivery of housing rehabilitation assistance to low- and moderate-income homeowners. This program preserved aging housing stock, addressed safety concerns, and allowed residents to remain in their homes with improved living conditions. The City also supported a range of nonprofit-led public service activities that served youth, seniors, and households at risk of housing instability.

Throughout this period, Texas City emphasized improved program administration. Efforts included streamlining application and reporting processes, strengthening monitoring procedures, and enhancing coordination with subrecipients. The City also made adjustments in response to challenges such as increased construction costs and workforce shortages, which impacted project timelines. These experiences have informed updated approaches to project scoping, procurement, and contractor engagement.

CDBG-CV funds were deployed to expand rental and utility assistance during the height of the COVID-19 pandemic. This targeted use of federal relief dollars helped stabilize vulnerable households and prevent displacement during a period of economic uncertainty.

Overall, the City’s past performance reflects a growing focus on strategic planning, outcome-based evaluation, and the efficient use of federal resources. These improvements will serve as a foundation for future programming under the 2025–2029 Consolidated Plan.

4. Summary of citizen participation process and consultation process

The development of the 2025 Consolidated Plan for the City of Texas City was guided by the City’s adopted Citizen Participation Plan, which ensures meaningful public involvement and

transparency throughout the planning process. Community input and agency consultation played a central role in identifying needs, setting priorities, and shaping program strategies.

The City held public hearings during the development of the Plan to gather input from residents and stakeholders. Public notices were published in the local newspaper and posted on the City's website to inform the public of the hearings and encourage participation. These hearings provided opportunities for residents to voice concerns, share ideas, and comment on the City's community development and housing needs.

In addition to public hearings, the City conducted targeted outreach to local nonprofit organizations, housing agencies, and service providers through individual consultations and small group discussions. These stakeholders contributed valuable insights into the challenges faced by low- and moderate-income households, including barriers to housing stability, service access, and economic opportunity.

Input gathered through the citizen participation and consultation process directly informed the priorities and goals outlined in the Consolidated Plan. This process ensures that CDBG resources are aligned with the most pressing community needs and delivered in a manner consistent with HUD requirements and local values.

5. Summary of public comments

There have been no public comments to-date.

6. Summary of comments or views not accepted and the reasons for not accepting them

There have been no public comments to-date.

7. Summary

The City of Texas City's 2025 Consolidated Plan outlines a five-year strategy for the effective use of Community Development Block Grant (CDBG) funds to support housing, public services, and community development initiatives that benefit low- and moderate-income residents. The Plan identifies priority needs and sets goals for the 2025–2029 program years, building on lessons learned and progress made during the previous planning cycle.

Through a combination of public hearings and consultation with local service providers, housing agencies, and community organizations, the City identified key areas of focus: preservation of affordable housing, access to supportive services, neighborhood improvements, and continued

administrative capacity to deliver programs effectively. These priorities reflect both community input and an analysis of demographic and economic data.

The Plan also reviews past performance, highlighting successful housing rehabilitation efforts, responsive use of CDBG-CV funds during the COVID-19 pandemic, and strengthened coordination with local partners. Moving forward, the City is committed to outcome-driven programming that addresses root causes of need, promotes equity, and supports long-term community resilience.

This Consolidated Plan serves as a framework for decision-making and funding allocations under the CDBG program, ensuring that resources are used efficiently to create safe, vibrant, and inclusive neighborhoods for all Texas City residents.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	TEXAS CITY	
CDBG Administrator	TEXAS CITY	Community Development Department
HOPWA Administrator		
HOME Administrator		
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

The **City of Texas City's Community Development Department** is the lead agency responsible for the preparation of the 2025 Consolidated Plan. The Department oversees all aspects of plan development, including data collection and analysis, community engagement, coordination with partner organizations, and drafting of the final document in accordance with U.S. Department of Housing and Urban Development (HUD) regulations.

In addition to preparing the Consolidated Plan, the Community Development Department is also responsible for the administration of the Community Development Block Grant (CDBG) Entitlement Program. This includes program implementation, subrecipient oversight, financial management, reporting, compliance monitoring, and ensuring that all funded activities meet HUD's national objectives.

The Department serves as the City's primary liaison to HUD and works closely with other municipal departments, nonprofit organizations, and community partners to carry out eligible activities under the CDBG program. These efforts are supported by City leadership to ensure effective delivery of programs that address housing, economic development, and community needs for low- and moderate-income residents.

Consolidated Plan Public Contact Information

For questions, comments, or requests related to the City of Texas City's 2025 Consolidated Plan or CDBG program, please contact:

City of Texas City – Community Development Department

Attn: Community Development Director

Address: 928 5th Avenue North, Texas City, TX 77590

Phone: (409) 643-5731

Email: communitydevelopment@texascitytx.gov

Website: <https://www.texascitytx.gov>

The Community Development Department welcomes public input and encourages residents and stakeholders to reach out with questions or to participate in future planning efforts.

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

The City of Texas City coordinates the development of the 2025-2029 Consolidated Plan and 2025 Annual Action Plan. The consolidated planning process serves as a framework for identifying housing and community development priorities, utilizing data and community input. The City of Texas City utilized qualitative data tools and resources made available by HUD and other data services platforms to develop a needs assessment and market analysis. In addition, the City of Texas City underwent a comprehensive community engagement strategy that included stakeholder consultations and public hearings.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City of Texas City, TX, actively enhances coordination between public and assisted housing providers and health, mental health, and service agencies through several initiatives:

Fair Housing Enforcement: Texas City collaborates with HUD’s Office of Fair Housing and Equal Opportunity to eliminate housing discrimination. The City’s Fair Housing Administrator investigates complaints and promotes civil rights and economic opportunity through housing.

Community Resource Coordination: While the Community Development Department does not provide direct assistance, it connects residents to local organizations offering housing, rental, food, and other related support services across Galveston County.

These efforts demonstrate Texas City's commitment to fostering collaboration among housing providers and health and service agencies to support the well-being of its residents.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Texas City collaborates with the Texas Balance of State Continuum of Care (TX BoS CoC) to address homelessness. This partnership involves coordinated efforts with local

organizations such as the Gulf Coast Homeless Coalition to streamline services for individuals and families experiencing or at risk of homelessness.

A key component of this collaboration is the implementation of a Coordinated Entry (CE) system, managed by the Texas Homeless Network. This system standardizes the process of assessing and prioritizing individuals based on their needs, ensuring that resources are allocated effectively. The CE system is particularly focused on vulnerable populations, including chronically homeless individuals, families with children, veterans, and unaccompanied youth

While Texas City does not directly receive Emergency Solutions Grant (ESG) funds, it plays a vital role by referring residents to appropriate services and participating in regional planning efforts. These coordinated actions aim to provide comprehensive support to those in need and work towards the goal of ending homelessness in the community.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

As mentioned, while Texas City does not directly receive Emergency Solutions Grant (ESG) funds, it plays a vital role by referring residents to appropriate services and participating in regional planning efforts. These coordinated actions aim to provide comprehensive support to those in need and work towards the goal of ending homelessness in the community.

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Texas City Economic Development Corporation
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development Department and the Economic Development Director met to discuss the economic development needs of the city. It is anticipated that the two organizations will continue to work together and share resources to assist LMI residents.
2	Agency/Group/Organization	Texas City Housing Authority
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Public Housing Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development Department and the TCHA Executive Director discussed current disparities and will coordinate on addressing low-income housing needs.
3	Agency/Group/Organization	Texas City Public Works Department
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Housing Community Development Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Director of Community Development Department and Grants Administration and the Director of Public Works met on multiple occasions and discussed how LMI neighborhood infrastructure can be improved. It is anticipated that the two departments will work together to improve the infrastructure in LMI neighborhoods with special emphasis on the target areas.
4	Agency/Group/Organization	City of Texas City, Dept. of Emergency Management
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Hazard Mitigation
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Director of Community Development & Grants Administration and the Emergency Management Coordinator met on multiple occasions and discussed hazard mitigation efforts to protect low-income areas in the city.

Identify any Agency Types not consulted and provide rationale for not consulting

There were no agency types not consulted.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Texas Homeless Network	The strategic plan submitted by the City is in direct connection with the Texas Homeless Network whereby the City being a conduit as a referral service to the services and homeless programs that the Network currently has in place.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

Cooperation and Coordination with Other Public Entities – 91.215(I)

The City of Texas City actively coordinates with a range of public entities to implement the goals of the Consolidated Plan. This includes ongoing collaboration with Galveston County and the State of Texas to align resources and avoid duplication of efforts. Coordination with state agencies such as the Texas Department of Housing and Community Affairs (TDHCA) ensures that local housing and infrastructure priorities are in sync with state-level initiatives and funding opportunities.

Texas City also engages with adjacent units of general local government, particularly through regional planning efforts and interlocal agreements. These partnerships help address shared challenges such as housing affordability, disaster preparedness, and transportation connectivity.

In addition, the City works closely with local public agencies, such as school districts, transit authorities, and workforce development boards, to promote integrated community development strategies that leverage multiple sources of funding and expertise.

Narrative (optional):

The City of Texas City engaged in a comprehensive consultation process with a wide range of public agencies, departments, and community stakeholders in the development of the Consolidated Plan. This process ensured that the Plan reflects local priorities, addresses gaps in services, and coordinates effectively with related planning efforts.

Entities consulted included:

- Texas City Economic Development Corporation
- The Moore Public Library
- Texas City Housing Authority
- City of Texas City Department of Public Works
- Department of Parks, Recreation, & Tourism
- Department of Emergency Management
- Department of Engineering & Planning

- Executive Director of Management Services
- The Mayor of Texas City
- Texas City Commission
- Texas City Police Department
- Texas City Fire Department
- Gulf Coast Center
- Mayor's Task Force on Homelessness

These consultations were carried out through meetings, interdepartmental coordination, public input sessions, and targeted outreach. The City also coordinated with regional and state agencies to align goals and leverage resources where possible. This collaborative approach ensures that the Consolidated Plan is responsive to community needs and builds on existing local knowledge, services, and infrastructure.

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The City of Texas City followed its Citizen Participation Plan by conducting public hearings and outreach to solicit community input during the development of the 2025 Consolidated Plan. Despite efforts to encourage broad participation through public notices and accessible meeting times, overall citizen turnout was limited.

Although public input was received from a small number of residents and local stakeholders, their feedback was carefully reviewed and helped inform the Plan’s priorities. Key themes that emerged included the need for affordable housing rehabilitation, increased supportive services, and enhanced program effectiveness.

In addition, consultations with community organizations and service providers supplemented limited public participation, providing valuable insight into ongoing community needs and service gaps. This combined input guided the development of realistic and focused goals aimed at addressing critical challenges faced by low- and moderate-income residents.

While citizen participation was lower than desired, the City remains committed to expanding engagement efforts in future planning cycles to better capture the full diversity of community perspectives.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	The first public hearing was held at the City's June 4, 2025 Commission meeting. It was attended by City leadership and community members.	No comments were received.	No comments were not accepted.	
2	Public Hearing	Non-targeted/broad community	The second public hearing will be held at the City's August 6, 2025 Commission meeting. It will be attended by City leadership and community members.	N/A	N/A	
3	Newspaper Ad	Non-targeted/broad community	N/A	N/A	N/A	

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The Needs Assessment section of the Consolidated Plan provides a comprehensive analysis of the critical housing challenges facing Texas City. Utilizing data made available by the U.S. Department of Housing and Urban Development (HUD)—including recent findings from the U.S. Census, the American Community Survey (ACS), and the Comprehensive Housing Affordability Strategy (CHAS)—the City is able to evaluate local housing conditions and strategically allocate limited resources to address pressing needs for safe and affordable housing.

This assessment features a series of detailed tables and charts presenting key statistical indicators that highlight disproportionately greater housing needs among various racial and ethnic groups across a broad range of income levels. It examines multiple household types, including single-person households, renters, homeowners, families with children, and seniors.

Additional analysis focuses on households living in substandard conditions, experiencing overcrowding, facing one or more housing problems, or paying more than 30% or 50% of their income toward housing—commonly referred to as cost-burdened or severely cost-burdened households.

Beyond general housing needs, this section also addresses special populations and services, including individuals and families experiencing homelessness, those with special needs, and broader non-housing community development concerns. Together, these elements guide the City in identifying and prioritizing its most urgent needs, ensuring federal funding is directed where it can have the greatest impact.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

Texas City faces a range of housing challenges that disproportionately affect low- and moderate-income households. The most pressing needs include access to affordable rental housing, preservation of existing housing stock, and resources to assist households experiencing housing instability or cost burdens.

A significant portion of renter and homeowner households in Texas City are **cost-burdened**, meaning they spend more than 30% of their income on housing. This burden is particularly high among very low-income renters, many of whom face difficulty securing safe, decent, and affordable housing options within the city limits.

The city's aging housing stock presents an additional challenge, particularly for low-income homeowners who may lack the resources to complete necessary repairs or modifications. Housing conditions such as outdated systems, roof damage, and accessibility barriers can compromise health and safety and increase the risk of displacement.

Additionally, while homelessness in Texas City is not as visible as in larger urban centers, service providers have noted increasing demand for emergency housing assistance, particularly among families and individuals facing temporary crises. There is also a need for more transitional and permanent supportive housing options.

Texas City's housing needs highlight the importance of continued investment in housing rehabilitation, rental assistance, and collaborative solutions to address affordability and stability. These needs have been prioritized in the Consolidated Plan to ensure that limited resources are directed where they can have the most impact.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	46,265	51,898	12.2%
Households	16,610	21,558	29.8%

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Median Income	\$43,702.00	\$65,447.00	49%

Table 5 - Housing Needs Assessment Demographics

Data 2020 Census (Base Year), 2017-2021 ACS (Most Recent Year)

Source:

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	2,810	2,975	3,480	1,815	6,415
Small Family Households	935	1,145	1,275	810	3,480
Large Family Households	120	360	405	205	595
Household contains at least one person 62-74 years of age	630	955	815	400	1,360
Household contains at least one person age 75 or older	395	375	620	235	680
Households with one or more children 6 years old or younger	490	605	795	190	610

Table 6 - Total Households Table

Data 2016-2020 CHAS

Source:

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	40	0	0	0	40	0	0	20	0	20
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	0	15	50	0	65	0	15	40	10	65
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	20	95	55	0	170	0	0	10	20	30
Housing cost burden greater than 50% of income (and none of the above problems)	1,535	385	35	0	1,955	450	335	140	0	925

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	240	765	425	30	1,460	75	135	195	45	450
Zero/negative Income (and none of the above problems)	135	0	0	0	135	45	0	0	0	45

Table 7 – Housing Problems Table

Data 2016-2020 CHAS

Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	1,595	495	140	0	2,230	450	350	210	25	1,035
Having none of four housing problems	545	1,180	1,420	810	3,955	220	955	1,710	980	3,865

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data 2016-2020 CHAS

Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	695	510	160	1,365	85	215	170	470
Large Related	65	225	45	335	45	95	0	140
Elderly	420	305	155	880	275	165	90	530
Other	660	215	140	1,015	115	4	70	189
Total need by income	1,840	1,255	500	3,595	520	479	330	1,329

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS

Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	145	145	75	160	0	235
Large Related	0	0	100	100	45	95	0	140

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Elderly	345	80	20	445	235	85	15	335
Other	0	560	80	640	90	0	0	90
Total need by income	345	640	345	1,330	445	340	15	800

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS

Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	0	105	10	0	115	0	10	10	30	50
Multiple, unrelated family households	20	4	85	0	109	0	10	40	0	50
Other, non-family households	0	0	10	0	10	0	0	0	0	0
Total need by income	20	109	105	0	234	0	20	50	30	100

Table 11 – Crowding Information – 1/2

Data 2016-2020 CHAS

Source:

							Owner					
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% HAMFI	>100% HAMFI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% HAMFI	>100% HAMFI	Total
Income Distribution Overview	800	1,230	1,850	1,060	5,560	1060	2,100	1,740	1,670	1,100	2,280	8,895

Table 12 – Income

Data Source
Comments:

Describe the number and type of single person households in need of housing assistance.

Single-person households make up a significant portion of those in need of housing assistance in Texas City. According to HUD Comprehensive Housing Affordability Strategy (CHAS) data, a large share of these individuals fall into very low- and extremely low-income categories and often experience housing cost burdens, unstable housing, or live in substandard conditions.

Most single-person households in need include:

- **Elderly individuals living alone**, many of whom are on fixed incomes such as Social Security and struggle to keep up with rising housing costs, maintenance needs, or accessibility improvements.
- **Working-age adults** who may be unemployed, underemployed, or employed in low-wage occupations. Many live paycheck-to-paycheck and are vulnerable to eviction or utility shutoffs.
- **Individuals with disabilities or chronic health conditions** who may require accessible housing and supportive services but face limited affordable housing options.
- **Young adults living independently**, often just entering the workforce, who may lack rental history or sufficient income to secure stable housing without assistance.

These single-person households often lack informal support networks and are at heightened risk of homelessness or housing instability. The City’s Consolidated Plan prioritizes housing rehabilitation, rental assistance, and partnerships with service providers to better support this vulnerable population.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Families facing disabilities or violence-related trauma are among the most vulnerable populations in need of housing assistance in Texas City. While exact numbers are limited due to data confidentiality and underreporting, available local and national data provide a reasonable basis for estimates.

Families with Disabilities

According to recent American Community Survey (ACS) estimates, approximately **15%–18% of households in Texas City include at least one member with a disability**. Among low- and moderate-income households, this percentage is likely higher due to the connection between disability and economic hardship.

Families with one or more disabled members face unique housing challenges, including:

- Limited income from SSI, SSDI, or fixed sources
- Need for accessible or modified units
- Difficulty maintaining housing stability due to health conditions

Based on CHAS data and local service provider feedback, it is estimated that **between 800 and 1,200 families in Texas City with disabled members may need housing assistance**, either through rental support, home modifications, or relocation to more suitable housing.

Families Experiencing Domestic Violence, Dating Violence, Sexual Assault, or Stalking

While precise local figures are difficult to obtain, regional data from domestic violence shelters and law enforcement agencies indicate that **hundreds of families in the Galveston County area, including Texas City, seek emergency housing or support services each year** due to domestic violence or related trauma.

Based on state-level incidence rates and local shelter capacity, it is estimated that **150–250 families in Texas City annually experience housing instability due to domestic violence, dating violence, sexual assault, or stalking**. These families often require immediate access to safe emergency shelter, transitional housing, and long-term supportive housing options.

Families in this category frequently face additional barriers such as:

- Sudden displacement and loss of income
- Safety concerns that limit housing choices
- Need for trauma-informed support services

The Consolidated Plan recognizes these vulnerable groups as high-priority populations and encourages partnerships with organizations that provide housing and supportive services for survivors of violence and families affected by disability.

What are the most common housing problems?

Texas City residents, particularly those with low and moderate incomes, face a range of housing-related challenges. According to HUD's definitions and CHAS data, the four most common housing problems are:

1. **Housing Cost Burden (Paying more than 30% of income on housing)** This is the most widespread housing problem in Texas City. Many renters and homeowners, especially those earning less than 80% of Area Median Income (AMI), are cost burdened. Severely cost-burdened households (paying more than 50% of income on housing) are at high risk of housing instability or homelessness.
2. **Substandard Housing (Housing lacking complete kitchen or plumbing facilities)** Though less common, some lower-income households occupy homes that lack basic infrastructure such as functioning kitchens or bathrooms. These issues are more frequently found in aging housing stock and mobile homes, especially among very low-income and elderly homeowners.
3. **Overcrowding (More than one person per room)** Overcrowding affects some larger families, particularly among low-income renters. It is often a result of families doubling up to afford rent or living in units that do not accommodate their household size.
4. **Deteriorated or Aging Housing Stock** A significant portion of Texas City's housing was built before 1980. Many low-income homeowners lack the resources to make critical repairs, leading to issues such as roof damage, failing HVAC systems, or outdated electrical/plumbing systems.

These problems often overlap, particularly for vulnerable populations such as seniors, people with disabilities, and extremely low-income families. Addressing housing affordability and the preservation of existing units is a key priority in the Consolidated Plan to reduce these issues and improve housing stability in the community.

Are any populations/household types more affected than others by these problems?

Analysis of HUD CHAS data and local conditions reveals that certain populations and household types in Texas City experience housing problems — including cost burden, substandard housing, and overcrowding — at significantly higher rates than others. These include:

Extremely Low-Income Households ($\leq 30\%$ AMI)

- This group faces the **highest incidence of severe housing cost burden**, with many spending more than 50% of their income on rent or utilities.
- These households are often one unexpected expense away from eviction or homelessness.

Renters

- Renters are **more likely than homeowners** to face cost burden and overcrowding.
- Many live in older rental units that may be poorly maintained or lack modern safety features.

Single-Parent Households, Especially Female-Headed

- These households are more likely to live in poverty and often struggle to afford safe, adequate housing.
- Limited income and childcare responsibilities make housing stability more precarious.

Elderly Households

- Many older adults live on fixed incomes and cannot afford repairs or rising housing costs.
- They are particularly vulnerable to **deferred maintenance issues**, accessibility challenges, and displacement.

People with Disabilities

- This group faces a **dual challenge**: affordability and the need for accessible housing.
- Few affordable units are adapted to accommodate mobility or sensory impairments, limiting housing choices.

Large Families (5+ persons)

- These families often experience **overcrowding**, especially among renters with limited affordable unit options.
- They also face higher utility costs, increasing the likelihood of cost burden.

Households Experiencing or At Risk of Domestic Violence

- Survivors of domestic violence may need to leave housing suddenly and face barriers to securing new, safe, and affordable accommodations.
- Emergency and transitional housing options are often limited.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

In Texas City, **low-income individuals and families with children**, especially those with **extremely low incomes ($\leq 30\%$ of Area Median Income)**, are particularly vulnerable to housing instability. While they may currently be housed, these households often live paycheck to paycheck, in precarious or substandard housing conditions, and face multiple risk factors that place them at **imminent risk of homelessness**.

Common Characteristics:

- **Severe cost burden**, with rent and utilities consuming over 50% of monthly income
- **Employment instability**, such as part-time or seasonal work with no paid leave
- **Reliance on informal housing arrangements**, such as doubling up with friends or family
- **Living in units with code violations**, eviction notices, or uninhabitable conditions
- **Limited access to childcare or transportation**, which increases job insecurity and limits mobility

Households in this situation are often **one crisis away**—such as a car repair, job loss, or illness— from losing their housing. Many do not qualify for or are not connected to available housing support services until a formal eviction occurs or they become unsheltered.

Needs of Formerly Homeless Households Nearing Termination of Rapid Re-Housing Assistance

For families and individuals who have exited homelessness through **rapid re-housing (RRH) programs**, the transition to long-term housing stability remains fragile. As temporary rental subsidies and supportive services phase out, these households face renewed challenges.

Common Needs and Vulnerabilities:

- **Insufficient income growth** during the subsidy period, leaving households unable to cover full rent
- **Ongoing barriers to employment**, such as limited education, lack of transportation, or caregiving responsibilities
- **Behavioral health challenges or trauma**, particularly for survivors of domestic violence or long-term homelessness
- **Difficulty navigating the housing market**, especially when landlords are reluctant to rent to tenants with prior evictions, criminal records, or gaps in housing history

Without ongoing support, these households are at high risk of **returning to homelessness**. Continued access to **case management, rental assistance extensions, or permanent affordable housing options** is critical to preventing housing loss and stabilizing their progress.

Implications for the Consolidated Plan

The City of Texas City recognizes that addressing imminent risk and housing instability requires **early intervention, flexible financial assistance, and strong referral networks** between housing providers, schools, social services, and employment support agencies. The Consolidated Plan prioritizes efforts to both prevent homelessness and support long-term housing retention among those who have recently exited it.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

To estimate the number of individuals and families **at imminent risk of homelessness** in Texas City, the City applied a definition consistent with **HUD's At-Risk of Homelessness criteria (24 CFR 91.5)** and commonly used best practices in local needs assessment.

Operational Definition of At-Risk Populations

For the purposes of this Consolidated Plan, the City defines *at-risk households* as those who meet **all or most** of the following criteria:

- Have **annual incomes below 30% of the Area Median Income (AMI)**
- Do **not have sufficient resources** or support networks to prevent them from becoming homeless (e.g., family or friends able to help)
- Exhibit at least one of the following risk factors: Are **housing cost-burdened** (paying more than 50% of income toward housing). Are living in **overcrowded or substandard housing**. Are facing a **pending eviction** or have a recent history of housing instability (e.g., frequent moves, doubling up). Are exiting institutional care (e.g., hospitals, foster care, incarceration) without stable housing secured.

Methodology for Estimating At-Risk Population

The estimate of at-risk populations was developed using the following sources:

- **HUD CHAS data** for extremely low-income households experiencing cost burden and/or housing deficiencies
- **ACS Public Use Microdata Sample (PUMS)** to identify households in Galveston County/Texas City with high housing cost burdens, particularly among renters and families with children
- Local data and trends from **nonprofit service providers, eviction filings, and utility assistance requests**, which indicate housing instability
- Input from **local school districts** identifying students experiencing housing transitions (McKinney-Vento eligible)

Based on this analysis, it is estimated that approximately **1,200 to 1,500 households** in Texas City meet the above criteria and are at elevated risk of homelessness. This includes **a large proportion of renter households with children and single adults with fixed incomes**, particularly seniors and people with disabilities.

These estimates are intended to inform prevention strategies, funding priorities, and targeted service delivery within the Consolidated Plan framework.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Certain housing conditions and circumstances are strongly correlated with **housing instability** and a heightened **risk of homelessness**, particularly for low-income residents in Texas City. These risk factors often intersect with broader economic vulnerabilities, making it difficult for households to maintain stable housing without intervention or support.

1. Severe Housing Cost Burden

- Households spending **more than 50% of monthly income on rent or mortgage** are considered severely cost-burdened.
- Such households are at high risk of housing loss due to even minor financial disruptions (e.g., illness, job loss, car repairs).

2. Substandard Housing Conditions

- Units with **incomplete plumbing, no heating or cooling, mold, leaking roofs, or exposed wiring** contribute to physical and mental health risks and may be subject to condemnation or code enforcement action.
- Tenants in these units often lack alternative housing options and may face displacement without assistance.

3. Overcrowding

- Households with **more than one person per room** often reflect families doubling up to afford rent.
- Overcrowding is associated with tenant stress, strained living conditions, and increased eviction risk, particularly in informal lease situations.

4. Lack of a Lease or Legal Protections

- Residents in **informal housing arrangements** (e.g., subleasing, staying with family, or verbal agreements) often lack tenant rights or legal recourse in the event of a conflict or eviction.
- These households are highly vulnerable to displacement without notice or legal remedy.

5. Short-Term or Month-to-Month Leases

- Tenants on **month-to-month or short-term leases** are at greater risk of non-renewal, unexpected rent increases, or displacement with limited legal protections.

6. Eviction History or Threat of Eviction

- Households with a **recent eviction** or those facing eviction proceedings experience long-term barriers to securing new housing and often cycle between unstable or emergency accommodations.

7. Location in Disinvested or Disaster-Prone Areas

- Housing in **flood-prone zones, industrial corridors, or neighborhoods with poor infrastructure** may be lower-cost but poses long-term risks for health, displacement, or damage from environmental hazards.

Discussion

The risk of homelessness in Texas City is closely tied to a combination of **housing market conditions, personal vulnerabilities, and systemic gaps** in affordable housing access. As outlined above, households that are extremely low-income, severely cost-burdened, living in substandard or overcrowded units, or lacking formal rental protections are particularly susceptible to housing instability.

Populations most at risk include:

- **Renters with incomes below 30% of AMI**
- **Single-parent families**, particularly female-headed households
- **Seniors on fixed incomes**
- **Persons with disabilities**
- **Formerly homeless individuals nearing the end of rapid re-housing support**

Despite efforts to increase affordable housing options and provide emergency services, **gaps persist** in prevention resources, accessible units, and long-term rental assistance. Many residents live in precarious housing situations, often one unexpected event away from homelessness. For those exiting homelessness, short-term rental subsidies without a corresponding increase in income or access to affordable units lead to repeated cycles of instability.

Texas City’s Consolidated Plan acknowledges that **effective homelessness prevention** requires more than just emergency shelter. It must include targeted investment in **affordable housing development, tenant-based assistance, rehabilitation of aging units, and coordination with supportive service providers**. Continued focus on identifying at-risk households early—before eviction or displacement occurs—will be key to reducing homelessness and promoting housing stability throughout the community.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

As part of its Consolidated Planning responsibilities, the City of Texas City has reviewed available HUD CHAS data to evaluate whether any racial or ethnic groups experience housing problems at rates significantly higher than the population as a whole.

Overview

While Texas City is home to a diverse population, housing needs are primarily driven by **economic circumstances** and **household income**, rather than race or ethnicity alone. Nonetheless, analysis of federal data reveals that some groups experience higher rates of cost burden and housing challenges, typically tied to **income level, housing type, and employment opportunity**.

Findings

- **Black or African American households** are more likely to be renters and more frequently reside in older housing stock that may require repair or replacement. Like all low-income renters, they are more likely to face rent burdens due to market constraints.
- **Hispanic households**, especially those in larger family units, tend to live in multifamily or mobile homes, where crowding or code deficiencies are more common. This reflects **market choice** and **economic factors**, not systemic housing exclusion.
- These needs are **not the result of housing discrimination**, but rather a reflection of long-standing **socioeconomic trends, income inequality, and personal economic conditions**. The City's focus is on addressing need **regardless of demographic background**, ensuring **equal access** to opportunity through **local partnerships, private investment, and reduced barriers to economic advancement**.

Conclusion

The City of Texas City will continue to ensure that its housing and development programs serve all residents equitably, while emphasizing **efficiency, accountability, and community-based solutions**. Housing policies will support working families, expand housing choice, and encourage self-sufficiency without adding unnecessary regulatory burdens on local property owners or small businesses.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,360	455	0
White	870	165	0
Black / African American	975	215	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	450	35	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2016-2020 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,750	1,225	0
White	620	655	0
Black / African American	745	230	0
Asian	10	15	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	300	305	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	970	2,515	0
White	445	810	0
Black / African American	225	885	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	285	780	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	100	1,720	0
White	35	695	0
Black / African American	25	345	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Asian	10	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	24	645	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2016-2020 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

The City of Texas City recognizes that housing challenges exist across all demographic groups and are most commonly tied to **economic conditions, market limitations, and personal circumstances**, rather than race or ethnicity alone. While HUD data identifies some racial and ethnic groups with higher rates of housing cost burden or overcrowding, these outcomes are largely reflective of **household income, family size, and housing preference**, rather than systemic exclusion.

In line with the City’s approach to self-governance and fiscal responsibility, housing programs will continue to focus on:

- **Expanding opportunity for all residents**
- **Encouraging private investment in housing**
- **Reducing regulatory barriers to development and rehabilitation**
- **Promoting individual self-sufficiency and upward mobility**

Rather than focusing exclusively on group characteristics, Texas City prioritizes **needs-based assistance**, targeting programs to support low- and moderate-income residents regardless of background. This approach ensures that resources are directed to where they will have the

greatest impact, while maintaining a commitment to fairness, transparency, and **locally driven solutions**.

As Texas City continues to grow, the City will work with its partners in the public and private sectors to **preserve housing choice, expand economic opportunity, and ensure that all residents have access to safe and affordable housing options** without increasing administrative burden or limiting personal freedom.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Severe housing problems, as defined by HUD, include one or more of the following:

- Lacking complete kitchen facilities
- Lacking complete plumbing facilities
- Overcrowding (more than 1.5 persons per room)
- Severe cost burden (paying more than 50% of household income toward housing)

Using HUD’s CHAS (Comprehensive Housing Affordability Strategy) data, Texas City has assessed whether any racial or ethnic group experiences these conditions at a **rate 10 percentage points or more above the jurisdiction-wide average**.

Findings from CHAS Data

Across all income levels, **severe housing problems are most prevalent among low-income renters**, especially those earning below 50% of the Area Median Income (AMI). The following trends emerge:

- **Black or African American households** show a **disproportionately high rate of severe housing problems**, especially among extremely low-income renters. These households are more likely to face **severe cost burden and live in older housing stock**, where deferred maintenance may result in substandard conditions.
- **Hispanic or Latino households** also exhibit **above-average rates** of severe housing problems. Overcrowding is more common among larger households, and cost burdens remain high due to limited affordable housing availability.
- **White (non-Hispanic) households** experience severe housing problems, but **generally at or below the citywide average**, particularly among owner-occupied homes.

These patterns are shaped by a range of local factors, including **income inequality, household size, housing age and condition, and rental market constraints**.

Conclusion

The analysis indicates that **Black and Hispanic households in Texas City are disproportionately affected by severe housing problems**, primarily driven by economic barriers and housing

quality issues. Although these challenges are not exclusively racial, the data suggest targeted investment is warranted to ensure these populations have improved access to **safe, decent, and affordable housing**.

To address these disparities, Texas City will prioritize housing programs that:

- Support **rehabilitation of substandard housing**
- Expand **affordable rental options**
- Provide assistance to **extremely low-income households**
- Ensure **fair access to housing assistance** for all eligible residents

This approach aligns with the City’s commitment to **local, needs-based solutions** that reduce severe housing problems without imposing unnecessary regulatory burdens on housing providers or developers.

The following provides an assessment of the need of any racial and ethnic groups that have disproportionately greater need in comparison to the needs of that category of need as a whole, with a cost burden of 50% or more of their income.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,045	765	0
White	730	305	0
Black / African American	885	310	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	415	65	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2016-2020 CHAS

Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	845	2,135	0
White	355	920	0
Black / African American	330	640	0
Asian	0	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	130	475	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2016-2020 CHAS

Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	350	3,130	0
White	100	1,150	0
Black / African American	95	1,015	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Hispanic	150	915	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2016-2020 CHAS

Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	25	1,790	0
White	25	705	0
Black / African American	0	375	0
Asian	0	35	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	0	670	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2016-2020 CHAS

Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

Disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in a category as a whole. Below are breakdowns of the proportion of the jurisdiction experiencing severe housing problems within each income cohort, and the racial/ethnic groups experiencing disproportionately greater need related to housing problems within each income cohort.

Based on the definition of disproportionate greater need, within this cohort, 72.24% (2,030 of 2,810) of households earning 0-30% of AMI have one or more of four severe housing problems in the jurisdiction as a whole. The racial and ethnic groups breakdown resulted in Whites affected at 25% (730 of 2,810), Black/African Americans at 34.49% (885 of 2,810), and Hispanics at 14.76% (450 of 2,810), each group experiencing disproportionately great need.

Households earning 30%-50% AMI are affected at 27.34% (815 of 2980), with Whites at 11.91% (355 of 2,980), Black/African American at 11.07% (330 of 2,980), and Hispanics at 4.36% (130 of 2,980). Whites and Black/African Americans households in this cohort experience disproportionately great need of the four server housing problems.

Analysis of data in Table 19- Severe Housing Problems 50%-80% AMI and Table 20- Sever Housing Problems 80%-100% AMI do not show households experiencing disproportionately greater needs as each cohort is under the baseline of 10%.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

Housing cost burden is defined by HUD as households paying **more than 30% of their income on housing costs**, while **severe cost burden** refers to households paying **more than 50%**. Cost burden is a key indicator of housing instability, particularly for low- and moderate-income families.

Citywide Overview

Across Texas City, cost burden affects a significant portion of low- and moderate-income households. While the issue is widespread, **some racial and ethnic groups experience these burdens at a disproportionately higher rate**, based on HUD CHAS data.

Racial and Ethnic Disparities

- **Black or African American (non-Hispanic) households** show a higher incidence of both cost burden and severe cost burden when compared to the citywide average. These households are more likely to be renters with limited access to higher-wage employment and affordable housing options.
- **Hispanic or Latino households** also demonstrate above-average rates of cost burden, especially among larger families and those living in multifamily or manufactured housing. Language barriers, job sector concentration, and immigration status may also contribute to economic instability in some cases.
- **White (non-Hispanic) households**, while also affected by cost burden, tend to report these issues at rates closer to or below the citywide average, particularly among owner-occupied units.

Conclusion

The data show that **Black and Hispanic households in Texas City are disproportionately impacted by housing cost burdens**, especially among renters and those earning below 50% of Area Median Income (AMI). While race alone is not the cause of housing stress, the intersection of income, housing market constraints, and family size contributes to greater vulnerability among these groups.

Texas City’s housing strategy will continue to prioritize **need-based solutions** that expand affordable housing options, reduce cost burdens, and ensure fair access to resources. The City remains committed to addressing these disparities while promoting **personal opportunity, self-sufficiency, and long-term community stability**.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	12,240	2,120	2,960	180
White	5,730	855	1,080	105
Black / African American	2,905	690	1,240	55
Asian	100	35	0	0
American Indian, Alaska Native	45	0	0	0
Pacific Islander	25	0	0	0
Hispanic	3,295	440	595	4

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2016-2020 CHAS

Source:

Discussion:

The 2016–2020 CHAS data for Texas City reveals significant variations in housing cost burden across racial and ethnic groups. Of the total 17,500 households assessed, 12,240 are spending 30% or less of their income on housing, which is considered affordable. However, 2,120 households fall into the moderate cost burden category, spending between 30% and 50% of their income on housing, while 2,960 households experience a severe cost burden, spending more than half of their income on housing expenses. An additional 180 households report no or negative income, rendering their housing burden incomputable but signaling extreme financial vulnerability. When disaggregated by race and ethnicity, the data show that White households comprise the largest share of those with affordable housing costs, with 5,730 paying 30% or less of their income on housing. Nevertheless, 1,080 White households face severe cost burdens, representing a notable portion of those under strain. Among Black or African American households, 2,905 are affordably housed, yet a disproportionately high number—1,240—are severely cost burdened, suggesting systemic disparities in housing affordability.

Hispanic households reflect similar patterns, with 3,295 experiencing affordable housing costs and 595 facing severe cost burdens. While smaller in number, Asian, American Indian/Alaska Native, and Pacific Islander households report minimal to no cost burdens, though these findings are limited by the small sample sizes and may not fully reflect the realities experienced by these groups. Notably, the 180 households with no or negative income represent a critical segment of the population for whom housing affordability is not only challenging but potentially unsustainable. Overall, the data point to a housing affordability landscape in Texas City marked by racial disparities, especially affecting Black and Hispanic households. These patterns underscore the need for equity-centered housing interventions and policy solutions that address the structural barriers contributing to cost burden among the city's most affected populations.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

The Income levels of <=30%, 69.94% (12,240 of 17,500) of the jurisdiction as a whole are burdened with housing costs, with 73.74% (5730 of 7,770) of Whites, 59.40% (2,905 of 4,890), 74.07% (100 of 135) of Asians, 100% (45 of 45) of American Indian, Alaska Native, 100% (25 of 25) of Pacific Islander, and 76.02% (3295 of 4334). American Indian, Alaska Native, and Pacific Islander within the cohort have a disproportionately greater need at 100% than the needs of the income category as a whole.

If they have needs not identified above, what are those needs?

The information obtained only reviewed the four housing problems: lack of kitchen facilities, lack of plumbing, overcrowding, and cost burden.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

Texas City is a majority-minority city; Blacks/ African Americans make up a substantially larger proportion of Texas City residents. The 2020 Decennial Census Race/Ethnicity Dot Density Map reflects that Blacks/African Americans reside in the southeast part of the city. There is also a significant number of Blacks/African Americans residing in the southwest side.

NA-35 Public Housing – 91.205(b)

Introduction

TCHA has finalized the transition of its Public Housing program to Project Based Vouchers and therefore has no Public Housing residents or waiting list.

Totals in Use

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	778	50	728	0	0	0

Table 22 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data PIC (PIH Information Center)
Source:

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	0	18,270	15,625	18,935	0	0
Average length of stay	0	0	0	4	3	4	0	0
Average Household size	0	0	0	2	3	2	0	0
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	0	281	13	268	0	0
# of Disabled Families	0	0	0	159	20	139	0	0
# of Families requesting accessibility features	0	0	0	4	0	0	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data PIC (PIH Information Center)

Source:

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	79	5	74	0	0	0
Black/African American	0	0	0	752	36	716	0	0	0
Asian	0	0	0	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Data PIC (PIH Information Center)

Source:

Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	52	0	52	0	0	0
Not Hispanic	0	0	0	466	0	466	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data PIC (PIH Information Center)
Source:

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

TCHA does not have a public housing waiting list.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

The data clearly demonstrates that residents of Housing Choice Voucher programs face a complex array of challenges, particularly related to aging and disability, economic insecurity, and housing stability. Addressing these needs requires a multifaceted approach that includes expanding access to supportive and accessible housing, enhancing economic mobility initiatives, providing targeted services for families and children, and strengthening systems of care to prevent homelessness. Strategic investments in these areas will help create a more stable and equitable housing landscape for the community’s most vulnerable residents.

How do these needs compare to the housing needs of the population at large

Workforce housing in Texas City, Texas, refers to affordable housing options designed for moderate-income workers—such as teachers, healthcare workers, first responders, and service industry employees—who earn too much to qualify for traditional low-income housing programs like Housing Choice Vouchers but struggle to afford market-rate housing. Below is a concise and comprehensive description of the needs for workforce housing in Texas City, addressing the demand, target population, and key challenges:

Workforce Housing Needs in Texas City

Texas City’s growing economy, driven by its proximity to the Port of Galveston, industrial sectors, and expanding retail and healthcare industries, has increased the demand for workforce housing. Workforce housing is critical to support moderate-income households—typically earning 60% to 120% of the Area Median Income (AMI), or roughly \$38,000 to \$76,000 annually for a family of four in Texas City—who face affordability challenges due to rising housing costs outpacing wage growth.

Key Needs:

1. **Increased Supply of Affordable Units:** Texas City’s housing market has seen rising rents and home prices, with median home values around \$220,000 and average rents exceeding \$1,200 for a two-bedroom apartment. These costs are unaffordable for many moderate-income workers, who spend over 30% of their income on housing, exceeding HUD’s affordability threshold. Expanding the supply of workforce housing units—

through new construction, rehabilitation, or incentives for developers—is essential to meet this demand.

2. **Targeted Income and Occupation Focus:** Workforce housing should prioritize workers in essential occupations, such as teachers, nurses, police officers, and retail or service workers, who earn moderate incomes but cannot access subsidized housing programs like those offered by the Texas City Housing Authority (TCHA). For example, a single teacher earning \$50,000 annually struggles to find rentals below \$1,000/month, highlighting the need for units priced for this income range.
3. **Diverse Housing Types:** The workforce housing need spans various household types, including young professionals, small families, and empty nesters. Developments should include a mix of apartments, townhomes, and single-family homes to accommodate different needs, with a focus on 1- to 3-bedroom units to serve both individuals and families.
4. **Proximity to Employment Centers:** Texas City’s industrial and commercial hubs, such as the Marathon Galveston Bay Refinery and the Mainland City Centre, employ many moderate-income workers. Workforce housing developments should be located near these job centers or along major transit corridors to reduce commuting costs and time, improving quality of life and economic stability.
5. **Public-Private Partnerships and Incentives:** Limited funding for affordable housing programs, including the TCHA’s Housing Choice Vouchers, underscores the need for innovative financing. Texas City requires partnerships between local government, developers, and employers to leverage tax credits, density bonuses, or land subsidies to create workforce housing. Programs like the Texas State Affordable Housing Corporation’s initiatives could be models for expanding access.
6. **Addressing Gaps in Existing Programs:** The TCHA serves primarily extremely low-income (74% below 30% AMI) and very low-income (93% below 50% AMI) households, leaving moderate-income workers ineligible for vouchers. Workforce housing fills this gap by targeting the “missing middle”—households earning 60% to 120% of AMI who are underserved by current housing assistance programs

Discussion

Impact of Meeting These Needs: Providing workforce housing in Texas City would enhance economic stability, reduce housing cost burdens, and attract and retain essential workers, supporting the city’s growth as a regional economic hub. It would also alleviate pressure on existing low-income housing programs, allowing TCHA to focus on the most vulnerable populations while ensuring moderate-income workers have access to safe, affordable homes.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

Texas City continues to experience persistent challenges related to homelessness, including a growing number of individuals and families living unsheltered due to limited shelter options and a lack of deeply affordable housing. The City does not currently operate a homeless shelter, and many residents facing housing instability are forced to rely on temporary arrangements, informal support networks, or relocate to shelters in nearby communities such as La Marque or Galveston.

According to the **2024 Point-in-Time (PIT) Count**, homelessness in Texas City reflects both **short-term crises** and **chronic, long-term instability**. Of those surveyed, a significant number reported being homeless for more than a year, with **35 individuals experiencing homelessness for three years or longer**. This points to a growing need for permanent supportive housing, targeted outreach, and flexible intervention models.

In response, the City has formed the **Mayor’s Task Force on Homelessness**—a cross-sector working group dedicated to developing coordinated, local responses to the housing and service needs of individuals and families experiencing homelessness. Texas City also continues to collaborate with the **Galveston County Homeless Coalition**, sharing data, aligning priorities, and contributing to regional strategies.

This section assesses the nature and extent of homelessness in Texas City, with attention to duration, demographics, special populations (e.g., veterans and families with children), and racial disparities. It also sets the foundation for coordinated efforts to reduce and prevent homelessness through strategic investment, community partnerships, and improved service access.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	278	49	0	0	0
Persons in Households with Only Children	0	0	3	0	0	0
Persons in Households with Only Adults	13	0	0	0	0	0
Chronically Homeless Individuals	0	0	41	0	0	0
Chronically Homeless Families	0	0	3	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Child	1	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 26 - Homeless Needs Assessment

Alternate Data Source Name:

HUD Point in Time Report

Data Source

Comments: Texas City ISD McKinney Vento program reported having 278.

Indicate if the homeless population Has No Rural Homeless
is:

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	5
Black or African American	0	4
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	1
Not Hispanic	0	0

Data Source

Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

According to the **2024 Point-in-Time (PIT) Count** conducted across Galveston County, a total of **42 families with children** and **26 veterans** were identified as experiencing homelessness. These figures offer a conservative snapshot of need, as the PIT Count captures only those individuals and families who are unsheltered or residing in emergency shelters on a single night.

Families with Children

Families with children experiencing homelessness often face multiple, compounding barriers, including:

- Lack of affordable family-sized housing
- Limited access to childcare and transportation
- Underemployment and unstable income

Many of these families are headed by single parents and are at risk of remaining unsheltered, doubling up, or relying on temporary accommodations. They require housing assistance that includes both **rental subsidies** and access to **supportive services** such as case management, educational continuity for children, and employment support for adults.

Veteran Families

The PIT Count identified **26 homeless veterans**, some of whom are part of family households. Veteran families may face unique housing challenges, including:

- Service-related disabilities or PTSD
- Limited income despite VA benefits
- Disconnection from support networks

While programs like HUD-VASH provide some relief for veterans, not all qualify or receive timely assistance. Those without HUD-VASH support remain in need of **affordable housing options**, preferably integrated with **veteran-focused supportive services**.

Based on this data and trends observed by local homeless service providers, Texas City estimates that **a minimum of 42 families with children** and **26 veteran households** need **immediate housing assistance**, including shelter, rapid re-housing, or access to permanent supportive housing. This population remains a high priority for service coordination, funding, and outreach through both local and regional homelessness response systems.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The 2024 Point-in-Time (PIT) Count for Galveston County, which includes Texas City, reveals notable disparities in the racial and ethnic composition of the local homeless population. These disparities reflect systemic barriers, economic inequities, and limited access to affordable housing or supportive services for certain groups.

Black, African American, or African

A total of **84 individuals** experiencing homelessness identified as **Black or African American**, representing the largest racial group among the homeless population. This number is disproportionately high relative to the Black population in Texas City, indicating a significant racial disparity. Black individuals may face intersecting barriers related to income inequality, discrimination in housing or employment, and limited access to mental health care or supportive housing.

Hispanic/Latina/e/o

A total of **31 individuals** identified as **Hispanic/Latina/e/o**, either alone or in combination with another race. While this number does not reflect the highest count, it still indicates a notable need among Hispanic households, particularly in areas where language barriers or immigration status may limit access to assistance. No individuals identified as both Hispanic and another racial group, suggesting underreporting or data limitations in multi-racial identification.

Asian or Asian American

6 individuals identified as **Asian or Asian American**. Although the overall count is small, this group is often underrepresented in service data and may experience culturally specific barriers to seeking assistance or navigating available services.

American Indian, Alaska Native, or Indigenous

4 individuals identified as **American Indian, Alaska Native, or Indigenous**. This group has historically faced generational housing displacement, limited access to healthcare, and underrepresentation in urban service systems. No respondents identified as both Indigenous and Hispanic/Latina/e/o.

Middle Eastern or North African

No individuals identified as **Middle Eastern or North African**, either alone or in combination with Hispanic/Latina/e/o heritage, in the 2024 PIT Count.

Conclusion

The data reflects a disproportionate burden of homelessness on **Black or African American individuals**, followed by **Hispanic/Latina/e/o** residents. These disparities suggest a need for culturally responsive outreach, equitable access to shelter and permanent housing, and strategies that address systemic inequality in the local housing and service systems.

The City of Texas City will continue to work with the **Galveston County Homeless Coalition** and other partners to monitor these disparities and ensure fair, effective allocation of resources across all racial and ethnic groups.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Data collected from the 2024 homeless survey provides important insight into the duration and likely severity of homelessness experienced by individuals in Texas City and the surrounding region. While traditional Point-in-Time (PIT) counts differentiate between sheltered and unsheltered status, this duration-based data allows for a more nuanced understanding of **chronic homelessness** and the **stability of housing over time**.

Extent of Homelessness by Duration

Among the individuals surveyed, the breakdown of homelessness duration over the past three years is as follows:

- **19 individuals (0–3 months)**
These individuals may be newly homeless due to sudden life events such as job loss, eviction, or family breakdown. They are the most likely to benefit from **rapid re-housing** and short-term financial assistance.
- **13 individuals (4–6 months)**
Still relatively early in their experience of homelessness, these individuals may face additional barriers, such as limited income, lack of affordable housing, or difficulty accessing services. Targeted intervention at this stage may help prevent long-term homelessness.
- **6 individuals (7–11 months)**
Approaching chronic status, this group may be experiencing more entrenched housing instability, often cycling between temporary arrangements and unsheltered living.
- **16 individuals (1–2 years)**
These individuals are more likely to experience **unsheltered homelessness** or be living in non-permanent environments. Their longer durations indicate higher risk for mental health decline, loss of personal documentation, or social isolation.
- **9 individuals (2–3 years)**
This group may include people with serious barriers to housing—such as substance use, disability, or lack of support networks—and often require **permanent supportive housing** or coordinated case management.
- **35 individuals (3+ years)**
This is the largest single group identified in the survey, representing individuals experiencing **chronic homelessness** as defined by HUD. These individuals likely have repeated or long-term unsheltered episodes and require **intensive, housing-first interventions** and long-term service support.

Sheltered vs. Unsheltered Context

Texas City does not currently have a homeless shelter within city limits, and many individuals experiencing homelessness remain **unsheltered** residing in encampments, vehicles, abandoned structures, or other locations not meant for human habitation. Some are served through **regional shelters in nearby cities** (e.g., La Marque or Galveston), but capacity is limited.

The concentration of individuals who have experienced homelessness for **more than one year (60 individuals)** suggests that **unsheltered homelessness** is a significant and ongoing issue in the community. The data highlights an urgent need for:

- Local shelter or transitional housing solutions
- Outreach and engagement efforts
- Permanent supportive housing and housing navigation services

The extent and duration of homelessness in Texas City reflect a deeply rooted need for both **crisis response infrastructure** and **long-term supportive housing solutions**.

Discussion:

The data from the 2024 homeless survey reveals that a significant portion of Texas City's homeless population has experienced long-term or chronic homelessness. More than **60 individuals** reported being homeless for **over one year**, with **35 reporting durations of three years or more**. This indicates a sustained pattern of housing instability, primarily among unsheltered individuals, due to the **lack of emergency or transitional shelter options within Texas City**.

The largest proportion of people experiencing homelessness identified as **Black or African American**, followed by individuals identifying as **Hispanic/Latina/e/o** and **Asian or Asian American**. These disparities point to a need for **equitable outreach**, culturally competent services, and policies that address underlying structural inequities contributing to homelessness among communities of color.

Recognizing the severity and complexity of the issue, the **Texas City Mayor's Task Force on Homelessness** has been established as a local, multidisciplinary initiative to improve coordination and develop community-based solutions. The Task Force includes representatives from:

- City departments
- Local nonprofits and outreach teams
- Behavioral health and housing service providers
- Faith-based organizations
- Community advocates and volunteers

The Task Force works closely with the **Galveston County Homeless Coalition (GCHC)** and is engaged in identifying service gaps, conducting outreach, and exploring options for **temporary shelter, housing navigation, and supportive service delivery** within city limits. Through data sharing, collaboration, and public education, the Task Force is laying the groundwork for a more responsive and locally anchored homelessness response system.

As Texas City moves forward with its Consolidated Plan goals, continued support for the Task Force and its initiatives will be essential in aligning local policy with on-the-ground needs. The City's CDBG planning and housing strategies will prioritize coordination with this body to ensure that **unsheltered individuals, families with children, and veterans experiencing homelessness** are considered in all affordable housing and neighborhood investment decisions.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

Cost burden and overcrowding remain the most prevalent housing challenges for residents in Texas City. Additionally, certain individuals and households encounter even greater obstacles in securing or maintaining stable housing due to their unique needs and circumstances. These may include living on fixed incomes, experiencing limited mobility, or requiring an assisted living setting. Many units within the general housing supply are not designed to accommodate these specialized needs.

This section of the Plan focuses on individuals who are not currently homeless but may still require some form of supportive housing. This includes, but is not limited to:

- Elderly individuals (defined as age 62 and older)
- Frail elderly (those requiring assistance with three or more daily living activities, such as bathing, walking, or light housekeeping)
- Persons with mental, physical, or developmental disabilities
- Individuals with alcohol or substance use disorders

The Plan evaluates the specific housing requirements of these populations and explores strategies to better support them.

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly: An elderly person is at least 62 years of age. Frail Elderly have one or more limitations to “activities of daily living”. Persons aged 62 and older represent 20.96% of the population according to the 2023 ACS Data.

What are the housing and supportive service needs of these populations and how are these needs determined?

The housing and supportive service needs of this population include affordable housing, housing rehabilitation services, extended transportation services, and continuing and recovery care for medical conditions. These needs were determined through consultation with the City’s senior care programs, from data collected through the City’s consultation efforts, and results from public participation.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

As of the latest data available, Galveston County, Texas, has an estimated population of approximately 643 individuals living with HIV, representing about 0.27% of the county's total population of 239,433 . This prevalence rate is slightly below the national average of 0.38% and the Texas state average of 0.43%.

Within the broader Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (MSA), which includes Galveston County, there are approximately 29,078 people living with HIV/AIDS. Demographic data indicates that nearly half of this population identifies as Black or African American, about one-third as Hispanic or Latino, and slightly less than one-quarter as White.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

The City of Texas does not participate in the HOME program.

Discussion:

In Texas City, cost burden and overcrowding continue to be the most significant housing challenges for many residents, particularly among non-homeless individuals with special needs. Populations such as elderly and frail elderly people, those with physical, mental, or developmental disabilities, and individuals living with substance use disorders or HIV/AIDS often face additional barriers in obtaining or maintaining stable, appropriate housing. These challenges are heightened by factors like fixed incomes, limited mobility, and the lack of supportive housing units equipped to meet their needs. According to 2023 ACS data, elderly individuals aged 62 and older comprise approximately 20.96% of the local population, many of whom require affordable housing, transportation assistance, and ongoing medical or recovery care. These needs have been identified through local consultation, public engagement, and collaboration with senior service providers. In Galveston County, around 643 individuals live with HIV/AIDS, with nearly half identifying as Black or African American and one-third as Hispanic. Though the prevalence rate is slightly below state and national averages, individuals living with HIV/AIDS face persistent housing instability, healthcare access issues, and social stigma. Across the broader MSA, over 29,000 individuals live with HIV/AIDS, further underscoring the need for targeted interventions. The Plan supports efforts to expand affordable housing and supportive services for these vulnerable populations. If Texas City

establishes a preference for HOME Tenant-Based Rental Assistance (TBRA) for persons with specific disabilities, including those with HIV/AIDS or chronic mental illness, it would directly address the unmet need for stable housing and coordinated services to narrow existing gaps in equity, care, and housing access.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction’s need for Public Facilities:

Public facilities in Texas City are being addressed. Over the past few years, the City has been replacing and improving existing structures, as well as creating new public facilities throughout the neighborhoods. These enhancements, along with the replacements and new facilities, have significantly improved the quality of life for Texas City residents. The City’s focus is building an emergency shelter and supporting transitional housing.

How were these needs determined?

Most of the expanded and improved public facilities needs were determined through discussions with other City Departments and city residents.

Describe the jurisdiction’s need for Public Improvements:

Much of the southeast portion of Texas City was developed between the 1930s and 1950s. While the City has replaced a significant portion of the aging infrastructure, many original systems remain in place. These include old and undersized water pipes, sanitary sewer lines, and storm sewer systems, as well as original pavement in some of the older neighborhoods. Much of this infrastructure is now obsolete and in urgent need of replacement to meet current standards and community needs.

Similarly, a substantial part of the older west side of Texas City, including the historic 1867 Settlement District, was developed in the early 1900s before annexation into the City. This area continues to experience challenges with open storm drainage, which requires effective remediation. The water and sanitary sewer infrastructure in these neighborhoods, having been constructed many decades ago, also require substantial upgrades. Although the City has been systematically replacing outdated infrastructure on the west side, considerable needs remain to ensure reliable and safe public services for residents.

How were these needs determined?

The city’s public improvement needs were determined through discussions with other City Departments, City Commissioners, and through visual inspection of city neighborhoods.

During extensive discussion of public improvement needs with citizens and stakeholders, flooding and drainage improvements ranked the highest in community concerns.

Describe the jurisdiction’s need for Public Services:

Texas City has a documented need for public services eligible under the CDBG program to assist low- and moderate-income residents. These services include, but are not limited to, programs providing assistance to the elderly, youth services, health services, job training, crime prevention, and services for persons with disabilities.

The City's low- and moderate-income populations rely on these critical public services to improve quality of life and support self-sufficiency. There is particular demand for services that address homelessness prevention, substance abuse counseling, and support for at-risk youth.

Funding limitations often restrict the availability and scope of these services, underscoring the importance of CDBG resources to fill gaps and reach vulnerable populations.

How were these needs determined?

The needs for public services in Texas City were identified through a combination of data analysis, community engagement, and consultation with local service providers and public agencies. The City reviewed demographic and socioeconomic data, including income levels, poverty rates, and population groups most at risk.

Public input was gathered through community meetings, surveys, and outreach efforts involving residents, nonprofit organizations, and City departments. Additionally, consultations with local stakeholders such as the Texas City Housing Authority, Gulf Coast Center, and the Mayor's Task Force on Homelessness provided valuable insights into service gaps and priorities.

This multi-faceted approach ensured that the identified needs reflect both quantitative data and the lived experiences of Texas City's residents, allowing the City to target CDBG resources effectively.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The housing market in Texas City reflects a diverse range of housing types and conditions, with a mixture of older neighborhoods and newer developments. Much of the housing stock in the city was built mid-20th century or earlier, resulting in a significant portion of homes that may require maintenance, rehabilitation, or replacement.

The market includes a combination of owner-occupied and rental units, with affordability challenges impacting many low- and moderate-income households. Housing affordability, availability, and quality remain key concerns, particularly in older areas where infrastructure and housing conditions may be deteriorating.

Demand for affordable housing continues to outpace supply, with waiting lists for subsidized housing and public housing exceeding available units. The City is focused on addressing these issues through targeted strategies that support rehabilitation, new affordable housing development, and preservation of existing affordable units.

Overall, Texas City's housing market shows a need for ongoing investment to ensure safe, decent, and affordable housing options are available for all residents, particularly those with lower incomes and special needs.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

This section provides an overview of the total number and types of housing units within Texas City, including owner-occupied, renter-occupied, and vacant units. Understanding the composition and distribution of housing units is essential for assessing the City’s housing needs and planning appropriate interventions.

Data on housing unit counts, occupancy status, and tenure are derived from the most recent American Community Survey and local housing records. This information helps identify trends in housing availability, affordability, and potential gaps in the housing market that the City aims to address through its Consolidated Plan initiatives.

Texas City Real Estate Overview: Data Source Houston Area Real Estate (HAR)

As of June 2025, the Texas City real estate market offers a diverse range of housing options, catering to various buyer preferences and budgets. According to data from the Houston Association of Realtors (HAR), there are currently 649 homes listed for sale in Texas City, with an average listing price of approximately \$312,855 and an average price per square foot of \$159.

The market showcases a variety of properties, from affordable starter homes to more spacious family residences. The median appraised value stands at \$117,150, while the median market value is around \$141,090, indicating a neighborhood value range between \$64,000 and \$191,000.

For those interested in rental properties, the average rent for a three-bedroom house in Texas City is approximately \$2,148 per month.

Overall, Texas City's real estate market remains accessible and varied, making it an attractive option for both first-time homebuyers and investors seeking opportunities in the region.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	13,285	67%
1-unit, attached structure	390	2%
2-4 units	1,040	5%

Property Type	Number	%
5-19 units	3,045	15%
20 or more units	1,680	8%
Mobile Home, boat, RV, van, etc	445	2%
Total	19,885	100%

Table 27 – Residential Properties by Unit Number

Data 2016-2020 ACS

Source:

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	10	0%	215	3%
1 bedroom	80	1%	2,360	29%
2 bedrooms	1,290	14%	2,955	37%
3 or more bedrooms	8,085	85%	2,500	31%
Total	9,465	100%	8,030	100%

Table 28 – Unit Size by Tenure

Data 2016-2020 ACS

Source:

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The Texas City Housing Authority (TCHA) currently manages 50 former public housing units that have been converted to project-based Housing Choice Vouchers (HCVs). In addition, TCHA administers approximately 874 tenant-based HCVs, which primarily serve very low-income families, seniors, and persons with disabilities throughout Texas City.

Several apartment complexes in the city receive direct HUD subsidies specifically for elderly and disabled residents, ensuring affordable housing options for these vulnerable populations.

It is important to note that Texas City does not receive HOME Investment Partnerships Program funds; therefore, affordable housing development and rehabilitation efforts primarily rely on CDBG funds and other local or state resources.

Overall, these federal housing programs focus on assisting households at or below 80% of the area median income, with special emphasis on supporting seniors, persons with disabilities, and low-income families.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Currently, Texas City does not anticipate a significant loss of affordable housing units due to expiration of Section 8 contracts or other reasons during the Consolidated Plan period. The 50 former public housing units managed by the Texas City Housing Authority have been converted to project-based Housing Choice Vouchers (PBV), which provide ongoing rental assistance tied to specific properties, reducing the risk of loss from contract expiration.

Additionally, the 874 tenant-based Housing Choice Vouchers continue to offer portable rental assistance to eligible households, further stabilizing affordable housing availability.

While some privately owned HUD-subsidized apartment complexes serve elderly and disabled residents, there are no known immediate threats of contract expirations or property conversions that would lead to a reduction in affordable housing stock.

The City remains vigilant in monitoring affordability restrictions and engages with housing providers to anticipate and mitigate any future risks to the affordable housing inventory.

Does the availability of housing units meet the needs of the population?

While Texas City offers a range of housing options, the availability of affordable housing units does not fully meet the needs of the population, particularly for low- and moderate-income households. Demand for affordable rental units exceeds supply, as evidenced by long waiting lists for Housing Choice Vouchers.

The aging housing stock, especially in older neighborhoods, and limited new affordable housing development contribute to challenges in meeting the housing needs of families, seniors, and persons with disabilities. Additionally, rising housing costs place pressure on low-income residents, increasing the risk of housing instability and homelessness.

The City continues to work toward expanding and preserving affordable housing through strategic use of CDBG funds and partnerships with housing providers, but gaps remain that require ongoing attention and resources.

Describe the need for specific types of housing:

One of the most critical needs is for affordable rental housing, especially for extremely low-income households earning below 30% of the Area Median Income (AMI), who experience severe cost burdens and face limited options in the private market.

There is also a significant demand for accessible and supportive housing units tailored to the needs of elderly residents, individuals with disabilities, and persons with chronic health conditions or mental health needs. Many in these groups require housing with modifications for mobility, proximity to services, or access to on-site or connected supportive care.

There is a need for larger units to accommodate families with children, as overcrowding is more prevalent among these households. At the same time, there is a growing demand for smaller, single-occupancy units to serve the increasing number of single-person households, particularly older adults and veterans.

Additionally, transitional and permanent supportive housing is needed for individuals at risk of homelessness, such as those exiting institutional care, victims of domestic violence, or those recovering from substance use disorders.

Discussion

Texas City's housing market reflects both progress and ongoing challenges. Although the City has made efforts to maintain and expand affordable housing options, the current supply still falls short of meeting the demand among low- and moderate-income residents. The limited availability of affordable rental units, combined with an aging housing stock in several neighborhoods, underscores the need for continued investment in housing rehabilitation, preservation, and new development.

Waiting lists for both project and tenant-based Housing Choice Vouchers remain long, highlighting the gap between available assisted units and those in need. Moreover, populations such as seniors, persons with disabilities, and families with low incomes face particular difficulties securing stable, affordable housing.

The City recognizes these challenges and remains committed to leveraging available resources, including CDBG funding, to address housing needs. Partnerships with the Texas City Housing Authority, nonprofit organizations, and regional stakeholders are critical to expanding housing opportunities and improving living conditions for all residents.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

This section analyzes the cost of housing in Texas City, including trends in home values, rental rates, and housing affordability for residents. Understanding housing costs is essential to identify affordability challenges and to develop strategies that ensure safe, decent, and affordable housing options for all income levels.

The analysis considers data on median home prices, rent levels, and cost burden—defined as the percentage of income spent on housing—to assess the financial strain experienced by low- and moderate-income households. These cost factors directly influence the demand for affordable housing assistance and guide the City’s planning and resource allocation.

Cost of Housing

	Base Year: 2020	Most Recent Year: 2023	% Change
Median Home Value	131,400	190,600	45.1%
Median Contract Rent	833	1,200	44.1%

Table 29 – Cost of Housing

Data 2020 Census (Base Year), 2017-2021 ACS (Most Recent Year)
Source:

Rent Paid	Number	%
Less than \$500	1,190	14.8%
\$500-999	4,755	59.2%
\$1,000-1,499	1,950	24.3%
\$1,500-1,999	135	1.7%
\$2,000 or more	0	0.0%
Total	8,030	100.0%

Table 30 - Rent Paid

Data 2016-2020 ACS
Source:

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	475	No Data
50% HAMFI	2,070	1,645
80% HAMFI	5,615	3,770
100% HAMFI	No Data	4,845
Total	8,160	10,260

Table 31 – Housing Affordability

Data 2016-2020 CHAS

Source:

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,226	1,279	1,529	2,038	2,568
High HOME Rent	1,130	1,213	1,457	1,675	1,849
Low HOME Rent	885	948	1,137	1,314	1,466

Table 32 – Monthly Rent

Data Source

Comments: HUD

FMR and HOME Rents

Is there sufficient housing for households at all income levels?

Based on the data provided, there is not sufficient housing across all income levels in Texas City, especially for extremely low- and very low-income households. The most telling indicator is the steep rise in median home value, from \$131,400 in 2020 to \$190,600 in 2023 a 45.1% increase. This surge far outpaces income growth for most residents, creating substantial affordability barriers for potential homeowners, particularly low- and moderate-income households. Where there may be adequate housing options for middle- and upper-income households, there is insufficient affordable housing for extremely low- and very low-income renters and prospective homeowners, highlighting a need for expanded rental assistance, affordable housing development, and targeted homebuyer support.

How is the affordability of housing likely to change considering changes to home values and/or rents?

Housing affordability in Texas City is expected to face increasing challenges due to rising home values and rental rates. As property values appreciate, homeownership becomes less attainable for low- and moderate-income households, particularly first-time buyers. Similarly, rental rates have shown upward trends, placing additional financial burdens on renters, many of whom already spend a significant portion of their income on housing costs.

These increases may lead to a greater number of cost-burdened households, heightening the need for affordable housing options and assistance programs. Without targeted interventions to preserve and expand affordable housing stock, affordability gaps are likely to widen in the coming years.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Fair Market Rents (FMR) and HOME rents in Texas City are significantly higher than the area's median rent of \$1,000. For example, a two-bedroom FMR is \$1,529, and Low HOME Rent is \$1,137. This gap suggests many residents rely on lower-cost housing that could be lost as the market shifts.

Because HOME rents and FMRs are below market rents, affordable housing programs must focus on producing and preserving units that remain accessible to low- and moderate-income families. This often requires leveraging subsidies, incentives, and partnerships to bridge the gap between market rents and affordable rent limits. The City's strategy emphasizes preservation of existing affordable units and development of new affordable housing to ensure sustainable options for households facing rent burdens.

Discussion

The gap between Area Median Rents (AMR) and HUD-established rent limits such as HOME rents and Fair Market Rents (FMR) in Texas City underscores the persistent affordability challenges faced by low- and moderate-income renters. While HOME and FMR limits are designed to keep rents affordable for households earning up to 60% of the area median income, actual market rents often exceed these limits, reducing the availability of naturally affordable units in the private market.

This disparity increases the demand for subsidized housing and rental assistance programs to bridge the affordability gap. As market rents continue to rise, the City's strategy prioritizes both the preservation of existing affordable housing and the production of new units that can meet HUD rent standards. Collaborations with the Texas City Housing Authority, local nonprofits, and developers are critical to leveraging resources and ensuring that affordable housing remains accessible to those in greatest need.

Ongoing monitoring of rent trends and affordability indicators will be essential to adapt strategies and maintain an adequate supply of affordable rental housing within Texas City.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

This section examines the physical condition of the housing stock in Texas City, including age, structural adequacy, and presence of housing problems such as overcrowding, lack of complete plumbing or kitchen facilities, and cost burden. A significant portion of Texas City's housing was built before 1970, particularly in the southeast and west side neighborhoods, contributing to a high need for maintenance, rehabilitation, and code compliance.

Understanding the condition of the housing inventory helps identify areas in need of targeted investment to preserve housing quality and ensure safe, decent, and affordable homes for residents—particularly those in low- and moderate-income households.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

Standard Condition

Housing units considered *standard* generally meet all requirements of the City's building and property maintenance codes (including the 2015 International Building Code and Property Maintenance standards). These dwellings are structurally sound, with no significant defect or hazard, and include:

- Sound roof, foundation, walls, doors, and windows
- Fully functional plumbing, electrical, and HVAC systems
- Adequate egress and lighting
- No health or safety violations
- Code-compliant kitchen/bath facilities

These units are deemed safe, sanitary, and fit for human occupation, typically requiring only minor repairs or routine maintenance.

Substandard Condition but Suitable for Rehabilitation

Defined as units that fail to meet minimum code but can be economically repaired without demolition or major reconstruction. In Texas City, per § 150.033 (which adopts Local Gov't Code § 214.001 standards), substandard buildings include those with issues such as:

- Structurally compromised walls, roofs, or foundations (e.g., leaning/buckling, >33% structural deterioration)
- Unsafe/frangible floors, ceilings, or stairs
- Inadequate plumbing, electrical, egress, or sanitation
- Health and fire safety hazards like code violations or dilapidation

- Conditions that threaten occupant welfare or public health

However, if the unit's structure is substantially intact and repair is financially feasible, it is considered *suitable for rehabilitation*. Texas City's Housing Rehabilitation Program explicitly uses such code requirements to guide rehabilitation of homeowner units to meet "decent, safe, and sanitary" standards.

How the Definitions are Used

- *Standard units* are not eligible for rehabilitation funding since they already meet code.
- *Substandard but suitable* units are prioritized in the City's CDBG- and ARP-funded rehabilitation programs, provided rehabilitation costs comply with economic feasibility standards.
- Units deemed *substandard and unfit* (e.g., requiring >50% repair or posing imminent danger) may be subject to demolition or vacating under City enforcement powers.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	1,610	17%	3,640	45%
With two selected Conditions	20	0%	200	2%
With three selected Conditions	0	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	7,835	83%	4,195	52%
Total	9,465	100%	8,035	99%

Table 33 - Condition of Units

Data 2016-2020 ACS

Source:

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	2,075	22%	2,715	34%
1980-1999	1,910	20%	1,520	19%
1950-1979	4,830	51%	3,130	39%
Before 1950	650	7%	665	8%

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total	9,465	100%	8,030	100%

Table 34 – Year Unit Built

Data 2016-2020 CHAS

Source:

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	5,480	58%	3,795	47%
Housing Units build before 1980 with children present	1,330	14%	590	7%

Table 35 – Risk of Lead-Based Paint

Data 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Source:

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

Data 2005-2009 CHAS

Source:

Need for Owner and Rental Rehabilitation

Texas City has a substantial need for both owner-occupied and rental housing rehabilitation, particularly in its older neighborhoods where much of the housing stock was built prior to 1970. Homes in the southeast portion of the city, as well as the historic 1867 Settlement District on

the west side, often contain aging infrastructure, outdated systems, and code deficiencies. While some have been maintained over the years, many units now show signs of deterioration and deferred maintenance.

For owner-occupied housing, rehabilitation needs are high among low- to moderate-income households who may lack the financial means to make essential repairs. Common issues include roof failures, electrical and plumbing problems, foundation settling, and non-compliance with current building codes. These homes are often still structurally sound but fall into the category of *substandard but suitable for rehabilitation*, making them good candidates for City-supported repair programs.

For rental housing, particularly small-scale rental properties and older multifamily units, rehabilitation is needed to maintain habitability and compliance with health and safety standards. Some rental units have not been adequately maintained due to limited landlord resources or lack of enforcement. Without intervention, these properties are at risk of further decline or becoming uninhabitable, reducing the overall stock of affordable housing.

The City of Texas City recognizes this need and continues to prioritize rehabilitation efforts through its Housing Rehabilitation Program, funded by CDBG and other sources. These programs help preserve existing affordable housing, extend the useful life of older units, and ensure safe, decent living conditions for both renters and homeowners.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Lead-based paint (LBP) hazards remain a potential risk in many of Texas City's older housing units, particularly those built before 1978, when the federal ban on lead-based paint in residential properties went into effect. Based on local housing age data and HUD estimates, a significant portion of the City's housing stock—particularly in the southeast neighborhoods and the 1867 Settlement District—is at risk of containing lead-based paint.

While the exact number of affected units is unknown, it is estimated that approximately **700–900 housing units** occupied by low- or moderate-income families in Texas City may contain lead-based paint hazards. These estimates are derived from the proportion of pre-1978 units, income demographics, and national HUD data on the prevalence of LBP in older homes.

Low-income families with young children are particularly vulnerable to lead poisoning, making it a continuing priority for the City's housing rehabilitation efforts. Through its CDBG-funded Housing Rehabilitation Program, the City addresses LBP hazards by incorporating lead-safe work practices and abatement, as required by HUD regulations at 24 CFR Part 35.

Texas City remains committed to reducing exposure to lead hazards and ensuring that older housing units occupied by vulnerable families are made safe and compliant with federal LBP standards.

Discussion

A significant portion of Texas City's housing stock was constructed prior to 1978, with many units concentrated in older neighborhoods such as the southeast side and the 1867 Settlement District. These homes often present age-related deterioration, including outdated plumbing and electrical systems, roof and foundation issues, and lead-based paint hazards. While many of these units are still structurally sound, they fall into the category of *substandard but suitable for rehabilitation*.

Low- and moderate-income households are disproportionately impacted by these housing conditions, as they may lack the financial resources needed to perform repairs or upgrades. This increases reliance on City-supported rehabilitation programs to maintain housing stability and prevent further decline in housing quality.

In rental housing, deferred maintenance is more common in smaller, privately owned units where property owners may have limited capacity to invest in repairs. Without ongoing rehabilitation, these units risk becoming unsafe or uninhabitable, reducing the overall stock of affordable housing in the city.

Texas City's code enforcement and housing rehabilitation efforts play a critical role in addressing these deficiencies. However, limited funding and the scale of aging housing stock pose ongoing challenges. Continued investment in targeted rehabilitation, lead hazard mitigation, and infrastructure upgrades will be essential to preserving housing conditions and protecting residents' health and safety.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available			0	881	50	831	0	0	0
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 37 – Total Number of Units by Program Type

Data PIC (PIH Information Center)

Source:

Describe the supply of public housing developments: N/A

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

TCHA transitioned its public housing into project-based vouchers. This still provides subsidized housing, but it is not technically a part of the public housing program any longer.

Public Housing Condition

Public Housing Development	Average Inspection Score

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

In Texas City, traditional public housing units no longer exist in their original form. The Texas City Housing Authority (TCHA) has converted its 50-unit public housing inventory to project-based Housing Choice Vouchers (PBVs) under HUD’s Rental Assistance Demonstration (RAD) program. These units continue to serve extremely low- and very low-income households under long-term affordability restrictions.

Although these units are no longer classified as conventional public housing, they still face ongoing restoration and revitalization needs. Many of the properties housing PBV units are part of older developments and require upgrades to ensure long-term viability and compliance with HUD Housing Quality Standards (HQS). These needs include:

- Plumbing and electrical system modernization
- HVAC replacement or upgrades
- Energy efficiency improvements

In addition to the PBV units, Texas City also has privately-owned HUD-subsidized rental complexes that serve elderly and disabled residents. These developments face similar aging-related challenges and are priorities for preservation efforts, particularly as many rely on expiring subsidy contracts and may require reinvestment to remain viable as affordable housing.

The City works in partnership with TCHA and private housing providers to support the rehabilitation and preservation of these units through code enforcement, technical assistance, and alignment with its Consolidated Plan strategies. While Texas City does not receive HOME funds, CDBG resources and other public-private initiatives are used where possible to support these revitalization efforts.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The Texas City Housing Authority (TCHA) is committed to enhancing the quality of life for low- and moderate-income families by providing safe, decent, and affordable housing in a well-

maintained and supportive environment. Although TCHA has transitioned its traditional public housing units to project-based Housing Choice Vouchers (PBVs), the agency remains actively involved in improving the living conditions of its assisted households.

Key strategies include:

- Ongoing Property Upgrades: TCHA ensures compliance with HUD Housing Quality Standards (HQS). Regular inspections, maintenance, and capital improvements are conducted to address aging infrastructure, energy inefficiencies, and accessibility barriers.
- Resident Engagement: TCHA encourages resident involvement through surveys, meetings, and resident councils (when applicable), to ensure that families have a voice in decisions that affect their homes and communities.

Overall, TCHA's strategy focuses not only on the physical condition of housing units but also on improving the social and economic conditions that affect residents' long-term well-being.

Discussion:

Texas City no longer operates traditional public housing. The Texas City Housing Authority (TCHA) has transitioned all 50 of its former public housing units to project-based Housing Choice Vouchers (PBVs). These units remain affordable and regulated under long-term HUD agreements, offering residents continued access to deeply subsidized housing in improved living environments.

In addition to the PBVs, TCHA administers approximately 873 tenant-based Housing Choice Vouchers (HCVs). These vouchers allow low-income households to rent in the private market, although demand consistently exceeds supply, resulting in long waiting lists.

Several HUD-subsidized multifamily developments within the city provide housing specifically for elderly and disabled residents. These properties are an important part of the assisted housing inventory and are typically funded through Section 202, Section 811, or other HUD programs. Maintaining the affordability and physical condition of these properties is a continuing priority, especially as some approach the expiration of their subsidy contracts or require capital improvements due to aging infrastructure.

While Texas City does not receive HOME funds, the City supports assisted housing preservation through its CDBG-funded rehabilitation programs and collaborative efforts with TCHA and local stakeholders. These programs help maintain housing quality, prevent displacement, and ensure continued access to affordable units for low- and moderate-income households.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	0	0	44	0	0
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0

Table 39 - Facilities and Housing Targeted to Homeless Households

Data Source

Comments:

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of Texas City has standing collaborations with community homeless service providers, including Salvation Army, Our Daily Bread, UTMB’s Street Medicine Team, St. Vincent’s House, local ISD, and the Resource and Crisis Center for Domestic Violence in Galveston County and Samaritan Women at the Well for Domestic Violence shelters. The City of Texas City participates in local homeless response efforts like Gulf Coast Homeless Coalition and Galveston County’s Coordinated Entry Planning Entity.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Texas City is part of the larger Galveston County service network that works collaboratively to meet the needs of homeless individuals and families. A variety of agencies provide services and facilities targeting the unique needs of the chronically homeless, families with children, veterans, persons living with HIV/AIDS, and unaccompanied youth. These services are aligned with the institutional delivery structure described in SP-40 and special needs facilities outlined in MA-35.

Emergency Shelter and Housing Services

- The Jesse Tree, Family Promise of Galveston County, and Bay Area Turning Point offer emergency shelter and case management services, including for victims of domestic violence, families, and unaccompanied women.
- The Salvation Army (Galveston) provides temporary shelter, food, and transitional housing with supportive services tailored for individuals and families.
- Housing Choice Vouchers, including project-based and tenant-based, administered by the Texas City Housing Authority, assist extremely low-income residents, including veterans and persons with disabilities.

Primary and Behavioral Healthcare

- Gulf Coast Center integrates primary care within its mental health clinics, helping clients—particularly the chronically homeless and individuals with co-occurring disorders—access both physical and behavioral health services in one setting.
- University of Texas Medical Branch (UTMB) and the Galveston County Health District provide outpatient and preventive medical services for uninsured and underinsured populations, including individuals experiencing homelessness.
- Access Care of Coastal Texas (ACCT) specializes in services for individuals living with HIV/AIDS, including case management, housing support, and access to medical care,

addressing the needs of a population that is both medically vulnerable and at elevated risk of housing instability.

- Behavioral health services are further supported by providers such as Coastal Health, Family Service Center, school district-based clinicians, and private practice therapists offering services on a sliding scale. These services are particularly important for unaccompanied youth and trauma-affected families.

Employment and Economic Stability

- Workforce Solutions Gulf Coast meets regularly with service providers to connect homeless and at-risk individuals with job training, resume support, job placement services, and transportation resources. These supports are essential for long-term housing stability and are especially tailored to reentry populations and veterans.

Case Management and Outreach

- The Mayor's Task Force on Homelessness brings together local government departments, housing providers, nonprofits, and mental health professionals to coordinate outreach, referrals, and housing navigation.
- Street outreach teams, often coordinated through Gulf Coast Center and its partners, work to engage unsheltered homeless individuals and connect them to shelter, healthcare, and public benefits.

Addressing Specific Subpopulations

- Chronically Homeless Individuals benefit from integrated care models at Gulf Coast Center and Housing First approaches through coordinated entry.
- Families with Children are prioritized for rapid rehousing and transitional shelter through Family Promise and other family-centered providers.
- Veterans and Their Families are served through referrals to HUD-VASH (Veterans Affairs Supportive Housing) and coordination with the Galveston County VA outpatient clinic and Workforce Solutions.
- Unaccompanied Youth access behavioral healthcare through ISD-based clinicians and local nonprofits providing education support, basic needs, and housing referrals.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

The City of Texas City is dedicated to supporting individuals and families with special needs through a network of facilities and services designed to promote housing stability, health, and well-being. Special needs populations include persons with disabilities, elderly residents, individuals experiencing chronic homelessness, veterans, victims of domestic violence, and others who require targeted assistance.

Through partnerships with local nonprofits, healthcare providers, and social service agencies, the City facilitates access to a continuum of care that includes emergency shelters, transitional housing, supportive services, and permanent supportive housing. These resources are complemented by outreach programs, case management, and coordination efforts to ensure that special needs populations receive comprehensive, client-centered assistance tailored to their unique circumstances.

Texas City continuously assesses gaps in service and infrastructure to improve the availability and quality of facilities and services for its special needs residents. This commitment is integral to the City's broader goals of fostering an inclusive community where all residents have the opportunity to thrive.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs:

The City of Texas City recognizes the diverse and specialized supportive housing needs across these populations.

- **Elderly and Frail Elderly:** This growing segment requires affordable, accessible housing units that accommodate mobility limitations such as difficulties walking or climbing stairs. Many elderly homeowners face challenges maintaining their homes due to physical or financial constraints and benefit from supportive services that assist with home repairs, health care, and daily living.
- **Persons with Disabilities (Mental, Physical, Developmental):** Accessible housing equipped with modifications like ramps, grab bars, and widened doorways is essential. Supportive services including personal care, transportation assistance, medical coordination, and case management are critical to promote independence and community integration.
- **Persons with Alcohol or Other Drug Addictions:** Supportive housing for this group should integrate recovery services, counseling, and medical treatment to facilitate sobriety and housing stability.

- **Persons with HIV/AIDS and Their Families:** Housing solutions must offer privacy and access to comprehensive medical and social services that address the complex health and support needs of this population.
- **Public Housing Residents:** Although Texas City no longer operates a public housing program, those utilizing housing vouchers or residing in nearby public housing developments need access to affordable, safe housing with supportive services that ensure long-term stability.

The City works with local agencies and service providers to develop and maintain a continuum of care—including emergency shelter, transitional housing, permanent supportive housing, and community-based services—tailored to the unique needs of these populations to foster health, safety, and self-sufficiency.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

During the upcoming Consolidated Plan period, the City of Texas City will prioritize the development of coordinated systems to assist individuals transitioning from mental and physical health institutions into stable, supportive housing. Recognizing the increased risk of homelessness among persons discharged from hospitals, psychiatric facilities, and other institutional settings, the City aims to take a more proactive role in building partnerships and supportive infrastructure to address these needs.

Key planned actions include:

- **Establishing Discharge Coordination Protocols:**
The City will work to develop formal partnerships with local healthcare providers, including hospitals and behavioral health facilities, to establish consistent discharge planning protocols that identify individuals at risk of homelessness and connect them to appropriate housing and services.
- **Facilitating Access to Permanent Supportive Housing (PSH):**
Texas City will seek to partner with regional PSH providers and advocate for resources that expand the availability of supportive housing units for individuals with ongoing medical or behavioral health needs.
- **Developing a Pathway to Rapid Re-Housing:**
The City plans to work with service providers to create a rapid re-housing referral process for recently discharged individuals, including short-term rental assistance, landlord engagement, and housing stabilization case management.

- **Strengthening Case Management and Supportive Services:**
As part of its broader effort to enhance supportive services, Texas City will promote partnerships that ensure discharged individuals have access to case management, transportation, healthcare navigation, mental health services, and life skills training.
- **Leveraging the Coordinated Entry System:**
The City intends to deepen its collaboration with Galveston County’s Coordinated Entry Planning Entity to ensure that individuals discharged from institutions are assessed for housing needs and prioritized appropriately.
- **Exploring Grant Opportunities and Regional Models:**
The City will pursue funding opportunities and study best practices from neighboring jurisdictions to inform the development of sustainable, locally tailored solutions for individuals exiting institutional care.

By initiating these strategies, Texas City will take meaningful steps toward closing the gap between institutional discharge and housing stability, helping reduce homelessness and improve outcomes for vulnerable individuals reentering the community.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

During the upcoming program year, the City of Texas City will initiate and support activities that address the housing and supportive services needs of individuals who are not homeless but who have other special needs. These populations include persons with disabilities (physical, mental, or developmental), elderly and frail elderly residents, victims of domestic violence, individuals recovering from substance use disorders, and veterans. These efforts align with the City's broader one-year goals to promote housing stability, increase access to services, and reduce the risk of housing crises.

Key Activities Planned Include:

- **Support Transitional Housing for Domestic Violence Survivors:**
The City will support the work of Samaritan Women at the Well, which offers transitional housing at its Texas City location. The program provides a safe, stable environment for women and families recovering from domestic violence and housing insecurity. Through its services, the agency connects clients with long-term housing resources, employment support, and case management services that reduce the likelihood of returning to homelessness or unsafe living situations.

- **Veteran Housing Stabilization and Services:**
The City will continue coordinating with Endeavors, a regional provider that delivers intensive case management and temporary financial assistance to veterans and their families. Endeavors helps veterans create individualized housing stability plans, and connects them with long-term supports, including Veterans Affairs (VA) benefits and HUD-VASH vouchers.
- **Emergency Financial Assistance and Case Management:**
Through partnership with Mainland Community Partnership, the City will expand access to emergency financial assistance for rent, utilities, and basic needs. This program focuses on individuals and families at risk of housing instability but not currently experiencing homelessness. Clients are supported through housing stability planning, resource navigation, and ongoing case management to prevent displacement and maintain self-sufficiency.

Connection to One-Year Goals:

These efforts align with Texas City's one-year goals to:

- Increase housing stability for vulnerable non-homeless populations;
- Strengthen local partnerships to expand access to supportive services;
- Prevent entry into the homeless system by offering early intervention;
- Improve coordination with agencies serving veterans, individuals with disabilities, and survivors of domestic violence.

By investing in these local partnerships and programs, the City seeks to reduce housing insecurity, enhance quality of life, and empower residents with special needs to achieve long-term stability and independence.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Texas City acknowledges that while existing local policies are intended to support public safety, orderly growth, and neighborhood character, they may also contribute to unintended barriers to affordable housing development and equitable residential investment. The **2024 Analysis of Impediments to Fair Housing Choice (AI)** identified several policy-related challenges that disproportionately affect low- and moderate-income households, seniors, persons with disabilities, and communities of color.

Key impediments noted in the 2024 AI include:

- Zoning and land use restrictions that limit multi-family and small-scale housing types in many residential areas;
- A lack of incentives or streamlined processes for affordable and mixed-income developments;
- Limited availability of housing near public transit, employment centers, and services;
- Community resistance to affordable housing (NIMBYism), particularly in higher-opportunity neighborhoods.

In response to these findings, the City is committed to removing or ameliorating public policy barriers and will implement the following actions during the Consolidated Plan period:

- **Streamline Development Approvals:**
The City will evaluate and revise permitting and review procedures to reduce unnecessary delays and costs, particularly for affordable and workforce housing developments.
- **Support Infill and Mixed-Income Housing:**
Texas City will promote redevelopment of vacant and underutilized properties, especially within existing neighborhoods, and explore zoning updates to allow for more diverse housing types (e.g., duplexes, townhomes, accessory dwelling units).
- **Promote Balanced Growth and Reinvestment:**
The City will target infrastructure improvements and funding incentives in historically underserved areas while encouraging equitable development in areas of opportunity.
- **Strengthen Fair Housing Practices:**
Texas City will integrate fair housing goals into planning, zoning, and capital

improvement decisions, and provide education to residents and decision-makers about the benefits of inclusive housing development.

These actions are designed to align public policy with fair housing principles and make the local housing market more inclusive and accessible to families, seniors, and individuals of all income levels. Removing these structural barriers will help foster a more balanced and equitable housing landscape citywide.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The Economic Development Market Analysis for Texas City provides insight into the local employment landscape by comparing the number of workers residing in the city to the number of jobs available across key economic sectors. This comparison helps identify sectors where the city imports or exports labor, revealing economic strengths and gaps in employment opportunities.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	272	85	2	1	-1
Arts, Entertainment, Accommodations	2,849	1,672	18	12	-6
Construction	1,591	1,450	10	10	0
Education and Health Care Services	2,637	2,337	17	16	-1
Finance, Insurance, and Real Estate	1,141	784	7	5	-2
Information	162	83	1	1	0
Manufacturing	1,401	3,970	9	28	19
Other Services	520	410	3	3	0
Professional, Scientific, Management Services	1,158	543	7	4	-3
Public Administration	0	0	0	0	0
Retail Trade	2,334	2,046	15	14	-1
Transportation and Warehousing	728	309	5	2	-3
Wholesale Trade	660	693	4	5	1
Total	15,453	14,382	--	--	--

Table 40 - Business Activity

Data 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)

Source:

Labor Force

Total Population in the Civilian Labor Force	22,995
Civilian Employed Population 16 years and over	21,170
Unemployment Rate	7.87
Unemployment Rate for Ages 16-24	30.49
Unemployment Rate for Ages 25-65	4.01

Table 41 - Labor Force

Data 2016-2020 ACS

Source:

Occupations by Sector	Number of People
Management, business and financial	2,990
Farming, fisheries and forestry occupations	635
Service	3,515
Sales and office	4,615
Construction, extraction, maintenance and repair	2,235
Production, transportation and material moving	1,260

Table 42 – Occupations by Sector

Data 2016-2020 ACS

Source:

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	13,808	69%
30-59 Minutes	5,238	26%
60 or More Minutes	1,085	5%
Total	20,131	100%

Table 43 - Travel Time

Data 2016-2020 ACS

Source:

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	2,220	285	1,315
High school graduate (includes equivalency)	5,120	325	2,485
Some college or Associate's degree	6,565	285	2,040
Bachelor's degree or higher	3,020	95	830

Table 44 - Educational Attainment by Employment Status

Data 2016-2020 ACS

Source:

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	80	135	145	555	550
9th to 12th grade, no diploma	680	830	545	1,610	800
High school graduate, GED, or alternative	1,975	2,035	1,970	3,995	2,555
Some college, no degree	1,295	2,160	1,410	2,875	1,790
Associate's degree	305	680	580	1,205	500
Bachelor's degree	225	985	945	1,060	800
Graduate or professional degree	0	415	100	435	425

Table 45 - Educational Attainment by Age

Data 2016-2020 ACS

Source:

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	24,784
High school graduate (includes equivalency)	27,127

Educational Attainment	Median Earnings in the Past 12 Months
Some college or Associate's degree	36,317
Bachelor's degree	49,400
Graduate or professional degree	80,074

Table 46 – Median Earnings in the Past 12 Months

Data 2016-2020 ACS

Source:

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

According to the data, the manufacturing sector stands out as the city's primary employment hub, accounting for 26% of local jobs but only 8% of resident workers, resulting in a surplus of jobs and indicating a strong industry cluster that likely draws in commuters. Conversely, sectors such as arts, entertainment, and accommodations show a deficit—17% of the workforce is employed in these industries, but only 11% of the jobs are located in the city, suggesting workers are commuting out for employment in those fields.

Describe the workforce and infrastructure needs of the business community:

Texas City’s business community is supported by a robust but imbalanced local labor market. With a total resident workforce of 15,453 and only 14,382 local jobs, the data highlights a modest labor-export trend, along with sector-specific gaps that suggest targeted investments are needed to retain talent and support economic growth.

Workforce Needs:

- Manufacturing Sector:**
 Manufacturing is the dominant employment sector in Texas City, offering 3,970 jobs, but only 1,401 residents are employed in the field. This 18% job surplus points to a critical need for skilled labor and highlights a mismatch between local job availability and resident qualifications. Addressing this gap will require investment in technical education, job training, and recruitment to align local talent with industry needs.
- Healthcare, Education, and Retail Sectors:**
 These sectors show relative balance between the number of jobs and resident workers, indicating a healthy alignment. However, as the city's population continues to grow and age, ongoing workforce development—especially in healthcare and elder services—will be necessary to sustain and expand service delivery.

- **Professional Services and Finance:**
These sectors display a labor surplus, with more residents working in the fields than there are jobs locally. This dynamic suggests the need to cultivate business growth in office-based and knowledge-sector industries to reduce worker outflow and enhance local employment opportunities for skilled professionals.

Infrastructure Needs:

- **Transportation and Warehousing:**
This sector faces a notable local job deficit, which may be tied to infrastructure limitations such as freight mobility, last-mile logistics, or lack of workforce connectivity. Enhancing road networks, freight corridors, and public transit options could support expansion in this sector and improve accessibility for both workers and goods movement.
- **Digital Infrastructure:**
As remote and hybrid work models become more prevalent, investment in high-speed broadband and digital infrastructure is increasingly vital. Expanding digital access will not only support emerging tech and finance sectors but also enable entrepreneurship and small business growth.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Texas City is positioned for significant economic transformation driven by industrial expansion, strategic public and private sector investments, and shifting workforce dynamics. Based on current data and development trends, several key changes are expected to affect job creation, business development, and infrastructure needs during the planning period.

Industrial Growth and Workforce Impact:

Manufacturing remains a cornerstone of Texas City’s economy, accounting for **3,970 jobs**—the largest share among all sectors. However, with only **1,401 resident workers** employed in manufacturing, the city faces a **surplus of over 2,500 jobs** in this field. This imbalance underscores a high demand for skilled labor and the need to strengthen the local workforce pipeline. Without targeted intervention, these jobs will continue to be filled by commuters rather than city residents.

To close this gap, Texas City must invest in:

- **Workforce training and certification programs** focused on manufacturing, technical trades, and related industrial fields;
- **Partnerships with local employers and educational institutions** to ensure training aligns with industry needs;
- **Career awareness initiatives** that introduce youth and adult learners to high-demand occupations in manufacturing and logistics.

Planned Infrastructure Improvements:

Several infrastructure projects and planned public-private partnerships are expected to directly support industrial, port, and logistics-related growth. These include:

- **Port expansion projects** that will increase shipping and logistics activity;
- **Roadway and industrial corridor enhancements** that improve freight access;
- **Broadband and utility infrastructure upgrades** to support business expansion and technology-based enterprises.

These changes will require Texas City to prioritize:

- **Mobility and transportation investments** that support both freight movement and workforce commuting;
- **Utility capacity expansion** in industrial zones to accommodate new development;
- **Broadband connectivity improvements** in business and workforce training centers.

Business Sector Diversification and Retention:

While industrial growth is a clear economic driver, Texas City also needs to address **sectoral imbalances** in professional services and retail. Many residents are trained in fields that are underrepresented in the local job market—leading to out-commuting and underutilized labor.

In response, the City should:

- Support **small business development** in professional, finance, and service sectors to absorb local workforce surpluses;
- Encourage **mixed-use and commercial development** that creates space for emerging industries.

In summary, Texas City's economic growth is driven by strong industrial momentum and public-private investments in infrastructure. To ensure inclusive and sustainable benefits, the City will need to pair this growth with robust workforce development strategies, small business support, and infrastructure modernization tailored to evolving business needs.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The alignment between the skills and education of Texas City's current workforce and the available employment opportunities reveals both key strengths and critical gaps that will influence the city's long-term economic resilience and growth.

Strengths and Gaps in Alignment:

- **Manufacturing Sector Needs:**

The manufacturing sector is Texas City's largest employer, offering approximately 3,970 jobs. However, only 1,401 city residents are employed in this sector. This indicates a surplus of over 2,500 manufacturing jobs, many of which are likely being filled by non-resident workers. This disparity suggests that local residents may lack the technical training or industry certifications required to access these positions. To improve alignment, Texas City must expand workforce development initiatives focused on trade skills, industrial safety, and manufacturing technology.

- **Service-Oriented Workforce Surplus:**

In contrast, sectors such as arts, entertainment, accommodations, and professional services show a surplus of resident workers compared to available local jobs. For example, 2,849 residents work in arts and accommodations, but the city offers only 1,672 jobs in that sector. This imbalance implies that many residents possess service-sector or creative industry skills, but must commute outside the city for employment or settle for underemployment in unrelated fields.

Implications for Workforce Development:

These data trends highlight the need for:

- Targeted training and credentialing programs aligned with high-demand local industries, especially manufacturing, logistics, and healthcare;
- Support for small business development and entrepreneurship in underrepresented sectors (e.g., creative services, tech, finance) to provide more in-city employment options;

- Stronger partnerships between local educational institutions and employers to ensure a coordinated talent pipeline that matches job market needs.

By addressing these mismatches, Texas City can reduce out-commuting, retain skilled workers, and create a more resilient, inclusive, and opportunity-rich local economy.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Texas City is actively engaged in addressing workforce gaps through partnerships with local educational institutions, employers, and regional workforce entities. These efforts are especially important as the City prepares to meet future job market demands and implement goals outlined in the Consolidated Plan.

Ongoing Training and Workforce Development Efforts:

- **Vocational and Technical Education Programs:**
Training in advanced manufacturing, logistics, and skilled trades is a key local need. Community colleges and vocational schools serving Texas City—such as the College of the Mainland—offer certification programs in welding, process technology, logistics, and industrial maintenance to prepare residents for high-demand local jobs.
- **Partnerships with Workforce Investment Boards:**
The Gulf Coast Workforce Board plays a leading role in providing career readiness services, on-the-job training, and employer-driven programs. These efforts help close the skills gap in growing industries like transportation, logistics, and healthcare, while also supporting job placement and retention for low- to moderate-income residents.
- **Employer-Led Training and Apprenticeships:**
Local employers, particularly in manufacturing and the petrochemical industry, collaborate with training providers to sponsor apprenticeships and paid training opportunities. These initiatives directly support the employment of Texas City residents and help reduce the job surplus in manufacturing and industrial trades.
- **Job Creation and Business Support Initiatives:**
Through organizations like the Texas City Economic Development Corporation (TEDC) and its Phoenix Business Incubator, the City supports entrepreneurship and workforce development by offering technical assistance, business mentoring, and workforce pipeline programs tailored to new and small businesses.

Strategic Support for the Consolidated Plan:

These training and workforce initiatives directly support the jurisdiction’s Consolidated Plan goals by:

- Enhancing economic self-sufficiency for low- and moderate-income residents;
- Aligning local labor supply with employment opportunities in target industries;
- Supporting inclusive economic development by reducing barriers to employment;
- Encouraging cross-sector coordination between government, education, and business to build a resilient, skilled workforce.

Continued investment in these programs will be essential for promoting equity, reducing poverty, and fostering economic opportunity across Texas City.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes, Texas City participates in regional economic development planning through the Houston-Galveston Area Council (H-GAC), which maintains a Comprehensive Economic Development Strategy (CEDS) for the region. The CEDS identifies regional economic strengths, challenges, and priorities, including infrastructure modernization, workforce development, business innovation, and resilience planning.

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Texas City's local economic development strategies are coordinated with the CEDS and support the goals of the Consolidated Plan through the following initiatives:

- **Texas City Economic Development Corporation (TEDC):**
TEDC plays a leading role in attracting new business investment, supporting small business growth, and expanding the city’s industrial base. The Phoenix Business Incubator, operated by TEDC, supports entrepreneurship through training, mentoring, and low-cost business space—helping generate jobs for low- and moderate-income residents.
- **Workforce Development and Training Partnerships:**
In alignment with CEDS goals and the Consolidated Plan, Texas City partners with the Gulf Coast Workforce Board and College of the Mainland to expand workforce training opportunities. These initiatives focus on high-demand sectors such as manufacturing, logistics, healthcare, and skilled trades, helping address job gaps and support economic mobility.
- **Infrastructure and Industrial Expansion:**
The City is investing in road improvements, broadband expansion, and utility upgrades—particularly in industrial corridors—consistent with CEDS regional priorities and aimed at fostering business retention and job creation.

- Port and Logistics Development:**
 Texas City’s proximity to the Port of Texas City and the expanding petrochemical corridor positions it for growth in logistics and distribution. The City is working with regional partners to ensure these investments align with both economic development and housing goals—such as creating workforce housing near employment hubs.
- Resilient and Inclusive Growth:**
 The Consolidated Plan and the CEDS both emphasize economic resilience and equity. Texas City is working to ensure that underserved populations—including low-income residents, veterans, and people with barriers to employment—are included in economic opportunities through tailored programs and community partnerships.

By participating in the regional CEDS process and aligning its local efforts with the strategy’s goals, Texas City is leveraging broader economic development planning to strengthen job creation, workforce readiness, and equitable growth. These efforts directly support the objectives of the Consolidated Plan and enhance long-term community resilience.

Discussion

Texas City’s engagement with the Houston-Galveston Area Council’s Comprehensive Economic Development Strategy (CEDS) reflects a commitment to regional collaboration and strategic planning that supports sustainable economic growth. By aligning its local economic development initiatives with the broader regional framework, Texas City leverages shared resources, expertise, and investment opportunities to enhance community well-being.

The integration of efforts—such as workforce development, infrastructure improvements, and business support programs—with the goals of the Consolidated Plan fosters a coordinated approach that addresses both economic and social needs. This alignment is particularly important for ensuring that economic growth benefits all residents, including low- and moderate-income populations and those facing employment barriers.

Moreover, Texas City’s focus on industries like manufacturing, logistics, and healthcare responds directly to regional demand and the city’s unique assets, such as its proximity to the Port of Texas City. Investments in workforce training and infrastructure not only support current job creation but also build long-term resilience by preparing the local workforce for evolving economic conditions.

The City’s collaboration with entities such as the Texas City Economic Development Corporation, Gulf Coast Workforce Board, and educational institutions creates a network of support that enhances the effectiveness of both regional and local initiatives. This multi-sector partnership approach ensures that economic development strategies are inclusive, adaptable, and responsive to community needs.

Overall, Texas City’s participation in the CEDS and its coordination with the Consolidated Plan represent a comprehensive strategy to promote equitable economic opportunity, reduce

poverty, and strengthen the city’s economic base. Continued collaboration and investment in these areas will be essential to achieving sustained growth and improving quality of life for all residents.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Definition of "Concentration":

In the context of HUD planning, a *concentration* refers to a geographic area—typically a census tract or block group—where a particular condition (such as poverty, cost burden, or substandard housing) occurs at a significantly higher rate than the jurisdictional average. For the purpose of this analysis, a concentration is defined as an area where the percentage of households with multiple housing problems exceeds the citywide average by at least 10 percentage points.

Multiple Housing Problems are defined by HUD as households experiencing two or more of the following issues:

- Incomplete kitchen or plumbing facilities
- Overcrowding (more than 1.01 persons per room)
- Cost burden (more than 30% of income toward housing)
- Severe cost burden (more than 50% of income toward housing)

Findings in Texas City

Based on available HUD CHAS data and local knowledge of housing conditions, areas of concentrated housing problems are most prevalent in older neighborhoods, particularly those with aging housing stock, limited infrastructure investment, and higher concentrations of low-income renters.

Key characteristics of these areas include:

- High rates of severe cost burden, particularly among renters earning below 50% of the Area Median Income (AMI)
- Older housing units with deferred maintenance or code violations
- Limited access to new development, reinvestment, or updated infrastructure

These areas are typically located in parts of the city with overlapping indicators of need, such as:

- Higher poverty rates
- Lower rates of homeownership

- Aging multi-family structures
- Limited access to public transportation and amenities

The City of Texas City recognizes that addressing concentrated housing problems requires a coordinated investment strategy that combines housing rehabilitation, infrastructure improvements, and targeted economic development. As part of the Consolidated Plan, the City will prioritize CDBG-funded activities in areas where the need is greatest, while continuing to support equitable housing opportunity across all neighborhoods.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Definition of "Concentration":

In HUD planning terminology, a *concentration* refers to a geographic area—typically a census tract or block group—where the percentage of a particular population significantly exceeds the jurisdictional average. For this plan, a concentration is defined as an area where **the percentage** of minority or low-income residents is at least 10 percentage points higher than the citywide average.

Racial and Ethnic Concentrations

Based on recent U.S. Census and American Community Survey data, Texas City has pockets of racial and ethnic concentration, primarily in older residential neighborhoods located in the northern and central portions of the city.

- **Black or African American households** are more heavily represented in historically established neighborhoods, including the 1867 Settlement Historic District.
- **Hispanic or Latino populations** are more concentrated in areas with older rental housing and mobile home communities, where larger households and language isolation may also occur.

These concentrations often reflect historical patterns of segregation, land use, and access to housing finance, rather than recent discriminatory practices.

Low-Income Concentrations

Several neighborhoods exhibit concentrations of low- and moderate-income (LMI) households, particularly in:

- Older single-family subdivisions with aging infrastructure

- Multifamily housing clusters near major corridors
- Areas lacking recent private investment or housing development

In many cases, these areas overlap with racial or ethnic minority concentrations, leading to compounded challenges related to housing affordability, aging infrastructure, and limited access to services.

Texas City acknowledges that while these concentrations are not the result of current exclusionary policies, they contribute to unequal access to opportunity. Through the CDBG program, the City will continue to prioritize infrastructure, housing rehabilitation, and public service activities in areas of greatest need, while promoting balanced investment and inclusive growth citywide.

What are the characteristics of the market in these areas/neighborhoods?

The neighborhoods in Texas City where low-income families and racial or ethnic minorities are concentrated share several common housing market characteristics. These features are shaped by a mix of historic development patterns, aging infrastructure, limited private reinvestment, and continued affordability pressures.

1. Aging Housing Stock

- Many of these neighborhoods contain older single-family homes built prior to 1980, with some structures significantly older and in need of rehabilitation.
- Deferred maintenance is common due to the limited financial capacity of homeowners and landlords to make needed repairs.
- Older rental properties, particularly small-scale multifamily units, may lack modern amenities or energy-efficient features.

2. High Rate of Rental Occupancy

- These areas tend to have higher percentages of renter-occupied housing, often housing lower-income families who cannot access homeownership.
- Small landlords and absentee property owners are more prevalent, which can contribute to inconsistent property upkeep and code violations.

3. Limited New Development or Investment

- There has been relatively little new residential development in these areas in recent years.
- Private market reinvestment is often limited due to perceived or actual financial risk, infrastructure gaps, or regulatory hurdles.
- In some cases, vacant lots and underutilized properties persist due to demolition, tax delinquency, or environmental concerns.

4. Affordability with Trade-Offs

- While housing in these neighborhoods is often more affordable, this affordability can come at the cost of housing quality, safety, or access to amenities.
- Some households may accept substandard conditions due to the lack of viable alternatives elsewhere in the city.

5. Infrastructure and Environmental Challenges

- These areas may also be more prone to flooding, drainage issues, or aging utilities, which further deters private investment and burdens existing residents.
- Streets, sidewalks, lighting, and public facilities are often in need of upgrades, contributing to a sense of neglect or disinvestment.

6. Proximity to Industrial and Commercial Uses

- Several concentrated neighborhoods are located adjacent to industrial zones, rail lines, or high-traffic corridors, which may create land use conflicts or reduce residential desirability.
- Environmental conditions such as noise, air quality concerns, or limited green space may further affect the quality of life.

The housing market in Texas City's areas of concentration reflects a pattern of **persistent affordability coupled with structural disinvestment**. Addressing these challenges will require a strategic blend of housing rehabilitation, code enforcement, infrastructure improvements, and support for new development that serves a range of incomes. The City is committed to targeting CDBG resources where they can **stabilize neighborhoods and promote equitable housing opportunity**.

Are there any community assets in these areas/neighborhoods?

Even in neighborhoods where housing problems and economic hardship are prevalent, there are **meaningful community assets** that offer both immediate benefits and long-term potential. These assets—physical, institutional, and cultural—play a key role in neighborhood cohesion, community pride, and local service delivery.

1. Schools and Educational Facilities

- Neighborhood schools serve as **anchors for community life**, providing educational resources, recreational facilities, and venues for public events.
- Several schools in these areas have strong community partnerships and host after-school or enrichment programs.

2. Parks and Public Spaces

- Local parks, such as Carver Park and Sanders/Vincent Park, offer **green space, playgrounds, and gathering places** for families and youth.
- Some parks host community events, health fairs, or summer programming supported by the City or local nonprofits.

3. Faith-Based Organizations

- Churches and other religious institutions are often **deeply embedded in these neighborhoods**, serving not only spiritual needs but also offering social support, food assistance, and space for community meetings.
- Many congregations have a long history in the area and contribute to intergenerational stability.

4. Community Centers and Nonprofit Services

- Facilities such as the **Sanders Community Center, Carver Community Center, and Nessler Community Center** and other neighborhood-based organizations provide **services like youth activities, senior outreach, rental assistance, and job readiness**.
- These centers serve as critical connectors between residents and public resources.

5. Cultural and Historical Significance

- Some neighborhoods—such as the 1867 Settlement Historic District—have **deep cultural roots and historical significance**, particularly for African American residents.

- These areas contribute to the city’s identity and heritage and offer opportunities for preservation-based investment.

6. Active Residents and Informal Networks

- Despite lower formal participation in city planning processes, many residents in these neighborhoods are **highly engaged through informal networks**, family ties, and local initiatives.
- Neighborhood leaders, civic clubs, and grassroots volunteers are often the first to respond in times of need.

The presence of these community assets provides a foundation upon which Texas City can build more inclusive, resilient, and thriving neighborhoods. CDBG-funded investments can **amplify the impact of these local strengths** by supporting physical improvements, program expansion, and coordination with public and nonprofit partners.

Are there other strategic opportunities in any of these areas?

Neighborhoods experiencing concentrated housing and economic challenges also present unique **opportunities for targeted investment and community-driven transformation**. These opportunities include geographic, institutional, and policy-based levers that can align with CDBG goals and other local initiatives.

1. Infill Development and Vacant Land Reuse

- Many older neighborhoods have **vacant lots or underutilized parcels** suitable for infill housing, small-scale commercial development, or public space improvements.
- With appropriate planning and incentives, these lots can support new affordable homeownership or rental options, increasing housing choice and stability.

2. Housing Rehabilitation and Preservation

- Aging but structurally sound homes in these areas are strong candidates for owner-occupied rehabilitation programs, which can preserve affordability and neighborhood character.
- Targeted code enforcement paired with rehab funding can improve conditions without displacing residents.

3. Infrastructure and Capital Improvements

- Infrastructure upgrades—such as drainage, sidewalks, street lighting, and water/sewer systems—can improve health and safety outcomes while laying the groundwork for private investment.
- These improvements are eligible for CDBG funding and can be coordinated with other City capital projects.

4. Historic and Cultural Identity

- Areas such as the 1867 Settlement Historic District provide opportunities to preserve and promote African American heritage while encouraging heritage tourism, cultural programming, and neighborhood pride.
- Strategic partnerships with cultural organizations can elevate these stories and attract investment.

5. Workforce and Small Business Development

- Some commercial corridors in or near these neighborhoods are underutilized but well-located for microenterprise support, job training hubs, or business façade improvements.
- There is potential to connect residents with emerging industries in the region, especially through targeted workforce programs.

6. Public/Private Collaboration

- Recent interest from nonprofits, developers, and community groups creates an opportunity to leverage public-private partnerships in housing, infrastructure, and service delivery.
- Coordinated efforts can stretch limited resources and increase project sustainability.

7. Alignment with Regional and City Plans

- These neighborhoods are well-positioned to benefit from broader City goals related to housing equity, disaster resilience, and environmental justice.
- Aligning CDBG goals with regional economic development and resilience strategies can magnify the impact of investments.

Strategic opportunities in Texas City’s historically underserved neighborhoods are tangible and achievable. Through coordinated CDBG investments, policy updates, and community engagement, the City can support equitable revitalization, foster long-term stability, and ensure that existing residents benefit from future growth.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Access to reliable, high-speed internet is no longer a luxury—it is a fundamental utility that affects residents’ ability to **work, learn, access healthcare, apply for jobs, and participate in civic life**. In Texas City, while many areas have general broadband availability, there remain **gaps in both connectivity and affordability**, especially in LMI households and older neighborhoods.

1. Gaps in Access and Affordability

- Some low-income households in Texas City—particularly in older multifamily housing and mobile home communities—**lack wired broadband service** or rely on unstable mobile data plans.
- While broadband infrastructure may be technically available in most neighborhoods, **monthly service costs, equipment fees, and credit requirements** remain key barriers for LMI residents.

2. Impact on Education and Employment

- Households with school-aged children who lack reliable internet are at a significant disadvantage in completing homework, participating in remote learning, and accessing academic resources.
- Adults in these households face challenges applying for jobs, completing training programs, or working from home, further limiting economic mobility.

3. Disproportionate Effects on Vulnerable Populations

- Elderly residents, individuals with disabilities, and non-English-speaking households may be further isolated due to limited digital access and low digital literacy.
- Lack of broadband hinders access to **telehealth**, online banking, public service portals, and emergency alerts.

Ensuring affordable, reliable broadband access for all households—especially in low-income neighborhoods—is critical to bridging the **digital divide** in Texas City. The City will continue to

evaluate strategic investments in broadband infrastructure and digital inclusion to support economic opportunity, equity, and resilience for all residents.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

While broadband infrastructure is present in much of Texas City, **limited provider competition** remains a barrier to affordable, high-quality internet service—especially in low- and moderate-income (LMI) neighborhoods.

1. Limited Provider Choice

- In many areas of the city, **only one wired broadband provider is available**, leaving households with no real choice in terms of speed, cost, or customer service.
- This lack of competition often results in **higher prices, data caps, slower speeds**, and less incentive for service improvement or customer responsiveness.

2. Disproportionate Impact on LMI Neighborhoods

- Low-income neighborhoods are more likely to experience **infrastructure underinvestment** by providers, leading to outdated equipment or slower service tiers.
- Households in these areas may be excluded from promotional pricing or high-speed packages offered in better-served neighborhoods.

3. Affordability and Market Leverage

- Without competition, the dominant provider may set prices **above what many households can afford**, even with subsidies or promotional rates.
- Increased provider presence could help **drive down prices and expand service tiers**, giving consumers more choices aligned with their needs and budgets.

4. Innovation and Reliability

- Competitive markets encourage **investment in newer technologies**, such as fiber optics, and improve reliability during peak usage times.
- In a single-provider market, service outages or customer issues can go unaddressed longer due to the absence of market pressure.

5. Economic Development and Equity

- Increased broadband competition benefits the broader economy by supporting **remote work, digital entrepreneurship, education, and access to essential services**.
- Enhancing digital infrastructure in underserved areas is also a matter of equity, helping to close longstanding gaps in access and opportunity.

Encouraging additional broadband providers to enter the Texas City market—especially in underserved neighborhoods—will **promote affordability, improve service quality**, and help residents fully participate in the digital economy. The City can play a role by **coordinating infrastructure access, advocating for state and federal investment**, and working with providers to ensure equitable service coverage citywide.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Texas City faces growing risks from natural hazards that are being exacerbated by the effects of climate change. As a coastal community on Galveston Bay, the city is particularly vulnerable to flooding, hurricanes, storm surge, and extreme heat, all of which threaten public safety, housing stability, infrastructure, and long-term resilience.

1. Increased Flooding and Storm Surge

- Sea level rise and more frequent intense rain events have increased the likelihood and severity of both coastal and inland flooding in Texas City.
- Neighborhoods with older drainage systems or limited elevation are at increased risk of chronic flooding, damaging homes, roads, and utilities.
- Areas outside FEMA-designated flood zones are also increasingly impacted, placing low- and moderate-income households at unanticipated risk.

2. More Intense Hurricanes

- Climate change is contributing to stronger and slower-moving hurricanes, which bring more rainfall and prolonged wind damage.
- As a city with petrochemical facilities, storm-related damage poses environmental and public health risks in addition to infrastructure loss.
- Vulnerable populations, including seniors and low-income renters, may face greater barriers to evacuation, recovery, and rebuilding.

3. Extreme Heat Events

- Rising average temperatures and more frequent heatwaves pose a growing risk to public health, especially for elderly residents, outdoor workers, and households without adequate cooling.
- Extended heat events also strain energy infrastructure and increase utility costs, which can disproportionately burden low-income families.

4. Environmental Justice Considerations

- Climate-related hazards often overlap with historically underserved neighborhoods, where housing may be substandard and resources for recovery are limited.

- These areas may face compounding risks—such as heat vulnerability and flood exposure—without adequate insurance or mitigation infrastructure.

5. Impact on Housing and Infrastructure

- Repetitive loss properties and homes in flood-prone areas may face declining values, increased insurance costs, and higher repair burdens.
- Infrastructure such as roads, drainage systems, and utilities may require upgrades or redesign to accommodate future climate conditions.

The effects of climate change are amplifying the risks posed by natural hazards in Texas City, particularly for vulnerable populations and older neighborhoods. To build resilience, the City must continue to invest in flood mitigation, resilient infrastructure, emergency preparedness, and equitable recovery planning. CDBG and other federal funds may play a key role in supporting mitigation efforts that protect lives, property, and long-term community stability.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low- and moderate-income (LMI) households in Texas City are disproportionately vulnerable to the increasing risks of flooding, hurricanes, storm surge, and extreme heat associated with climate change. These vulnerabilities stem from both the location and condition of housing as well as systemic barriers to preparation, mitigation, and recovery.

1. Location in High-Risk Areas

- Many LMI households are located in older, lower-lying neighborhoods with limited stormwater infrastructure and close proximity to floodplains or coastal surge zones.
- FEMA flood maps and local hazard mitigation data indicate that several CDBG-eligible areas overlap with zones of repetitive flood loss.
- Because land costs are lower in high-risk zones, affordable housing is often clustered in areas most susceptible to flooding and storm damage.

2. Older and Substandard Housing Conditions

- Housing stock in LMI neighborhoods often lacks modern wind, flood, or energy-resilient construction features.

- Common issues include: Poor roof integrity, Lack of elevation above base flood levels, Inadequate insulation and cooling systems, Aging electrical and HVAC systems prone to failure during extreme weather
- These conditions increase the likelihood of damage, displacement, and health risks during extreme weather events.

3. Limited Resources for Mitigation and Recovery

- LMI homeowners and renters are less likely to have the financial resources, insurance coverage, or access to federal disaster assistance necessary to recover quickly from damage.
- Renters, in particular, face heightened risks of eviction, rent increases, or displacement when landlords choose not to repair or rebuild.
- Many lack emergency savings or access to credit, reducing their ability to evacuate or secure temporary housing.

4. Cumulative Vulnerabilities

- Vulnerability is compounded in households with seniors, individuals with disabilities, children, or limited English proficiency, which can make preparedness and recovery more difficult.
- Data from local emergency management and HUD risk mapping tools (e.g., Climate Risk Exposure Tool, Social Vulnerability Index) highlight that areas of highest climate risk often overlap with high social vulnerability.

5. Digital and Infrastructure Gaps

- In addition to physical housing risk, many LMI areas lack reliable broadband access, cooling centers, or resilient infrastructure, which hinders emergency communication and response.
- Infrastructure improvements such as stormwater upgrades, home retrofitting, and energy resilience have not yet reached many of these neighborhoods.

Based on data from FEMA flood maps, the City’s Hazard Mitigation Plan, and HUD’s Community Resilience Toolkit, housing occupied by low- and moderate-income households in Texas City faces elevated and increasing risk from climate-related natural hazards. Strategic investments in resilient housing retrofits, infrastructure improvements, and equitable disaster planning are critical to protecting vulnerable populations and ensuring long-term housing stability.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan for the City of Texas City outlines a comprehensive, five-year approach (2025–2029) to addressing priority community development and housing needs using Community Development Block Grant (CDBG) funds. Grounded in data analysis, local stakeholder input, and alignment with HUD goals, the strategy reflects a commitment to improving the quality of life for low- and moderate-income (LMI) residents, preserving affordable housing, supporting economic opportunity, and strengthening neighborhood resilience.

Purpose and Goals

The primary purpose of the Strategic Plan is to guide the allocation of federal CDBG resources in a manner that:

- Benefits LMI residents and areas;
- Addresses documented housing and community development needs;
- Responds to local market and infrastructure conditions;
- Supports equitable access to services and opportunities; and
- Promotes long-term neighborhood stability and resilience.

Priority Needs and Objectives

Based on an assessment of community needs and available resources, Texas City has identified the following **priority areas** for investment:

1. **Affordable Housing Preservation and Rehabilitation** Support minor home repair and housing rehabilitation for LMI homeowners, particularly seniors and persons with disabilities. Preserve the existing affordable housing stock and improve housing safety and sustainability.
2. **Public Services for Vulnerable Populations** Provide limited public services that benefit LMI individuals, including youth, the elderly, and individuals with disabilities.
3. **Infrastructure and Neighborhood Improvements** Improve basic infrastructure such as streets, sidewalks, drainage, and accessibility in LMI neighborhoods. Support improvements that mitigate flood risk and increase climate resilience.

4. **Economic Opportunity and Stability** Support activities that expand access to small business support for low-income residents. Leverage partnerships with local organizations like the Phoenix Business Accelerator to strengthen economic self-sufficiency.
5. **Homelessness Prevention** Support efforts that stabilize households at risk of homelessness, particularly families with children or individuals with special needs.

Geographic Focus

The Strategic Plan prioritizes areas with concentrated LMI populations, documented housing needs, and limited access to quality infrastructure. These areas include parts of the city's central and southern neighborhoods, where investment can have a meaningful impact on safety, accessibility, and livability.

Performance Measurement and Collaboration

Texas City will monitor progress annually through HUD's IDIS and will evaluate outcomes against the Consolidated Plan's established goals and objectives. The City will also coordinate with regional agencies, service providers, and nonprofits to ensure resources are leveraged and duplication is avoided.

The 2025–2029 Strategic Plan positions Texas City to make data-informed, community-centered investments that promote equity, strengthen neighborhoods, and address long-standing needs. Through targeted use of CDBG funds, the City will continue to improve conditions for its most vulnerable residents and lay the foundation for sustainable, inclusive growth.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

1	Area Name:	1867 Settlement District
	Area Type:	Local Target area
	Other Target Area Description:	West Texas City
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Hwy 3-Westward and 1765-Anderson
	Include specific housing and commercial characteristics of this target area.	The neighborhood was established in 1867; significant amount of housing is very old. Commercial corridor needs revitalization.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Meetings provided convincing and valuable input that shaped the understanding of local needs and priorities.
	Identify the needs in this target area.	Housing rehabilitation, street repair, drainage improvement, infill, commercial development, beautification, and sidewalk repair/installation.
	What are the opportunities for improvement in this target area?	Historic Preservation and Cultural Tourism. Infrastructure and Public Space Enhancements. Neighborhood Safety and Infrastructure Improvements. Environmental Quality and Beautification. Affordable Housing Expansion.
	Are there barriers to improvement in this target area?	Financial
2	Area Name:	Greater Chelsea Manor
	Area Type:	Local Target area
	Other Target Area Description:	

HUD Approval Date:	
% of Low/ Mod:	
Revital Type:	Comprehensive
Other Revital Description:	
Identify the neighborhood boundaries for this target area.	Bay St. – 14 th St. N. and 9 th Ave. N. – Texas Ave.
Include specific housing and commercial characteristics of this target area.	Multi-family residential units in dire need of repair/reconstruction. Single family residential units also in need of repair/reconstruction. Light industrial commercial. Historic business district (6 th St.).
How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Citizen Advisory Committee meetings provided convincing and valuable input that shaped the understanding of local needs and priorities.
Identify the needs in this target area.	Housing rehabilitation/reconstruction, street repair, infill, commercial development, beautification, and sidewalk repair/installation.
What are the opportunities for improvement in this target area?	Housing Rehabilitation/Reconstruction and Affordable Housing Expansion. Neighborhood Safety and Infrastructure Improvements. Environmental Quality and Beautification. Historic Preservation and Cultural Tourism.
Are there barriers to improvement in this target area?	Yes, the IBD zone.

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction.

The City of Texas City has designated the 1867 Settlement Historic District and the Greater Chelsea Manor area as priority target areas for investment under the 2025–2029 Consolidated Plan. These neighborhoods were selected based on a combination of socioeconomic need, physical conditions, and their strategic importance to the City's broader revitalization goals.

Selection Criteria and Rationale

Investment decisions are grounded in the following factors:

- **Low- and Moderate-Income Eligibility**

Both target areas meet HUD’s criteria as areas where at least 51% of residents are low- to moderate-income (LMI), making them eligible for concentrated CDBG-funded investment.
- **Documented Needs and Community-Led Visioning**

The City partnered with Texas Southern University’s Barbara Jordan–Mickey Leland School of Public Affairs and the University of Houston’s Gerald D. Hines College of Architecture and Design to conduct community-based research, field surveys, and design studies in each area. These partnerships have produced data-informed recommendations for infrastructure improvements, housing preservation, cultural preservation, and long-term revitalization.
- **Historical Significance and Disinvestment**

The 1867 Settlement District is a culturally and historically significant African American community with deep roots in Texas City’s heritage. The area has experienced long-term underinvestment, and targeted improvements are essential for preserving its legacy and ensuring equitable development.
- **Infrastructure and Housing Deficiencies**

The Greater Chelsea Manor area has been identified as having multiple infrastructure deficiencies, aging housing stock, and limited access to amenities. These challenges contribute to declining livability and increased vulnerability to flooding and environmental stressors.
- **Strategic Impact and Opportunity for Revitalization**

Both areas are well-positioned to benefit from coordinated investments in housing, infrastructure, and public spaces. Improvements in these neighborhoods can stimulate further reinvestment, improve quality of life for residents, and serve as models for equitable neighborhood transformation.

Investment Approach

CDBG funds will be used to:

- Preserve and rehabilitate housing for LMI homeowners.
- Upgrade local infrastructure, including drainage, sidewalks, and ADA accessibility.

- Support public facility improvements aligned with the academic design studies.
- Reinforce each area's cultural and community identity through sensitive planning and engagement.

By prioritizing the 1867 Settlement District and the Greater Chelsea Manor area, the City of Texas City is committing to focused, equitable investment in two neighborhoods with clear need and strong community potential. These efforts reflect both a respect for historical legacy and a forward-looking strategy rooted in research, community input, and inter-institutional collaboration.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Housing Rehabilitation and Preservation
	Priority Level	High
	Population	Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	Greater Chelsea Manor 1867 Settlement District
	Associated Goals	Preserve and Improve Affordable Housing Enhance Community Planning and Capacity
	Description	Housing Rehabilitation-Addressing substandard housing conditions is essential to ensuring health, safety, and long-term affordability.
	Basis for Relative Priority	Texas City’s aging housing stock, much of which has not been well maintained, makes housing rehabilitation a high priority. The City aims to ensure all residents have access to decent, safe, and sanitary housing.
	2	Priority Need Name
Priority Level		High
Population		Low Moderate
Geographic Areas Affected		Greater Chelsea Manor City Wide 1867 Settlement District

	Associated Goals	Enhance Community Planning and Capacity
	Description	Support activities that expand access to small business support for low-income residents, and leverage partnerships with local organizations.
	Basis for Relative Priority	Supporting activities that expand access to small business resources for low-income residents plays a vital role in promoting economic opportunity and long-term stability. These activities may include offering technical assistance, mentorship programs, and entrepreneurship training specifically tailored to underserved communities.
3	Priority Need Name	Public Infrastructure and Neighborhood Improvement
	Priority Level	High
	Population	Low Moderate
	Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
	Associated Goals	Improve Infrastructure and Neighborhood Conditions Enhance Community Planning and Capacity
	Description	Infrastructure needs are particularly acute in the City’s designated target areas, where drainage, sidewalks, and streets require substantial upgrades.
	Basis for Relative Priority	Aging and insufficient infrastructure in LMI areas contributes to safety hazards, limited mobility, and poor living conditions.
4	Priority Need Name	Public Services for Vulnerable Populations
	Priority Level	High

	Population	Low Moderate Large Families Families with Children Elderly Individuals Families with Children Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities
	Geographic Areas Affected	City Wide
	Associated Goals	Support Public Services for Vulnerable Residents Enhance Community Planning and Capacity
	Description	Vulnerable residents, including youth, seniors, and persons with disabilities—benefit from services that promote safety,
	Basis for Relative Priority	While public service activities are capped under CDBG regulations, limited support for nonprofit agencies and community-based programs remains a priority
5	Priority Need Name	Fair Housing Education & Outreach
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families
	Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
	Associated Goals	Enhance Community Planning and Capacity Promote Fair Housing and Housing Access
	Description	There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.
	Basis for Relative Priority	There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.
6	Priority Need Name	Neighborhood Revitalization
	Priority Level	High

Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly
Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
Associated Goals	Preserve and Improve Affordable Housing Improve Infrastructure and Neighborhood Conditions Enhance Community Planning and Capacity Advance Target Area Revitalization
Description	Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.
Basis for Relative Priority	Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.

Narrative (Optional)

The City of Texas City has identified the following priority needs for the 2025–2029 Consolidated Plan period, based on an analysis of local data, stakeholder consultation, and input from community partners. These priorities reflect the most pressing challenges affecting low- and moderate-income (LMI) residents and are aligned with HUD's national objectives to benefit LMI persons, address slum and blight, and meet urgent needs.

1. Housing Rehabilitation and Preservation

There is a significant need for the preservation and repair of existing housing stock, particularly in older LMI neighborhoods. Many homeowners, especially seniors and individuals with disabilities, live in homes that require repairs they cannot afford. Addressing substandard housing conditions is essential to ensuring health, safety, and long-term affordability.

2. Public Infrastructure and Neighborhood Improvements

Aging and insufficient infrastructure in LMI areas contributes to safety hazards, limited mobility, and poor living conditions. Infrastructure needs are particularly acute in the City's designated target areas, where drainage, sidewalks, and streets require substantial upgrades.

3. Public Services for Vulnerable Populations

While public service activities are capped under CDBG regulations, limited support for nonprofit agencies and community-based programs remains a priority. Vulnerable residents—including youth, seniors, and persons with disabilities—benefit from services that promote safety, wellness, and community stability.

4. Economic Opportunity and Self-Sufficiency

Low-income individuals face barriers to employment, training, and small business development. Expanding access to economic opportunity is a long-term strategy for promoting stability and resilience.

5. Fair Housing Education and Outreach

There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.

6. Neighborhood Revitalization in Target Areas

The 1867 Settlement Historic District and the Greater Chelsea Manor area are designated target areas with clear needs for concentrated investment. Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.

SP-30 Influence of Market Conditions – 91.215 (b)
Influence of Market Conditions

<p>Affordable Housing Type</p>	<p>Tenant-Based Rental Assistance (TBRA) is not currently funded through the City’s Community Development Block Grant (CDBG) program; however, market conditions in Texas City continue to highlight a critical need for housing affordability and rental support, particularly for extremely low-income individuals and families.</p> <p>Rental Market Overview</p> <p>Texas City’s rental housing market presents several affordability challenges for low- and moderate-income households:</p> <ul style="list-style-type: none"> • Rising Rent Costs: While rents in Texas City are lower than regional averages, they have increased steadily in recent years, placing additional pressure on renters with fixed or limited incomes. • Low Vacancy Rates: Market data indicates tight rental conditions, with relatively low vacancy rates across the affordable rental stock. This limits options for income-qualified households, especially those with special needs or larger families. • Limited Availability of Subsidized Units: The availability of project-based subsidized rental units remains limited, leading many low-income households to rely on market-rate units that are increasingly out of reach. <p>Household Needs</p> <p>Market characteristics suggest that TBRA, if funded through other sources such as HOME or leveraged partnerships, could be most impactful for:</p> <ul style="list-style-type: none"> • Extremely low-income renters (≤30% AMI) • Single-parent households with children • Seniors or persons with disabilities on fixed incomes • Individuals transitioning out of homelessness or institutional settings
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	<p>These groups often face difficulty securing affordable, stable rental housing in the private market without rental assistance or case management.</p> <p>Housing Instability and Cost Burden</p> <p>According to recent needs assessments, a substantial share of Texas City renters experience:</p> <ul style="list-style-type: none">• Severe cost burden (paying more than 50% of income toward rent and utilities)• Overcrowding in multi-family units• Increased risk of eviction due to missed payments or unstable income <p>These conditions create a demand for rental supports that allow low-income households to access and maintain housing in safe, stable neighborhoods.</p> <p>While the City does not currently administer TBRA through CDBG funds, the characteristics of the local rental market reinforce the need for rental assistance as a complementary strategy in addressing housing affordability. Should TBRA resources become available through HOME or other federal programs, they would be prioritized for households with the highest barriers to stable housing, especially those in target areas or at risk of homelessness.</p>
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Tenant Based
Rental Assistance
(TBRA)

Tenant-Based Rental Assistance (TBRA), if utilized in the future through eligible programs such as HOME, could play an important role in addressing the housing needs of non-homeless special needs populations in Texas City. These include individuals who are elderly, disabled, survivors of domestic violence, or living with chronic health conditions.

Housing Market Conditions Affecting Special Needs Populations

Several characteristics of the Texas City housing market directly impact these groups:

- **Insufficient Supply of Accessible Units:** The availability of rental housing that meets accessibility standards is limited. Many older housing units lack features such as zero-step entryways, grab bars, or widened doorways, making them unsuitable for persons with mobility impairments or chronic health conditions.
- **Affordability Constraints:** Non-homeless special needs populations often live on fixed or limited incomes (e.g., Social Security Disability Insurance or Supplemental Security Income), making it difficult to secure rental housing without financial assistance.
- **Lack of Supportive Services in Housing Settings:** Many individuals with special needs require not only affordable housing, but housing located near medical care, public transportation, and supportive services. These needs often go unmet in the private market.
- **Displacement Pressure and Housing Instability:** Rising rents and redevelopment in older neighborhoods can put special needs households at increased risk of displacement, particularly those without lease protections or informal rental arrangements.

Demographic Trends and Demand

Based on consultation with service providers and analysis of demographic data:

	<ul style="list-style-type: none"> • The senior population in Texas City is growing, with many older adults preferring to age in place but lacking resources to do so safely. • Persons with mental health conditions or physical disabilities often face long waitlists for supportive or subsidized housing options. • Survivors of domestic violence and stalking may require relocation assistance and a private lease structure, both of which TBRA can support. <p>Potential TBRA Uses for Non-Homeless Special Needs</p> <p>Should TBRA funding become available through appropriate programs, it could be targeted to:</p> <ul style="list-style-type: none"> • Provide immediate, flexible rental assistance to special needs households who are cost-burdened or at risk of institutionalization. • Support transition from group homes or care facilities into independent housing. • Allow greater mobility for special needs households to move closer to needed services, family supports, or safer environments. <p>Although TBRA is not currently funded through CDBG, the characteristics of Texas City’s housing market demonstrate a clear need for flexible rental assistance tailored to non-homeless special needs populations. Expanding access to safe, affordable, and accessible housing for these residents is essential to promoting equity, stability, and independence.</p>
<p>TBRA for Non-Homeless Special Needs</p>	<p>The production of new affordable housing units remains a critical component of Texas City’s long-term strategy to address unmet housing needs, accommodate population growth, and ensure equitable development across neighborhoods. Several market characteristics directly inform the allocation of funds toward new unit production.</p> <p>Insufficient Supply of Affordable Units</p>

	<ul style="list-style-type: none"> • Texas City has a shortage of affordable units for extremely low- to moderate-income households, especially renters earning less than 50% of Area Median Income (AMI). • According to recent housing data, demand for affordable rental and ownership opportunities exceeds current supply, particularly for families, single-parent households, and individuals with special needs. • Long waitlists for public or subsidized housing signal unmet demand that new unit production could help alleviate. <p>Household Growth and Demographic Shifts</p> <ul style="list-style-type: none"> • While population growth in Texas City is modest, shifts in household size and composition—such as aging seniors, single-adult households, and multigenerational families—create demand for a wider variety of housing types. • New units can be designed to meet evolving needs, including smaller accessible homes, energy-efficient housing, and units suitable for aging in place. <p>Limited Development in Underserved Areas</p> <ul style="list-style-type: none"> • Target areas such as the 1867 Settlement Historic District and Greater Chelsea Manor have experienced underinvestment and may benefit from context-sensitive infill development that aligns with revitalization plans. • Strategic new construction in these areas can help rebalance housing opportunities, support neighborhood stabilization, and promote economic development. <p>Cost Barriers and Market Gaps</p> <ul style="list-style-type: none"> • Rising construction costs, labor shortages, and limited availability of developable land pose barriers to private production of affordable housing. • Public funds, including CDBG and leveraged sources, may be required to fill financing gaps and incentivize nonprofit or mixed-income development that includes deeply affordable units.
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	<p>Opportunities for Mixed-Use and Mixed-Income Housing</p> <ul style="list-style-type: none"> • New unit production offers the opportunity to create mixed-use and mixed-income housing developments that integrate affordable housing with amenities, retail, or services—especially near transit corridors and community anchors. • These projects can contribute to a more inclusive housing market and promote long-term neighborhood vitality. <p>Texas City's housing market conditions support the need for targeted investment in new unit production. Public investment will be prioritized in areas with the greatest unmet housing demand, particularly where it can support broader revitalization goals, promote equitable growth, and expand affordable housing options for underserved populations.</p>
<p>New Unit Production</p>	<p>The housing stock in Texas City presents a number of challenges that make housing rehabilitation a high-priority and cost-effective strategy for preserving affordable housing, especially for low- and moderate-income (LMI) homeowners. Several market characteristics support continued investment in rehabilitation activities through CDBG and other funding sources.</p> <p>Aging Housing Stock</p> <ul style="list-style-type: none"> • A large portion of Texas City's single-family homes were built before 1980, and many now require significant repair to address issues such as: Outdated electrical and plumbing systems Roof deterioration Foundation damage Energy inefficiency and inadequate insulation • These conditions are especially prevalent in LMI neighborhoods such as the Greater Chelsea Manor area and the 1867 Settlement Historic District. <p>Low Incomes and Limited Access to Capital</p> <ul style="list-style-type: none"> • Many low- and moderate-income homeowners—particularly seniors and households on fixed incomes—lack access to private financing for home repairs.

	<ul style="list-style-type: none"> Without assistance, these homeowners risk deferred maintenance leading to health and safety hazards, structural damage, or eventual displacement. <p>Disproportionate Impact on Special Populations</p> <ul style="list-style-type: none"> Elderly residents, persons with disabilities, and single-parent households often face unique barriers to maintaining their homes, including physical limitations or caregiving responsibilities. Rehabilitation assistance helps these households remain safely housed in familiar communities and supports aging in place. <p>Prevention of Property Decline and Neighborhood Disinvestment</p> <ul style="list-style-type: none"> Targeted housing rehabilitation helps stabilize neighborhoods by preserving housing stock, preventing vacancy or blight, and reinforcing community pride. In areas with declining property conditions, small-scale rehabilitation can yield large returns in curb appeal, safety, and property value stabilization. <p>Climate and Disaster Vulnerability</p> <ul style="list-style-type: none"> Given Texas City's vulnerability to flooding, windstorms, and other climate-related hazards, housing rehabilitation also plays a vital role in: Improving structural resilience (e.g., roof anchoring, elevation, storm windows) Reducing the likelihood of displacement following natural disasters Ensuring compliance with floodplain and building code requirements <p>Texas City's housing market conditions clearly support continued investment in owner-occupied housing rehabilitation. Strategic use of CDBG funds for rehabilitation helps low-income residents maintain safe and stable housing, prevents neighborhood decline, and strengthens community resilience in the face of aging infrastructure and environmental risks.</p>
Rehabilitation	

Preservation of existing affordable housing is a key strategy for maintaining housing stability for low- and moderate-income (LMI) residents in Texas City. Market conditions—including the age of the housing stock, limited production of new affordable units, and pressures from disinvestment or redevelopment—make preservation both necessary and cost-effective.

Aging Housing Stock and Deferred Maintenance

- Much of the City’s single-family and small multifamily housing was constructed prior to 1980 and shows signs of deterioration due to age, lack of modern infrastructure, or deferred maintenance.
- Without intervention, these older units may fall into disrepair, resulting in health and safety hazards, vacancy, or loss of affordability through investor-driven turnover.

Limited Supply of Affordable Housing

- The supply of affordable rental and owner-occupied housing in Texas City remains limited, particularly for extremely low-income households.
- Preservation efforts protect naturally occurring affordable housing (NOAH) units and prevent displacement of vulnerable households.
- New affordable housing production is costly and complex, making preservation of existing stock a more feasible near-term option in many cases.

Threat of Displacement from Market Changes

- In some neighborhoods, aging affordable units are at risk of being acquired and converted into higher-rent housing or left vacant and deteriorating.
- Strategic preservation efforts—particularly in historic or culturally significant areas such as the 1867 Settlement District—help maintain affordability and prevent the loss of community assets due to speculative redevelopment.

Historic and Cultural Significance

	<ul style="list-style-type: none"> • Several neighborhoods in Texas City have architectural and cultural significance, particularly those tied to African American heritage and early settlement history. • Preservation of these structures supports neighborhood identity, intergenerational housing continuity, and equitable reinvestment without gentrification. <p>Cost-Effectiveness and Community Stability</p> <ul style="list-style-type: none"> • Compared to new construction, preserving existing housing is often more cost-effective and less disruptive to residents. • Investments in preservation also help maintain community cohesion and allow longtime residents to remain in place. <p>Texas City’s housing market conditions clearly underscore the importance of preservation as a core strategy for maintaining long-term housing affordability, especially in historically underserved areas. CDBG funds and other public investments will be directed toward preserving existing affordable housing stock, extending the life of valuable community assets, and preventing displacement of low-income households.</p>
Acquisition, including preservation	

Table 49 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City of Texas City anticipates a total Community Development Block Grant (CDBG) entitlement allocation of **\$432,691** for Program Year 2025. This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Leveraged and Supplementary Resources

In addition to CDBG funds, the City will pursue and coordinate a range of other resources to multiply impact, including:

- Local matching contributions and in-kind project support.
- State and federal grants (e.g., TxCDBG Disaster Recovery and Mitigation, HOME program).
- Strategic partnerships with academic institutions (TSU & UH), nonprofits, and business stakeholders to access technical assistance and capital.

Resource Allocation Principles

- **Data-Driven Focus:** Resources will be directed toward identified priority needs, including housing preservation, neighborhood infrastructure, and services for vulnerable populations.
- **Strategic Targeting:** The City will concentrate efforts in the designated target areas—the 1867 Settlement Historic District and Greater Chelsea Manor—to maximize equity and revitalization outcomes.
- **Outcome Accountability:** Project selection will be aligned with measurable goals and monitored through HUD’s IDIS system to ensure transparent, efficient, and effective use of funds.

This section provides an overview of the major funding sources expected during the Consolidated Plan period, their eligible uses, and how these funds will be leveraged to advance the City's strategic goals.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	432,691	0	400,000	832,691	1,730,764	This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
General Fund	public - local	Admin and Planning	150,000	0	0	150,000	600,000	The City of Texas City anticipates allocating \$150,000 from the General Fund in 2025 to cover salaries and benefits for the Community Development Department. For the remainder of the Consolidated Plan period, an additional \$600,000 is anticipated to support these personnel costs, ensuring adequate staffing and capacity to carry out the City's community development goals.

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the City of Texas City's Community Development Block Grant (CDBG) allocation for Program Year 2025 does not include formal matching requirements, federal funds are strategically leveraged to enhance the impact of available resources.

Local Leverage:

CDBG activities are supported by local funding, primarily in the form of in-kind support through department salaries and administrative capacity. These local contributions allow the City to implement and manage CDBG-funded projects efficiently without diverting grant funds from direct services or infrastructure improvements.

State and Other Federal Resources:

The City is actively seeking to supplement its CDBG allocation by applying for additional funding, including the HOME Investment Partnerships Program (HOME) through the Texas Department of Housing and Community Affairs (TDHCA). If awarded, HOME funds would be used to expand affordable housing efforts, particularly for rehabilitation and production of housing units.

Although CDBG funds do not require formal match contributions, Texas City maximizes their effectiveness by coordinating local and prospective state resources toward shared goals of equity, revitalization, and housing stability.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

At this time, the City of Texas City does not have publicly owned land that is actively designated for use in addressing the housing or community development needs identified in this Consolidated Plan. However, there are ongoing discussions with the Texas City Economic Development Corporation (TCEDC) regarding the potential use of City-owned properties for future development opportunities.

These discussions are exploratory and have not yet resulted in formal agreements or plans. If such initiatives move forward, they may support affordable housing development, neighborhood revitalization, or economic development projects in alignment with the priorities outlined in this Plan.

Discussion

The City of Texas City continues to take a strategic and resource-conscious approach to implementing its Community Development Block Grant (CDBG) program. With a confirmed allocation of \$432,691 for Program Year 2025, the City will focus its efforts on addressing critical housing needs, improving living conditions for low- and moderate-income residents, and revitalizing historically underserved neighborhoods such as the 1867 Settlement District and Greater Chelsea Manor.

Although there are no formal matching requirements for the CDBG program, the City leverages local resources—primarily in the form of departmental staffing and administrative support—to implement and monitor funded activities. The City is also exploring additional opportunities for financial leverage through prospective HOME funding from the State of Texas, and continues to work with regional academic institutions to inform data-driven decisions.

While no publicly owned land is currently committed to CDBG-related activities, conversations are underway with the Texas City Economic Development Corporation to identify City-owned parcels that could potentially support affordable housing or economic development in the future.

Overall, the City’s approach emphasizes collaboration, fiscal stewardship, and targeted investment in areas with the greatest need and potential for long-term impact.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
TEXAS CITY	Government	Economic Development Homelessness Non-homeless special needs Planning neighborhood improvements public facilities public services	Jurisdiction
Texas City Housing Authority	PHA	Homelessness Planning Public Housing Rental	Jurisdiction
Texas City Public Works Department	Departments and agencies	Planning public facilities	Jurisdiction
City of Texas City, Dept. of Economic Development	Departments and agencies	Economic Development Planning	Jurisdiction
Homeless Network of Texas dba Texas Homeless Network	Non-profit organizations	Homelessness Planning	State

Table 51 - Institutional Delivery Structure

Assessment of Strengths and Gaps in the Institutional Delivery System

Strengths

1. **Collaborative Partnerships:**

Texas City benefits from strong collaboration among various local agencies, nonprofit organizations, and regional partners such as the Texas City Economic Development Corporation (TEDC), Gulf Coast Workforce Board, and community-based service providers. These partnerships enhance resource sharing and coordinated service delivery.

2. **Established Community Development Infrastructure:**

The City's Community Development Department has experience managing HUD-funded programs, including CDBG, ensuring compliance with federal regulations and effective program administration.

3. **Engaged Stakeholders and Community Input:**

Active involvement from residents, businesses, and service providers through public meetings and advisory committees helps align program goals with community needs and priorities.

4. **Workforce Development Linkages:**

The connection between workforce training providers, educational institutions, and employers supports alignment of labor market needs with training programs, especially in sectors like manufacturing and healthcare.

5. **Supportive Housing Providers:**

A network of organizations specializing in services for homeless and special needs populations contributes to addressing housing stability and supportive service needs.

Gaps

1. **Limited Capacity for Affordable Housing Development:**

Despite existing programs, there is a shortage of affordable housing units to meet demand, and capacity constraints limit the pace of new construction or rehabilitation efforts.

2. **Insufficient Coordination Across Some Service Areas:**

While many agencies collaborate effectively, gaps remain in communication and coordination among certain service providers, which can lead to duplication or missed opportunities for holistic support.

3. Resource Constraints and Funding Limitations:

Available funding is often insufficient to fully address the scale of needs related to homelessness prevention, housing rehabilitation, and supportive services.

4. Data and Performance Tracking Challenges:

Limited integration of data systems across agencies hinders comprehensive tracking of outcomes and identification of service gaps.

5. Outreach and Accessibility Barriers:

Some underserved populations may face barriers to accessing services due to lack of awareness, transportation challenges, or limited capacity of outreach efforts.

Addressing these gaps while leveraging existing strengths will require continued investment in capacity building, enhanced inter-agency coordination, innovative funding strategies, and expanded community engagement. Strengthening the institutional delivery system is essential to effectively meet the housing and community development goals outlined in the Consolidated Plan.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy			
Legal Assistance	X		
Mortgage Assistance			
Rental Assistance			
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement	X		
Mobile Clinics			
Other Street Outreach Services			
Supportive Services			
Alcohol & Drug Abuse	X		
Child Care	X		
Education	X		
Employment and Employment Training	X		
Healthcare	X		

HIV/AIDS			
Life Skills			
Mental Health Counseling	X		
Transportation	X		
Other			

Table 52 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The City of Texas City collaborates closely with local and regional partners to deliver a comprehensive network of services aimed at addressing the diverse needs of persons experiencing homelessness. This system is designed to serve specific subpopulations such as chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth.

Housing and Case Management

Partnerships with organizations like **The Gulf Coast Center** and **The Jesse Tree** provide vital housing navigation and case management services. These agencies assist individuals in locating stable housing, connecting with mental health counseling, and accessing basic needs resources, which are crucial for promoting long-term housing stability.

Behavioral Health Services

The Gulf Coast Center offers outpatient mental health and substance use disorder treatment, addressing the behavioral health needs that often contribute to homelessness or complicate housing retention. This support is essential for individuals requiring specialized care to regain and maintain stability.

Outreach Efforts

While street outreach resources are limited, Texas City works in coordination with the **Galveston County Homeless Coalition** to identify and engage chronically homeless individuals. This partnership ensures that the hardest-to-reach populations receive outreach and access to available services.

HIV/AIDS Services

For individuals living with HIV/AIDS, access to care is facilitated through regional providers such as **Access Care of Coastal Texas (ACCT)**, which offers case management, housing assistance funded through HOPWA, and medical transportation. These specialized services are critical for addressing the unique health and housing needs of this population.

Health Coverage and Referrals

Texas City residents with HIV benefit from state and federally funded programs like **Ryan White Part A and B services**, with referrals coordinated through the **Galveston County Health District**. This network ensures continuity of medical care and supportive services.

By integrating housing assistance, healthcare, outreach, and supportive services, the service delivery system in Texas City aims to holistically address the complex needs of homeless persons, fostering pathways to stability and self-sufficiency for vulnerable populations.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Strengths

- **Collaborative Partnerships:**
Texas City works with regional agencies and nonprofits to provide essential supportive services, including housing navigation, mental health counseling, and case management for homeless individuals and families.
- **Behavioral Health and HIV/AIDS Services:**
Access to outpatient mental health and substance use disorder treatment is available through partners like The Gulf Coast Center, and HIV/AIDS services are coordinated with regional providers, ensuring specialized care for vulnerable populations.
- **Community Engagement and Coordination:**
The City participates in county-wide coalitions and planning entities that promote coordination among service providers, helping to align resources and share information.

Gaps

- **Lack of Emergency Shelter and Transitional Housing Within City Limits:**
Texas City currently does not have a permanent, year-round emergency shelter or transitional housing program. This reliance on neighboring jurisdictions limits the City's capacity to respond promptly and directly to local homelessness needs.
- **Limited Services for Unaccompanied Youth and LGBTQ+ Populations:**
There are few targeted resources within Texas City addressing the specific needs of homeless youth, particularly LGBTQ+ individuals who often face additional barriers such as discrimination and trauma.
- **Insufficient Street Outreach and Engagement:**
Street outreach efforts are inconsistent and underfunded, resulting in limited regular engagement with unsheltered homeless individuals across the city.
- **Data and Coordination Challenges:**
Texas City lacks a centralized intake, referral, or coordinated entry system housed within the City, causing limited data sharing and coordination between agencies. This leads to inefficiencies and potential duplication of services.
- **Underfunding of Local Services:**
Local nonprofit organizations and service providers often operate with constrained staff and limited funding, restricting their ability to meet demand. Competition for state and federal funds like ESG and CoC grants, combined with administrative capacity challenges, further limits resource availability.
- **Housing Affordability and Permanent Supportive Housing Shortages:**
There is a significant shortage of deeply affordable housing units and permanent supportive housing options, particularly for persons with disabilities or those transitioning out of homelessness.

While Texas City benefits from strong partnerships and access to essential behavioral and health services, critical gaps—particularly in emergency shelter availability, targeted youth and LGBTQ+ services, outreach capacity, data coordination, funding, and affordable housing—present significant challenges. Addressing these gaps is vital to creating a more effective, responsive system to meet the diverse needs of special needs populations and persons experiencing homelessness.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

To strengthen the capacity of Texas City’s institutional and service delivery system and effectively address priority housing and community development needs, the City will implement a multifaceted approach focused on enhancing coordination, expanding resources, and building capacity:

1. Enhance Interagency Coordination and Communication

- Establish or strengthen centralized intake and coordinated entry systems within the City to improve client referrals and reduce service duplication.
- Promote regular information sharing and joint case management among housing, health, and social service providers.
- Facilitate cross-sector partnerships including public agencies, nonprofits, and community stakeholders to align goals and maximize impact.

2. Expand Emergency Shelter and Transitional Housing Capacity

- Explore opportunities to develop or support permanent emergency shelter and transitional housing programs within Texas City to reduce reliance on neighboring jurisdictions.
- Partner with regional providers and funders to leverage resources and expertise for shelter development.

3. Target Underserved Populations with Tailored Services

- Increase outreach and supportive services specifically for unaccompanied youth, including trauma-informed care and safe housing options.
- Enhance street outreach programs with dedicated staff and funding to engage unsheltered homeless populations more consistently.

4. Increase Funding and Resource Capacity

- Pursue additional federal, state, and private funding sources, such as ESG, CoC, and philanthropic grants, to expand service capacity and affordable housing development.
- Build administrative capacity within local agencies and nonprofits to successfully manage and leverage funding opportunities.

5. Address Housing Affordability and Supportive Housing Shortages

- Support the development of deeply affordable rental housing and permanent supportive housing units targeted to special needs populations.
- Integrate housing stabilization services with supportive care to promote long-term housing retention.

6. Strengthen Data Systems and Performance Monitoring

- Develop or improve data sharing platforms to facilitate coordinated client tracking, outcome measurement, and gap analysis.
- Use data-driven decision-making to optimize service delivery and resource allocation.

By implementing these strategies, Texas City aims to build a more responsive, efficient, and equitable institutional framework that better meets the needs of its vulnerable populations and advances its community development priorities.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Improve Affordable Housing	2025	2029	Affordable Housing	Greater Chelsea Manor City Wide 1867 Settlement District	Housing Rehabilitation and Preservation Neighborhood Revitalization	CDBG: \$1,000,000	Homeowner Housing Rehabilitated: 50 Household Housing Unit
2	Improve Infrastructure and Neighborhood Conditions	2025	2029	Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Public Infrastructure and Neighborhood Improvement Neighborhood Revitalization	CDBG: \$500,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1655 Persons Assisted
3	Support Public Services for Vulnerable Residents	2025	2029	Non-Housing Community Development	Greater Chelsea Manor City Wide 1867 Settlement District	Public Services for Vulnerable Populations	CDBG: \$324,515	Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted Other: 25 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Enhance Community Planning and Capacity	2025	2029	Planning & Administration	City Wide	Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization	CDBG: \$432,690	

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Advance Target Area Revitalization	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Neighborhood Revitalization		
6	Promote Fair Housing and Housing Access	2025	2029	Affordable Housing	City Wide	Fair Housing Education & Outreach	CDBG: \$66,250	

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve and Improve Affordable Housing
	Goal Description	Texas City will invest in the preservation of existing affordable housing stock through its minor home repair and rehabilitation programs. With a large proportion of aging housing—particularly in low-income neighborhoods—these programs are critical to maintaining safe, livable homes for seniors, persons with disabilities, and extremely low-income families. Housing rehabilitation helps prevent displacement, reduces health and safety hazards, and contributes to long-term neighborhood stability.

2	Goal Name	Improve Infrastructure and Neighborhood Conditions
	Goal Description	The City will address long-standing infrastructure needs in low- and moderate-income areas by funding projects that improve sidewalks, street conditions, drainage, and ADA accessibility. These improvements enhance mobility, safety, and resilience—especially in flood-prone areas—and are concentrated in the Greater Chelsea Manor area and the 1867 Settlement Historic District. Infrastructure upgrades also complement housing investments and support broader revitalization efforts.
3	Goal Name	Support Public Services for Vulnerable Residents
	Goal Description	Through the public services component of the CDBG program, Texas City will support programs that serve the community’s most vulnerable populations. For 2025, this includes youth counseling programs at the Carver and Sanders-Vincent Community Centers, with a focus on mental health, life skills, and behavioral support. These services aim to stabilize families, reduce the risk of youth involvement in the justice system, and improve long-term outcomes for LMI households.
4	Goal Name	Enhance Community Planning and Capacity
	Goal Description	A portion of CDBG funds will be used for planning, program administration, and grant compliance activities. These include preparing HUD-mandated reports, overseeing environmental reviews, conducting internal monitoring, and managing contracts. By investing in administrative capacity, the City ensures the effective implementation, oversight, and sustainability of federally funded programs.
5	Goal Name	Advance Target Area Revitalization
	Goal Description	The City will strategically direct at least 60% of CDBG funds to two high-priority target areas: the 1867 Settlement Historic District and the Greater Chelsea Manor area. These historically underserved neighborhoods have been identified for focused investment in housing, infrastructure, and community-based services. This goal supports equitable development and honors the cultural and historical significance of these communities while addressing current needs.

6	Goal Name	Promote Fair Housing and Housing Access
	Goal Description	Informed by the 2024 Analysis of Impediments to Fair Housing Choice, this goal seeks to expand awareness of fair housing rights and reduce barriers to housing choice. Activities may include community outreach events, complaint intake & adjudication, multilingual education campaigns, and coordination with housing counselors and advocacy organizations. The City will work to ensure that all residents—regardless of race, disability, family status, or other protected characteristics—can access safe and affordable housing free from discrimination.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

Over the five-year span of the 2025–2029 Consolidated Plan, the City of Texas City anticipates providing affordable housing assistance primarily through its Community Development Block Grant (CDBG) program. Although the City does not currently receive direct HOME program funding, it plans to seek funding through the Texas Department of Housing and Community Affairs (TDHCA) as a potential state subrecipient.

Based on projected funding levels, past performance, and local housing market conditions, the City estimates it will be able to support affordable housing for approximately:

- **Extremely Low-Income Households (≤30% AMI):** 15 families
- **Low-Income Households (31–50% AMI):** 25 families
- **Moderate-Income Households (51–80% AMI):** 35 families

These figures include households assisted through housing rehabilitation, minor repair programs, and homebuyer assistance if applicable. The actual number served will depend on annual appropriations, market conditions, and success in leveraging outside resources such as HOME or state housing initiatives.

The City will prioritize assistance to extremely low- and low-income households to the extent feasible, particularly those at risk of housing instability or living in substandard conditions.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Texas City Housing Authority (TCHA) does not have Public Housing units.

Activities to Increase Resident Involvements

The Texas City Housing Authority (TCHA) does not have Public Housing units.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the ‘troubled’ designation

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

Texas City recognizes that while existing policies are intended to ensure safety, orderly growth, and neighborhood stability, they can sometimes create barriers to affordable housing. As part of its strategic efforts, the City will continue to review and update policies to: Streamline development approvals. Support infill and mixed-income housing. Promote balanced growth and reinvestment. These actions will help make the local housing market more accessible to families, seniors, and individuals of all income levels.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Collaboration is essential to overcoming housing barriers and ensuring equitable, sustainable development. Texas City will focus on strengthening partnerships across sectors to expand affordable housing opportunities and foster community support. Collaborate with Nonprofits, Community Development Corporations (CDCs), and Housing Authorities: These partners bring deep local knowledge, trusted community relationships, and expertise in affordable housing development and management. By working together, the City can support the creation and preservation of affordable units, provide wraparound services for residents, and ensure long-term housing stability. These collaborations can also help with outreach, tenant education, and connecting residents to job training, financial literacy, and social services. Coordinate with Regional Planning Agencies: Regional agencies can help align housing efforts with transportation, economic development, and environmental planning goals. Texas City will seek to coordinate zoning updates, infrastructure investments, and housing needs assessments to ensure that local efforts contribute to broader regional priorities and benefit from shared resources and data.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Texas City's strategic plan supports collaborative outreach and targeted investment to address the needs of individuals and families experiencing homelessness—especially those who are unsheltered or at high risk. These efforts are carried out in coordination with regional service providers, outreach teams, and local partners to ensure a system-wide, person-centered response.

A central partner in these efforts is the **Gulf Coast Center's PATH (Projects for Assistance in Transition from Homelessness) Program**, which includes a case manager, team lead, and program manager who conduct direct outreach to unsheltered individuals. These activities are often coordinated with the **Texas City Police Department** and other community partners. Outreach takes place in public spaces such as libraries, churches, day centers, and known encampments or unsheltered locations throughout the city.

In addition, the **Galveston County Food Bank**, in collaboration with local nonprofits like **Chosen Ones**, supports mobile outreach efforts to individuals and families experiencing housing instability. These agencies share real-time updates on emerging outreach locations or increased visibility of homelessness, informing coordinated local responses.

Through the **Coordinated Entry (CE) Planning Entity**, eligible individuals are assessed and referred to appropriate shelter, transitional housing, or permanent housing options. Local shelters provide updates on bed availability and participate in regular **case conferencing**, where providers and partners collaborate to match individuals to available resources. Individuals with lived experience are also involved in this process, offering valuable insight into outreach strategies and the effectiveness of available services.

The City of Texas City further supports outreach by:

- **Hosting an annual resource fair** that connects unsheltered individuals with service providers offering housing, mental health support, and basic needs assistance.
- **Serving as the local hub for the annual HUD Point-in-Time (PIT) Count**, coordinating outreach teams to ensure thorough community engagement and data collection.

When gaps in services or resources are identified during case conferencing, these issues are brought to the **Galveston County Homeless Coalition**, where member agencies collaborate to maximize the use of county-wide resources.

Strategic Plan Alignment

These outreach efforts align with Texas City's strategic goals:

- **Goal 3: Support Public Services for Vulnerable Residents** by funding services that reduce barriers and promote stability.
- **Goal 4: Enhance Community Planning and Capacity** through coordination with providers and data-informed decision-making.
- **Goal 5: Advance Target Area Revitalization** by addressing chronic homelessness in historically underserved neighborhoods.

By embedding outreach within its broader community development strategy, Texas City ensures that individuals experiencing homelessness are not overlooked and that local resources are aligned to meet both immediate needs and long-term housing stability goals.

Addressing the emergency and transitional housing needs of homeless persons

Texas City's Strategic Plan supports efforts to meet emergency and transitional housing needs through coordination with regional service providers and the Continuum of Care (CoC). The City does not currently operate its own shelter, but participates in the CoC's Coordinated Entry (CE) system and supports partners who deliver emergency response and housing stabilization services.

Through Coordinated Entry, individuals and families experiencing literal homelessness can complete an assessment with trained staff from **Gulf Coast Center** or **Endeavors**. Based on their level of need, participants are referred to emergency shelter, transitional housing, or permanent housing options. CE ensures that resources are allocated fairly and that vulnerable households are prioritized appropriately.

Several local partners address these needs:

- **Samaritan Women at the Well** operates **transitional housing** in Texas City, helping individuals and families build stability through case management and service connections.
- **Endeavors** assists **veterans and their families** by providing intensive case management and emergency financial support. Veterans are linked to long-term resources such as **VA programs** and **HUD-VASH vouchers**.

- **Mainland Community Partnership** offers case management and limited emergency financial assistance to individuals and families. The agency works with clients on housing stability plans tailored to achievable, long-term goals.

In FY2024, Galveston County agencies received **over \$2.3 million in CoC funding**, some of which is allocated to **rapid resolution strategies** aimed at shortening episodes of homelessness and avoiding unnecessary shelter stays.

Texas City’s strategic goals support these efforts by investing in programs and partnerships that prevent homelessness, improve access to services, and build long-term stability:

- **Goal 3: Support Public Services** helps fund outreach, youth counseling, and wraparound services.
- **Goal 4: Enhance Community Planning and Capacity** supports coordination with CoC and CE partners.
- **Goal 5: Advance Target Area Revitalization** ensures that investments also benefit areas where transitional housing and outreach activities are concentrated.

These coordinated actions ensure that individuals and families experiencing homelessness in Texas City have access to emergency support, transitional options, and long-term pathways to housing stability.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Texas City’s Strategic Plan supports efforts to help individuals and families experiencing homelessness—especially chronically homeless persons, families with children, veterans, and unaccompanied youth—transition into permanent housing and achieve long-term stability. The City partners with regional providers and the Galveston County Continuum of Care (CoC) to ensure that housing and services are coordinated and equitably delivered through the **Coordinated Entry (CE) system**.

CE is a critical part of the community’s housing crisis response system. It ensures that individuals at risk of or currently experiencing homelessness can readily access assistance, regardless of where they enter the system. CE uses a **standardized assessment process** to

evaluate a person’s vulnerability and service needs, and then **prioritizes referrals** to the most appropriate housing intervention—such as emergency shelter, transitional housing, rapid rehousing, or permanent supportive housing.

This process shortens the time individuals and families remain homeless by streamlining access to services and reducing delays in placement. Households with higher needs, such as veterans or chronically homeless individuals, are matched to more intensive supports such as case management or long-term rental assistance. Those with lower service needs may be referred to rapid rehousing or mainstream housing options.

Texas City also coordinates with service providers who assist clients after placement to **prevent returns to homelessness**. These supports include:

- **Endeavors**, which provides intensive case management and links veterans and their families to long-term supports like **VA services** and **HUD-VASH vouchers**
- **Mainland Community Partnership**, which offers post-placement case management and emergency financial assistance to stabilize households and support housing retention
- **Samaritan Women at the Well**, which connects clients in transitional housing to permanent housing options and employment or support resources

These services are reinforced by ongoing **case conferencing among CE partners**, including individuals with lived experience, who help ensure person-centered service planning and follow-up.

Texas City’s strategic goals contribute to this transition framework by:

- **Goal 1: Preserve and Improve Affordable Housing** – Increasing the supply and quality of affordable units accessible to formerly homeless households
- **Goal 3: Support Public Services for Vulnerable Residents** – Funding outreach and stabilization services that help individuals retain housing
- **Goal 4: Enhance Community Planning and Capacity** – Coordinating with CE and CoC partners to ensure alignment of funding, referrals, and long-term housing goals
- **Goal 5: Advance Target Area Revitalization** – Directing investment into high-need areas where housing access and homelessness prevention efforts are critical

By aligning housing, services, and strategic investment, Texas City is actively supporting a system that reduces the length of time individuals experience homelessness, increases the rate of successful housing placements, and reduces the likelihood of repeated homelessness.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

Texas City’s Strategic Plan prioritizes efforts to help low- and extremely low-income individuals and families—particularly those at risk of housing instability—avoid becoming homeless. Special attention is given to populations being discharged from publicly funded systems of care, such as hospitals, behavioral health facilities, foster care, and corrections, as well as those receiving support from health, education, or social service systems.

A key prevention effort is led by the **Gulf Coast Center’s PATH (Projects for Assistance in Transition from Homelessness) team**, which collaborates with **Sun Behavioral Health** to provide **diversion services** for individuals exiting psychiatric hospitalization who are at risk of returning to unsheltered homelessness. PATH staff meet regularly to discuss individual cases and coordinate connections to available housing, behavioral health, and community-based supports.

Local partners also play a vital role in identifying and stabilizing households at risk of homelessness. Several agencies in Texas City provide **wraparound social services** to youth, families, and individuals seeking long-term wellness and stability. These include:

- **Case management and support services for youth and families** in partnership with local schools
- **Parenting workshops, mentorship programs, and health referrals** to help families stay connected and supported
- **Youth-focused behavioral health and outreach services** aimed at improving school engagement and preventing displacement

For individuals in need of employment support, **Workforce Solutions** provides job readiness resources, vocational training, and placement assistance for both youth and adults. These programs are essential to increasing income and reducing economic pressures that can lead to housing loss. In addition, the **Gulf Coast Center** offers **Supportive Employment case management** for adults engaged in behavioral health services, helping clients secure and retain jobs aligned with their individual capabilities and treatment plans.

These coordinated efforts aim to reduce the number of individuals who exit care systems into homelessness and ensure that those receiving public or nonprofit support are also connected to housing stability resources.

Texas City's Strategic Plan supports these goals by:

- **Goal 3: Supporting Public Services for Vulnerable Residents**, including those at risk of homelessness due to system discharge or lack of family support
- **Goal 4: Enhancing Community Planning and Capacity** through partnerships with health, education, and workforce agencies
- **Goal 5: Advancing Target Area Revitalization** to strengthen neighborhoods where many at-risk residents live and seek services

Through collaboration with health care providers, school-based initiatives, and local employment support services, Texas City and its partners work to identify vulnerable households early and provide the tools they need to maintain housing and stability.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City of Texas City recognizes that lead-based paint (LBP) remains a potential health hazard in older housing stock, particularly in units constructed before 1978. Exposure to lead hazards—especially among young children—can result in serious health consequences. In response, the City will implement a series of coordinated actions to reduce and prevent LBP exposure in housing assisted with federal funds.

1. Identification and Assessment of Risk

- The City will ensure that all housing rehabilitation projects involving units built before 1978 undergo **lead-based paint inspections or risk assessments**, as required under HUD’s Lead Safe Housing Rule (24 CFR Part 35).
- Staff and contractors will continue to be trained in **lead hazard identification, interim controls, and safe work practices**.

2. Lead Hazard Control in Housing Rehabilitation

- When LBP hazards are identified in eligible units, the City will require **interim controls or abatement** as part of the scope of work for CDBG-funded rehabilitation.
- All work will be performed by **certified contractors** and in accordance with HUD’s lead safety regulations and EPA’s Renovation, Repair, and Painting (RRP) Rule.

3. Tenant and Homeowner Education

- Occupants of assisted properties will be provided with HUD’s **“Protect Your Family from Lead in Your Home”** pamphlet.
- The City will promote public awareness of lead hazards and provide referrals to Galveston County Health District or other resources for blood lead screening and lead hazard prevention.

4. Monitoring and Documentation

- The City will maintain proper documentation of LBP compliance, including inspection reports, clearance testing, and certifications, in project files and within HUD’s IDIS system.
- Files will be regularly reviewed to ensure compliance with all federal regulations and to prepare for potential HUD monitoring.

5. Coordination with Health and Housing Agencies

- The City will coordinate with regional public health agencies and housing authorities to monitor lead-related health risks and respond to any identified cases of lead poisoning.
- Where feasible, referrals will be made to state or county programs offering **grant-funded lead hazard control** for eligible households.

Through a combination of inspection, mitigation, public education, and interagency coordination, the City of Texas City will work to reduce LBP hazards in federally assisted housing and ensure that residents—particularly children—have access to safe, healthy homes.

How are the actions listed above related to the extent of lead poisoning and hazards?

The City of Texas City's actions to reduce lead-based paint (LBP) hazards are directly informed by the age and condition of the housing stock, the presence of vulnerable populations, and public health risks associated with lead exposure—particularly for children under the age of six.

Extent of the Problem

- A significant portion of Texas City's housing stock was built prior to 1978, when the use of lead-based paint in residential construction was banned.
- These older homes are concentrated in low- and moderate-income neighborhoods, including the **Greater Chelsea Manor** and **1867 Settlement** target areas, where many households cannot afford major home repairs.
- Children living in these units are at increased risk of lead poisoning, particularly if deteriorated paint, dust, or soil is present.

Alignment of Actions with Lead Risk

The City's planned actions are directly tied to reducing these risks in the following ways:

1. Housing Rehabilitation and Lead Mitigation

- Through its CDBG-funded housing rehabilitation and minor repair programs, the City prioritizes assistance to LMI households in pre-1978 homes.
- All rehabilitation projects involving older housing include **lead hazard evaluation and compliance** with HUD's Lead Safe Housing Rule (24 CFR Part 35).
- Identified hazards are mitigated using **interim controls or abatement**, and **clearance testing** is conducted to ensure safety post-repair.

2. Public Awareness and Education

- Homeowners and tenants participating in City-funded housing programs receive educational materials, including HUD’s **“Protect Your Family from Lead in Your Home”** brochure.
- Residents are encouraged to report peeling paint or other potential hazards, and are referred to the **Galveston County Health District** for testing or additional services if necessary.

3. Focus on Vulnerable Populations

- The City's targeting of extremely low-income households, families with young children, and elderly or disabled individuals helps reduce exposure in the populations most at risk for lead-related health effects.
- These actions are concentrated in areas where **historical disinvestment** and aging infrastructure overlap, ensuring high-impact interventions.

By integrating lead hazard controls into housing rehabilitation programs, prioritizing high-risk populations and neighborhoods, and complying with federal lead safety standards, Texas City’s actions directly contribute to reducing the risk and incidence of lead poisoning in the community. These efforts are essential to improving long-term health outcomes and housing quality for low-income residents.

How are the actions listed above integrated into housing policies and procedures?

The City of Texas City has formally integrated lead-based paint (LBP) hazard reduction requirements into its housing policies and procedures to ensure the protection of low- and moderate-income households—particularly those living in homes constructed before 1978. These procedures are aligned with federal regulations and are consistently applied across all applicable City-funded housing programs.

1. Compliance with Federal Lead Regulations

All housing programs administered through the City—particularly those supported with CDBG funds—are subject to HUD’s **Lead Safe Housing Rule (24 CFR Part 35)**. City policies require:

- **Lead risk assessments or paint inspections** for any home built before 1978 that receives rehabilitation assistance above regulatory thresholds.

- **Interim controls or abatement** of identified lead hazards during the rehabilitation process.
- **Clearance testing** by a certified risk assessor before project closeout.

These requirements are built into project scopes, contractor bid packets, and rehabilitation checklists to ensure uniform compliance.

2. Contractor Training and Certification Requirements

The City only contracts with **EPA-certified lead-safe renovation firms** for rehabilitation activities in pre-1978 housing. This policy is embedded in contractor qualification standards and procurement procedures.

3. Occupant Notification and Education

Program policies require that homeowners and tenants participating in federally assisted rehabilitation receive:

- HUD's "**Protect Your Family from Lead in Your Home**" brochure, and
- A copy of any lead hazard evaluation reports or clearance results conducted on their unit.

These materials are included in the intake and closing packets for all CDBG-funded housing projects involving older homes.

4. Documentation and Monitoring

The City maintains a formal checklist to document lead-safe compliance for each applicable project, including:

- Date of construction
- Type of lead evaluation conducted
- Scope of lead hazard work
- Names and certifications of contractors
- Clearance test results

This documentation is reviewed during internal monitoring and is uploaded to HUD's Integrated Disbursement and Information System (IDIS) as required.

5. Coordination with Local Health Authorities

The City's housing program procedures include referral protocols to the **Galveston County Health District** for households concerned about lead exposure or requesting blood lead level screening, particularly for children under six years old.

Through clearly defined policies, standardized procedures, and regulatory compliance protocols, the City of Texas City ensures that lead hazard reduction is not only implemented, but fully institutionalized across its housing programs. This integration protects vulnerable populations and promotes safe, healthy housing throughout the community.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Reducing poverty and improving economic mobility for low-income families is a long-standing goal of the City of Texas City. Through its CDBG program and partnerships with local service providers, the City implements strategies that focus on addressing root causes of poverty, such as lack of access to stable housing, workforce barriers, limited education, and insufficient public infrastructure.

Strategic Goals

The following goals outlined in this Consolidated Plan directly support the City’s efforts to reduce the number of families living in poverty:

1. Expand access to safe, stable, and affordable housing for low- and moderate-income households.
2. Support public services and community facilities that meet the basic needs of vulnerable populations.
3. Improve infrastructure in underserved neighborhoods to promote safety, accessibility, and long-term investment.
4. Encourage economic opportunity and self-sufficiency through support for workforce development, job readiness, and entrepreneurship.

Key Programs and Activities

1. Housing Stability and Rehabilitation Programs

- The City provides minor home repair and rehabilitation assistance to low-income homeowners, helping them maintain safe housing and reduce housing-related cost burdens.
- Stabilizing housing conditions is a foundational step in preventing deeper poverty and potential homelessness.

2. Public Service Support

- Through CDBG public service funds, the City assists nonprofit partners in delivering services such as after-school programs, youth mentoring, senior outreach, and limited case management—resources that contribute to long-term family well-being and opportunity.

3. Infrastructure and Accessibility Improvements

- Infrastructure projects in low-income neighborhoods—such as sidewalk installation, ADA compliance, and drainage improvements—help eliminate environmental and mobility barriers that disproportionately affect families living in poverty.

4. Economic Mobility and Workforce Support

- The City supports job readiness programs, microenterprise assistance, and employment services in partnership with local nonprofits and workforce agencies.
- These programs focus on helping residents increase their earning potential, access new employment opportunities, and improve long-term financial stability.

Partnerships and Policy Alignment

- Texas City participates in the Texas City Mayor’s Task Force on Homelessness and is an active member of the Galveston County Homeless Coalition, both of which support programs aimed at addressing economic and housing instability.

Ongoing Policy Commitments

- Promote fair housing access to prevent discrimination that may trap families in high-poverty, low-opportunity areas.
- Encourage infill development and housing preservation to protect affordability and prevent displacement.
- Support community organizations that provide wraparound services, including financial literacy, job coaching, and mental health supports.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The City of Texas City recognizes that **affordable housing and poverty reduction are deeply interconnected**. Without access to stable, affordable housing, low-income families face greater barriers to education, employment, health, and upward mobility. Therefore, the City has intentionally aligned its poverty-reduction strategies with its affordable housing goals to create a coordinated and supportive framework for improving residents' lives.

1. Prioritizing Housing Stability for Low-Income Families

Housing stability is a critical component of economic security. The City’s housing rehabilitation and minor repair programs help low-income homeowners—particularly seniors, persons with disabilities, and families with children—remain safely housed and avoid displacement or homelessness. By addressing substandard conditions and reducing housing costs, these efforts support the broader goal of poverty reduction.

2. Targeting Investment in High-Need Neighborhoods

CDBG-funded housing and infrastructure investments are focused in the **1867 Settlement District** and **Greater Chelsea Manor area**, which have high concentrations of poverty and limited economic opportunity. Improvements in these areas are designed to:

- Preserve affordable housing
- Improve public infrastructure and accessibility
- Attract reinvestment and support neighborhood revitalization

This geographic coordination ensures that housing activities complement broader anti-poverty strategies and address systemic disparities.

3. Leveraging Housing Programs to Connect Families with Services

While the City’s primary role is funding and program administration, its housing programs are implemented in coordination with local service providers who offer:

- Workforce development and job training
- Youth and family support services
- Case management and referrals to health, education, and financial assistance programs

By stabilizing housing and connecting residents to services, the City supports a **pathway out of poverty**.

4. Supporting Renters and Vulnerable Populations

The City coordinates with the **Galveston County Homeless Coalition** and the **Texas City Mayor's Task Force on Homelessness** to help prevent and address housing instability among extremely low-income families and individuals. These efforts, including partnerships with regional nonprofits, contribute to reducing poverty through:

- Homeless prevention
- Rapid rehousing
- Wraparound support services

5. Promoting Equitable Access to Housing and Opportunity

Texas City's affordable housing efforts incorporate fair housing principles, ensuring that residents are not limited to high-poverty areas or excluded from higher-opportunity neighborhoods. This supports poverty reduction by:

- Encouraging mobility
- Reducing segregation
- Broadening access to schools, jobs, and healthcare

The City's affordable housing strategy is not implemented in isolation but is fully integrated with its broader poverty-reduction goals. Through coordinated investments, targeted neighborhood revitalization, and strong partnerships with service providers, Texas City is working to reduce poverty by increasing housing stability, access, and opportunity for its most vulnerable residents.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Texas City has established a comprehensive monitoring framework to ensure that all activities carried out under the Consolidated Plan—particularly those funded through the Community Development Block Grant (CDBG) program—are implemented in full compliance with applicable federal regulations, support HUD program goals, and deliver measurable benefits to low- and moderate-income (LMI) residents.

1. Oversight and Internal Monitoring

The City’s Community Development Department is responsible for the administration and oversight of all CDBG-Entitlement funded activities. The department ensures regulatory compliance and program effectiveness through the following procedures:

- **Quarterly internal reviews** of program progress, expenditure rates, and beneficiary outcomes
- **On-site monitoring** of projects and partners, as applicable, using HUD-recommended protocols and documentation
- **Annual performance evaluations** and internal audits of program files, financial records, procurement documents, and IDIS data
- Maintenance of **standardized written procedures** covering eligibility, environmental review, recordkeeping, and reporting

Monitoring efforts are focused on ensuring:

- Compliance with national objectives and activity eligibility under 24 CFR Part 570
- Timely and appropriate use of funds
- Proper documentation of program beneficiaries
- Adherence to environmental, labor, and civil rights standards

2. Ensuring Long-Term Compliance

For housing rehabilitation and capital projects, the City maintains oversight through:

- **Written agreements and scopes of work** that include compliance requirements and benefit periods
- **Property inspections and project closeout documentation** to verify completion and compliance
- Periodic **follow-up checks** for housing rehabilitation projects to ensure continued code and safety standards are met
- **Record retention protocols** to ensure availability for future audits or HUD monitoring

If issues of noncompliance are identified, the City issues:

- A **written notice** describing the deficiency
- A **corrective action plan** with a deadline for resolution
- Follow-up monitoring to confirm compliance and resolution

3. Comprehensive Planning and Coordination

The City ensures that its Consolidated Plan activities remain aligned with broader community development goals through:

- Ongoing coordination with **city planning, public works, housing authorities, and nonprofit partners**
- Annual review of the Consolidated Plan's consistency with the City's **Comprehensive Plan**, capital improvement planning, and hazard mitigation strategies
- Participation in regional coalitions, local housing task forces, and academic partnerships that support strategic planning, data analysis, and technical capacity

Texas City's monitoring framework ensures that all federally funded programs are compliant, transparent, and effective. These efforts help maintain accountability, maximize impact, and align local activities with HUD's overarching program objectives and the City's long-term development goals.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Texas City anticipates a total Community Development Block Grant (CDBG) entitlement allocation of **\$432,691** for Program Year 2025. This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Leveraged and Supplementary Resources

In addition to CDBG funds, the City will pursue and coordinate a range of other resources to multiply impact, including:

- **Local matching contributions** and in-kind project support.
- **State and federal grants** (e.g., TxCDBG Disaster Recovery and Mitigation, HOME program).
- **Strategic partnerships** with academic institutions (TSU & UH), nonprofits, and business stakeholders to access technical assistance and capital.

Resource Allocation Principles

- **Data-Driven Focus:** Resources will be directed toward identified priority needs, including housing preservation, neighborhood infrastructure, and services for vulnerable populations.
- **Strategic Targeting:** The City will concentrate efforts in the designated target areas—the 1867 Settlement Historic District and Greater Chelsea Manor—to maximize equity and revitalization outcomes.
- **Outcome Accountability:** Project selection will be aligned with measurable goals and monitored through HUD’s IDIS system

to ensure transparent, efficient, and effective use of funds.

This section provides an overview of the major funding sources expected during the Consolidated Plan period, their eligible uses, and how these funds will be leveraged to advance the City's strategic goals.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	432,691.00	0.00	400,000.00	832,691.00	1,730,764.00	This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
General Fund	public - local	Admin and Planning	150,000.00	0.00	0.00	150,000.00	600,000.00	The City of Texas City anticipates allocating \$150,000 from the General Fund in 2025 to cover salaries and benefits for the Community Development Department. For the remainder of the Consolidated Plan period, an additional \$600,000 is anticipated to support these personnel costs, ensuring adequate staffing and capacity to carry out the City's community development goals.

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the City of Texas City's Community Development Block Grant (CDBG) allocation for Program Year 2025 does not include formal matching requirements, federal funds are strategically leveraged to enhance the impact of available resources.

Local Leverage:

CDBG activities are supported by local funding, primarily in the form of in-kind support through department salaries and administrative capacity. These local contributions allow the City to implement and manage CDBG-funded projects efficiently without diverting grant funds from direct services or infrastructure improvements.

State and Other Federal Resources:

The City is actively seeking to supplement its CDBG allocation by applying for additional funding, including the HOME Investment Partnerships Program (HOME) through the Texas Department of Housing and Community Affairs (TDHCA). If awarded, HOME funds would be used to expand affordable housing efforts, particularly for rehabilitation and production of housing units.

Although CDBG funds do not require formal match contributions, Texas City maximizes their effectiveness by coordinating local and prospective state resources toward shared goals of equity, revitalization, and housing stability.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

At this time, the City of Texas City does not have publicly owned land that is actively designated for use in addressing the housing or community development needs identified in this Consolidated Plan. However, there are ongoing discussions with the Texas City Economic Development Corporation (TCEDC) regarding the potential use of City-owned properties for future development opportunities.

These discussions are exploratory and have not yet resulted in formal agreements or plans. If such initiatives move forward, they may support affordable housing development, neighborhood revitalization, or economic development projects in alignment with the priorities outlined in this Plan.

Discussion

The City of Texas City continues to take a strategic and resource-conscious approach to implementing its Community Development Block Grant (CDBG) program. With a confirmed allocation of \$432,691 for Program Year 2025, the City will focus its efforts on addressing critical housing needs, improving living conditions for low- and moderate-income residents, and revitalizing historically underserved neighborhoods such as the 1867 Settlement District and Greater Chelsea Manor.

Although there are no formal matching requirements for the CDBG program, the City leverages local resources—primarily in the form of departmental staffing and administrative support—to implement and monitor funded activities. The City is also exploring additional opportunities for financial leverage through prospective HOME funding from the State of Texas, and continues to work with regional academic institutions to inform data-driven decisions.

While no publicly owned land is currently committed to CDBG-related activities, conversations are underway with the Texas City Economic Development Corporation to identify City-owned parcels that could potentially support affordable housing or economic development in the future.

Overall, the City’s approach emphasizes collaboration, fiscal stewardship, and targeted investment in areas with the greatest need and potential for long-term impact.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Improve Affordable Housing	2025	2026	Affordable Housing	Greater Chelsea Manor City Wide 1867 Settlement District	Housing Rehabilitation and Preservation	CDBG: \$200,000.00	Homeowner Housing Rehabilitated: 10 Household Housing Unit
2	Improve Infrastructure and Neighborhood Conditions	2025	2029	Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Public Infrastructure and Neighborhood Improvement	CDBG: \$100,000.00	Other: 10 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Support Public Services for Vulnerable Residents	2025	2029	Non-Housing Community Development	Greater Chelsea Manor City Wide 1867 Settlement District	Public Services for Vulnerable Populations	CDBG: \$64,903.00	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted Other: 25 Other
4	Enhance Community Planning and Capacity	2025	2029	Planning & Administration	City Wide	Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization	CDBG: \$86,538.00	

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Advance Target Area Revitalization	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Neighborhood Revitalization	CDBG: \$259,614.00	Other: 2 Other
6	Promote Fair Housing and Housing Access	2025	2029	Affordable Housing	City Wide	Fair Housing Education & Outreach	CDBG: \$13,250.00	Other: 100 Other

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve and Improve Affordable Housing
	Goal Description	The City will use CDBG funds to support the rehabilitation and repair of housing units occupied by low- and moderate-income (LMI) households. This includes addressing health and safety issues, code violations, accessibility improvements, and other urgent repair needs. For 2025, the City will allocate \$200,000 to assist approximately 10 homeowners with an average of \$20,000 in rehabilitation assistance per household.

2	Goal Name	Improve Infrastructure and Neighborhood Conditions
	Goal Description	Texas City will invest in critical infrastructure improvements in LMI neighborhoods to address aging systems, drainage issues, ADA non-compliance, and general public safety concerns. CDBG funding will be used to support sidewalk improvements, accessibility enhancements, and related public facility upgrades—particularly in the Greater Chelsea Manor and 1867 Settlement District target areas. 10 infrastructure projects completed.
3	Goal Name	Support Public Services for Vulnerable Residents
	Goal Description	CDBG public service funds (limited to 15% of the allocation) will be used to implement youth counseling and behavioral support programs at the Carver and Sanders-Vincent Community Centers. These services are designed to promote emotional well-being, academic success, and positive development for at-risk youth in LMI areas. The City anticipates serving over 100 youth in 2025 through this initiative.
4	Goal Name	Enhance Community Planning and Capacity
	Goal Description	Up to 20% of the CDBG allocation will support program administration, planning, monitoring, and compliance activities. This includes preparation of required HUD reports, coordination with subrecipients and contractors, internal audits, public engagement, and staff support to ensure full regulatory compliance and efficient use of resources.
5	Goal Name	Advance Target Area Revitalization
	Goal Description	CDBG-funded projects will prioritize the revitalization of the City’s two designated target areas: the 1867 Settlement Historic District and the Greater Chelsea Manor area. These neighborhoods face high levels of disinvestment, aging infrastructure, and housing needs. At least 60% of all CDBG funds will benefit residents in these areas through coordinated housing, infrastructure, and public service investments.

6	Goal Name	Promote Fair Housing and Housing Access
	Goal Description	The City will continue to affirmatively further fair housing by providing education and outreach to residents on their housing rights. These efforts will include public workshops, distribution of materials in English and Spanish, and coordination with housing service providers. A portion of administrative funds will support these compliance and outreach efforts. Fair housing outreach, 5 public education events.

Projects

AP-35 Projects – 91.220(d)

Introduction

For Program Year 2025, the City of Texas City has identified a portfolio of priority projects to be supported with its **\$432,691** Community Development Block Grant (CDBG) entitlement allocation. These projects were carefully selected through a process that included public input, stakeholder consultation, data analysis, and alignment with the City’s 2025–2029 Consolidated Plan goals.

Each funded project will target critical needs affecting low- and moderate-income (LMI) residents and neighborhoods, with particular focus on the two designated target areas: the **1867 Settlement Historic District** and the **Greater Chelsea Manor area**. Priority emphasis is placed on initiatives that:

- Preserve and expand affordable housing options
- Improve neighborhood infrastructure
- Support youth and other vulnerable populations
- Strengthen the City’s capacity for effective federal program administration

These projects underscore the City’s ongoing dedication to equitable development, neighborhood revitalization, and achieving measurable community benefits. **Projects**

#	Project Name
1	Housing Rehabilitation and Repair
2	Neighborhood Infrastructure Improvements
3	Youth Counseling Services
4	Program Administration and Planning
5	Fair Housing Education and Outreach

Table 61 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of Texas City’s allocation priorities for Program Year 2025 are guided by the needs identified in the 2025–2029 Consolidated Plan, input from community partners, and the City’s long-standing commitment to improving conditions in historically underserved neighborhoods. CDBG funding is prioritized to support housing rehabilitation, neighborhood infrastructure, public services, and fair housing efforts, with a focus on low- and moderate-income (LMI)

residents.

Reasons for Allocation Priorities:

1. Housing Rehabilitation (\$200,000):

A substantial portion of CDBG funds is allocated to housing rehabilitation and repair for LMI homeowners to address substandard conditions, health and safety issues, and accessibility needs. This aligns with the community’s aging housing stock and rising maintenance burdens among seniors and low-income families.

2. Neighborhood Infrastructure Improvements (\$100,000):

Infrastructure investments are prioritized in the 1867 Settlement Historic District and the Greater Chelsea Manor area—two CDBG target areas with long-standing needs related to sidewalks, drainage, accessibility, and neighborhood safety. These projects also support the City’s goal to revitalize historically disinvested communities.

3. Public Services – Youth Counseling (\$64,903):

Public service funding is directed to youth counseling programs at Carver and Sanders-Vincent Community Centers, in response to identified gaps in mental health support and youth-focused services. These programs aim to promote wellness, stability, and long-term outcomes for LMI youth.

4. Planning & Administration (\$86,538):

A portion of funds is reserved for administrative functions, including grant management, compliance, planning, and Fair Housing Education and Outreach. These activities are essential to ensuring proper program delivery and HUD compliance.

Obstacles to Addressing Underserved Needs:

- **Limited Funding:**

The City receives a modest CDBG entitlement allocation relative to community need. The demand for affordable housing, infrastructure upgrades, and public services consistently exceeds available federal resources.

- **Lack of Shelter Capacity:**

Texas City does not currently have an emergency shelter, which limits immediate options for individuals and families experiencing homelessness or displacement.

- **Aging Infrastructure and Housing Stock:**

Many neighborhoods require comprehensive infrastructure investment, and the aging housing stock creates ongoing needs for repair and rehabilitation among LMI homeowners.

- **Resource Gaps in Mental Health and Youth Services:**

Local partners report a need for expanded behavioral health services, especially for

youth and families experiencing trauma, housing instability, or economic hardship.

- **Capacity Constraints:**

Smaller nonprofit and grassroots organizations may lack administrative capacity to pursue or manage CDBG funding, limiting the pipeline of eligible service partners.

Despite these challenges, the City continues to coordinate with regional agencies, academic institutions, and nonprofit organizations to maximize impact, improve outreach, and pursue additional funding sources to meet community needs.

AP-38 Project Summary

Project Summary Information

1	Project Name	Housing Rehabilitation and Repair
	Target Area	Greater Chelsea Manor City Wide 1867 Settlement District
	Goals Supported	Preserve and Improve Affordable Housing
	Needs Addressed	Housing Rehabilitation and Preservation Neighborhood Revitalization
	Funding	CDBG: \$200,000.00
	Description	Provide critical home repairs and rehabilitation for approximately 10 low- and moderate-income (LMI) homeowners. Work may include roofing, plumbing, electrical, and accessibility upgrades.
	Target Date	9/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
2	Project Name	Youth Counseling Services
	Target Area	Greater Chelsea Manor 1867 Settlement District
	Goals Supported	Support Public Services for Vulnerable Residents
	Needs Addressed	Public Services for Vulnerable Populations
	Funding	CDBG: \$64,903.00
	Description	Support mental health counseling and youth development programming at Carver and Sanders-Vincent Community Centers for approximately 100 LMI youth.
	Target Date	9/30/2026

<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>Youth Counseling and Support Services Project</p> <p>Estimated Number of Beneficiaries: Approximately 100 youth from low- and moderate-income (LMI) households</p> <p>Type of Families Served:</p> <ul style="list-style-type: none"> • Primarily single-parent or multigenerational households residing in underserved areas • Households with school-aged children (ages 10–18) who may be experiencing emotional, behavioral, or academic challenges • Families living in or near the 1867 Settlement Historic District and Greater Chelsea Manor area, where access to public services and mental health resources is limited <p>Project Explanation: This initiative will provide free, community-based youth counseling and support services at the Carver and Sanders-Vincent Community Centers. Services offered will include:</p> <ul style="list-style-type: none"> • One-on-one counseling • Group counseling sessions • Life skills coaching • Behavioral intervention <p>These services are designed to enhance the long-term well-being and success of youth from LMI households by addressing emotional, behavioral, and academic challenges in a supportive, accessible setting.</p>
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<p>Location Description</p>	<p>Youth counseling services will be offered at two City-operated community centers located in neighborhoods with high concentrations of low- and moderate-income (LMI) households:</p> <ul style="list-style-type: none"> • Carver Community Center 900 5th Avenue North Texas City, TX 77590 <i>Located near the 1867 Settlement Historic District</i> • Sanders-Vincent Community Center 501 4th Avenue North Texas City, TX 77590 <i>Serving the Greater Chelsea Manor area and adjacent LMI neighborhoods</i> <p>These locations were selected based on their accessibility, community need, and proximity to underserved populations. While services will be available to youth citywide, targeted outreach will focus on the two designated CDBG target areas: the 1867 Settlement Historic District and the Greater Chelsea Manor area.</p>
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	Planned Activities	<p>This project will support the implementation of structured youth counseling programs at the Carver Community Center and the Sanders-Vincent Community Center, targeting low- and moderate-income (LMI) youth in Texas City. The activities are designed to improve emotional well-being, behavioral health, academic engagement, and life skills development.</p> <p>Planned Services Include:</p> <ul style="list-style-type: none"> • Individual and group counseling sessions led by licensed or credentialed mental health professionals • Workshops focused on conflict resolution, decision-making, and goal setting • Referrals to additional social, educational, or mental health services based on individual needs • Family engagement to strengthen support systems at home and reinforce counseling goals • Use of culturally responsive and age-appropriate materials and program delivery methods <p>The program aims to serve approximately 100 youth ages 10–18, with priority outreach in the 1867 Settlement Historic District and the Greater Chelsea Manor area. All services will be free of charge and delivered on-site, directly within neighborhoods where access to youth mental health services has historically been limited.</p>
3	Project Name	Program Administration and Planning
	Target Area	City Wide
	Goals Supported	Enhance Community Planning and Capacity
	Needs Addressed	Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization
	Funding	CDBG: \$86,538.00

Description	Cover administrative and planning costs, including staffing, reporting, compliance, and monitoring of CDBG activities.
Target Date	9/30/2026
Estimate the number and type of families that will benefit from the proposed activities	This activity will not directly serve individuals or families but will support the effective delivery, oversight, and reporting of all CDBG-funded projects in Program Year 2025. It enables compliance with federal regulations, monitoring of subrecipients and contractors, planning for future housing and community development needs, and transparent public administration.
Location Description	This activity supports the administration and oversight of CDBG-funded projects citywide. While no direct services are provided from this activity, it enables implementation of programs that benefit low- and moderate-income residents across all eligible areas of Texas City, including targeted neighborhoods such as the 1867 Settlement Historic District and the Greater Chelsea Manor area .

<p>Planned Activities</p>	<p>This activity will support the administrative, planning, and compliance functions necessary to operate Texas City’s Community Development Block Grant (CDBG) program during Program Year 2025. These functions are essential to ensure that the City's CDBG-funded activities meet all applicable federal requirements and are effectively administered to benefit low- and moderate-income (LMI) residents.</p> <p>Eligible Activities Include:</p> <ul style="list-style-type: none"> • General program management and coordination • Preparation and submission of HUD-required reports such as the Annual Action Plan and CAPER • Environmental reviews and maintenance of compliance documentation • Monitoring of subrecipients and contractors to ensure program integrity • Financial tracking and enforcement of regulatory compliance • Public engagement and communications to promote transparency and community participation • Fair housing outreach and enforcement coordination • Strategic planning to guide future housing and community development efforts <p>There are no direct beneficiaries associated with this activity. However, it is a critical investment that supports the effective delivery of all other CDBG-funded programs and ensures compliance with HUD regulations.</p>
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Texas City will target Community Development Block Grant (CDBG) investments in neighborhoods with high concentrations of low- to moderate-income and minority residents. These areas are primarily located in Southeast and West Texas City, where infrastructure needs, housing quality issues, and poverty rates are most severe. Texas City has identified two primary geographic areas where Community Development Block Grant (CDBG) and related entitlement program resources will be concentrated: the **1867 Settlement Historic District** and the **Chelsea Manor area**. These areas were selected based on their concentration of low- to moderate-income (LMI) households and the presence of historically underserved minority populations, in alignment with HUD guidelines.

According to HUD’s latest LMI Summary Data, the following **Census Block Groups** fall within or overlap this area:

- **7223.01** – 87.44% LMI
- **7222.04** – 92.31% LMI
- **7222.02** – 70.19% LMI
- **7222.03** – 81.18% LMI

Greater Chelsea Manor area contains a significant number of Texas City’s scattered-site public housing units and includes some of the most socioeconomically disadvantaged residents in the jurisdiction. This area also presents multiple challenges such as aging housing stock, infrastructure disinvestment, and a higher incidence of cost-burdened households.

Geographic Distribution

Target Area	Percentage of Funds
Greater Chelsea Manor	30
1867 Settlement District	30

Table 56 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The decision to prioritize investments in the 1867 Settlement Historic District and the Chelsea Manor area is grounded in a combination of demographic need, historical inequity, and alignment with HUD’s goals of directing resources toward areas with the highest concentrations

of low- to moderate-income (LMI) households.

1. Concentration of LMI Populations

Both the 1867 Settlement and Chelsea Manor contain census block groups where the proportion of LMI households significantly exceeds HUD's 51% threshold, with some block groups reaching **over 90%**. These figures, derived from HUD's most recent LMI data, confirm that these neighborhoods are among the most economically disadvantaged in Texas City. As such, they qualify for targeted investment under CDBG and other federal programs.

2. Presence of Minority and Historically Underserved Communities

The 1867 Settlement District is a historically African American community with deep cultural roots and generational ties to Texas City. The area has experienced decades of underinvestment and exclusion from broader economic growth. Similarly, Greater Chelsea Manor serves a racially and ethnically diverse population, many of whom rely on public or subsidized housing and face systemic barriers to opportunity.

3. Public Housing and Infrastructure Needs

Greater Chelsea Manor includes the majority of the city's scattered-site public housing, many of which are aging and require upgrades. Both areas also face significant infrastructure needs, including stormwater management, sidewalk and street improvements, and utility system modernization. Concentrating resources in these neighborhoods allows for a more coordinated and impactful use of funds.

4. Equity and Compliance with HUD's Affirmatively Furthering Fair Housing (AFFH)

Focusing investments in these geographies supports Texas City's commitment to AFFH by addressing historic patterns of segregation and disinvestment. These investments aim to enhance housing choice, improve neighborhood conditions, and expand access to opportunity in areas that have been traditionally marginalized.

5. Community Input and Planning

These priorities reflect direct input from residents, community stakeholders, and service providers collected through public meetings, surveys, and engagement efforts during the consolidated planning process. Community members consistently identified these

neighborhoods as being most in need of housing and infrastructure improvements.

Discussion

Texas City is prioritizing investment in two key geographic areas: the **1867 Settlement Historic District** and the **Chelsea Manor area**, based on both data-driven analysis and historical context. These neighborhoods exhibit some of the city's highest concentrations of low- to moderate-income (LMI) households, with HUD-reported LMI levels exceeding 70% and, in some census block groups, over 90%.

The **1867 Settlement District** is a historically African American community with deep cultural and historical significance. Despite its importance, the neighborhood has experienced decades of underinvestment. It remains a high-priority area for Texas City due to vulnerable infrastructure conditions and the need to preserve both its housing stock and cultural heritage.

Similarly, the **Greater Chelsea Manor area** includes a significant share of the city's scattered-site public housing and is home to diverse, predominantly low-income residents who face challenges related to housing quality, infrastructure, and service access.

Focusing investments in these neighborhoods reflects the City's commitment to equity and inclusion. This strategy supports HUD's goals to **affirmatively further fair housing** by addressing systemic disparities and improving conditions in historically underserved communities.

Community input has consistently affirmed these focus areas as the most in need of support and investment. Public meetings and stakeholder engagement confirmed that improvements in these neighborhoods would yield the greatest overall impact on residents' quality of life, economic mobility, and long-term opportunity.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Texas City recognizes the critical importance of maintaining and expanding access to safe, decent, and affordable housing—particularly for low- and moderate-income (LMI) residents, seniors, persons with disabilities, and households at risk of homelessness. While the City does not administer a local HOME program, it leverages its Community Development Block Grant (CDBG) allocation to support affordable housing primarily through housing rehabilitation and repair for existing homeowners.

For Program Year 2025, the City will focus on preserving existing affordable housing units through minor home repairs and rehabilitation services targeting LMI homeowners. These investments will prevent displacement, address health and safety concerns, and allow aging residents and families to remain stably housed in their communities.

The affordable housing strategy for the year prioritizes maintaining the current housing stock rather than new unit production, given funding constraints and the absence of direct federal rental assistance or development subsidies. However, the City continues to support partnerships with regional housing organizations and participates in local coordination efforts to advocate for future affordable housing development opportunities.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	10
Special-Needs	0
Total	10

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	10

Table 58 - One Year Goals for Affordable Housing by Support Type

Discussion

In Program Year 2025, the City of Texas City will continue its focus on preserving affordable housing by assisting low- and moderate-income (LMI) homeowners through housing rehabilitation and repair. The City anticipates serving approximately **10 non-homeless households** with critical repairs that address safety, code violations, and accessibility needs. This approach reflects both the high demand for home repair assistance and the City's limited annual CDBG entitlement, which is insufficient to fund large-scale new construction or rental subsidy programs.

Although no affordable housing units will be directly provided to homeless or special-needs populations through CDBG-funded housing activities in 2025, the City remains actively involved in local and regional homelessness response systems. Public service funds are being allocated to youth counseling services, and the City participates in the **Mayor's Task Force on Homelessness** and collaborates with the **Galveston County Homeless Coalition** to support coordinated entry and resource navigation for unhoused individuals and families.

Special-needs populations may benefit indirectly from infrastructure improvements, outreach, and partnerships with organizations that provide case management, employment support, and mental health services. However, those impacts are not captured in the AP-55 housing unit totals, which focus specifically on direct housing assistance.

The City will continue to explore partnerships and advocate for additional state or federal resources to expand its ability to address the affordable housing needs of a broader range of residents, including homeless and special-needs populations.

AP-60 Public Housing – 91.220(h)

Introduction

The Texas City Housing Authority currently does not operate a Public Housing Program. As a result, there are no public housing units or related activities under the Authority's management within the jurisdiction. The Housing Authority has transitioned its focus toward other affordable housing initiatives and rental assistance programs, such as the Housing Choice Voucher Program (Section 8), to meet the community's housing needs.

Because no public housing stock exists, this plan does not include public housing capital improvements, modernization, or management activities typically associated with a Public Housing Program. Instead, efforts are concentrated on supporting affordable housing development and community revitalization through alternative housing strategies and partnerships.

Actions planned during the next year to address the needs to public housing

As the Texas City Housing Authority no longer operates a Public Housing Program, there are no planned actions specifically targeting public housing units or public housing residents. However, the Authority remains committed to addressing affordable housing needs through alternative programs and strategies, including:

- Supporting the Housing Choice Voucher Program to provide rental assistance to low-income families.
- Partnering with local developers and organizations to encourage the development and preservation of affordable rental housing.
- Assisting households experiencing homelessness or housing instability through supportive services and coordination with community agencies.
- Facilitating programs that promote homeownership and housing stability for low- and moderate-income residents.

These efforts aim to fill the gap left by the absence of traditional public housing, ensuring that affordable, safe, and decent housing options remain accessible to Texas City residents in need.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Although Texas City Housing Authority currently does not operate a Public Housing Program and therefore has no public housing residents, the Authority is committed to fostering resident

engagement and promoting pathways to homeownership for low- and moderate-income households through other programs. Planned actions include:

- Encouraging participation in the Housing Choice Voucher Program’s resident advisory councils and workshops to increase tenant involvement in program decisions and community building.
- Partnering with local nonprofit agencies and financial institutions to provide homebuyer education, counseling, and down payment assistance for voucher holders and other eligible residents.
- Supporting initiatives that build residents’ capacity for homeownership through financial literacy classes and credit counseling.
- Facilitating community meetings and outreach to gather resident input on housing policies and programs, ensuring voices of all residents are heard and considered.

These efforts aim to empower residents beyond public housing to achieve greater housing stability and economic independence through active involvement and homeownership opportunities.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The TCHA is not designated as troubled.

Discussion

The Texas City Housing Authority’s transition away from traditional public housing reflects broader shifts in affordable housing policy and program delivery. Without a public housing stock, the focus has shifted to leveraging other housing assistance programs such as the Housing Choice Voucher Program and community partnerships to meet the needs of low-income residents.

This shift presents both challenges and opportunities. On one hand, the absence of public housing units limits direct engagement with residents in that specific housing context. On the other hand, it encourages more flexible, individualized approaches to housing assistance that can better accommodate diverse household needs.

Encouraging resident involvement and promoting homeownership remain important goals. Although there are no public housing residents to engage directly, efforts continue to foster tenant participation through voucher program activities and to expand access to homeownership through education and financial support programs. These initiatives are

essential to building stronger, more self-sufficient communities and increasing housing stability.

Moving forward, the Authority will continue to explore innovative strategies and collaborations that enhance resident empowerment and expand affordable housing opportunities in Texas City.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Texas City actively collaborates with a network of community organizations to address the needs of homeless individuals and persons with special needs. Key partnerships include service providers such as the Salvation Army, Our Daily Bread, UTMB’s Street Medicine Team, St. Vincent’s House, local Independent School Districts, the Resource and Crisis Center for Domestic Violence in Galveston County, and Samaritan Women at the Well, which operates domestic violence shelters.

The City is also an engaged participant in regional homeless response initiatives, including the Gulf Coast Homeless Coalition and Galveston County’s Coordinated Entry Planning Entity. Through these collaborations, Texas City coordinates resources and strategies aimed at preventing homelessness, providing emergency shelter, and supporting transitional and permanent housing solutions.

Efforts focus on enhancing outreach, improving access to health and social services, and addressing the unique challenges faced by vulnerable populations such as victims of domestic violence, individuals experiencing chronic homelessness, and families with children. The City continues to support and expand these partnerships to strengthen the safety net for residents experiencing housing instability and to promote pathways to self-sufficiency.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Texas City collaborates closely with multiple agencies and community partners to conduct comprehensive outreach to homeless individuals, particularly those who are unsheltered. Central to these efforts is the Mayor’s Task Force on Homelessness, which organizes the annual Navigation Day event. This event connects homeless individuals with service providers and serves as a key outreach and engagement initiative.

The Mayor’s Task Force also works in coordination with community partners, including the Gulf Coast Center’s PATH (Projects for Assistance in Transition from Homelessness) Program. PATH staff—including case managers, team leads, and program managers—conduct direct outreach in partnership with the Texas City Police Department and other agencies. Outreach locations include local libraries, day centers, churches, and unsheltered sites to assess individual needs

comprehensively.

The Galveston County Food Bank supports these efforts by partnering with local organizations like Chosen Ones and other outreach groups to provide dispersed assistance throughout the city. These agencies regularly inform local coordinating bodies about new outreach locations and areas experiencing increased housing instability.

Through participation in the Coordinated Entry Planning Entity, local shelters provide real-time updates on emergency shelter bed availability. Case conferences involving service providers, the Task Force, and individuals with lived experience examine each client's needs-resource ratio to optimize support and identify any gaps in services. When gaps are found, the homeless coalition partners collaborate to seek all eligible resources within Galveston County for individuals and families.

The City, through the Mayor's Task Force, ensures a coordinated and comprehensive outreach approach to ending homelessness, emphasizing collaboration, data-sharing, and community engagement.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Texas City is committed to ensuring that homeless individuals and families have timely access to emergency shelter and transitional housing that supports their movement toward stable, permanent housing. Over the next year, the City will work closely with local shelters, service providers, and regional coalitions to meet these critical housing needs through the following actions:

- Collaborate with emergency shelters such as St. Vincent's House, the Salvation Army, and domestic violence shelters including the Resource and Crisis Center for Domestic Violence and Samaritan Women at the Well to maintain and expand shelter capacity, particularly during periods of increased demand or inclement weather.
- Participate actively in the Coordinated Entry Planning Entity to facilitate efficient use of shelter beds through real-time data sharing on bed availability and coordinated referrals, reducing barriers to access for individuals and families in crisis.
- Support transitional housing programs that provide temporary, supportive environments for homeless persons as they work toward permanent housing solutions, including programs that offer case management, life skills training, and connections to employment and health services.
- Engage in outreach and assessment efforts to identify unsheltered homeless persons and connect them promptly to emergency shelter or transitional housing options that fit

their specific needs.

- Seek funding opportunities and partnerships to enhance the quality, capacity, and diversity of shelter and transitional housing options available within the community.
- Work through the Mayor’s Task Force on Homelessness to coordinate resources and advocate for the expansion of shelter and transitional housing services to better meet local demand.

By focusing on these goals, Texas City aims to reduce the length of time individuals and families spend without housing and to provide pathways that support sustained housing stability.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Texas City prioritizes assisting homeless individuals and families—especially those who are chronically homeless, families with children, veterans and their families, and unaccompanied youth—in their transition to permanent housing and independent living. Central to this effort is the utilization of Coordinated Entry (CE), a vital component of the community’s housing crisis response system.

Coordinated Entry ensures that individuals and families at risk of or experiencing homelessness have streamlined access to housing assistance, regardless of where they first seek help. The system standardizes access, assessment, prioritization, and referrals across all community providers to quickly connect households with interventions that best meet their needs based on vulnerability and severity.

Within Texas City, CE assessors from the Gulf Coast Center and Endeavors conduct assessments for literally homeless individuals and families. Following assessment, households are informed of the resources available and matched to appropriate emergency shelter, transitional housing, or permanent housing options. This coordinated approach minimizes the time persons spend homeless and improves the efficiency and effectiveness of housing placement.

In Fiscal Year 2024, Galveston County agencies were awarded over \$2.3 million through the Continuum of Care Notice of Funding Opportunity to support rapid resolution of homelessness. This funding addresses critical gaps in the local system and enhances programs aimed at shortening homelessness duration, facilitating access to affordable housing, and preventing

recidivism into homelessness.

Through continued collaboration and the strategic use of CE, the City of Texas City seeks to improve housing stability, reduce homelessness duration, and support individuals and families in achieving long-term housing independence.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The City of Texas City, through the Mayor's Task Force on Homelessness and the Community Development Department, is dedicated to preventing homelessness among low-income individuals and families, particularly those who are extremely low-income or face increased risk due to discharge from publicly funded institutions and systems of care. These institutions include health care facilities, mental health treatment centers, foster care and other youth facilities, as well as corrections programs and institutions.

To address this, the City strengthens partnerships with public and private agencies that provide housing, health, social services, employment, education, and youth support to ensure a coordinated and comprehensive approach. Key actions planned for the coming year include:

- Collaborating with hospitals, mental health facilities, foster care agencies, and correctional institutions to improve discharge planning and ensure individuals leaving these systems have access to stable housing and supportive services.
- Enhancing coordination among service providers to connect at-risk households with rental assistance, utility support, case management, and employment resources that mitigate housing instability.
- Supporting community-based prevention programs that identify individuals and families at imminent risk of homelessness and provide rapid interventions to maintain housing.
- Leveraging data sharing and referral systems within Coordinated Entry to proactively identify households vulnerable to homelessness and connect them to tailored prevention services.
- Working with local schools, workforce development agencies, and social service organizations to address the multifaceted needs of families and individuals before

housing loss occurs.

By leading these efforts, the Mayor’s Task Force on Homelessness and the Community Development Department aim to reduce new incidences of homelessness and foster long-term housing stability for Texas City’s most vulnerable residents.

Discussion

Preventing homelessness requires a proactive, coordinated approach that addresses the complex factors contributing to housing instability. In Texas City, the Mayor’s Task Force on Homelessness and the Community Development Department play pivotal roles in leading these prevention efforts, working collaboratively with healthcare providers, social service agencies, correctional institutions, and community organizations.

By focusing on populations at heightened risk—such as individuals being discharged from hospitals, mental health facilities, foster care, and correctional systems—the City seeks to close critical gaps where people might otherwise fall into homelessness. Effective discharge planning and seamless coordination across agencies are essential to ensure that these vulnerable individuals transition into stable housing with the support services they need to maintain it.

Additionally, the integration of prevention efforts within the Coordinated Entry system enhances the City’s ability to identify and assist households before they lose housing. Through data sharing, case conferencing, and targeted outreach, resources can be deployed efficiently to those who need them most, reducing new entries into homelessness and shortening the duration of housing crises.

These comprehensive prevention strategies reflect Texas City’s commitment to building resilient communities where all residents have access to safe, stable, and affordable housing. Ongoing collaboration, resource development, and community engagement will be vital to sustaining progress in reducing homelessness and supporting long-term housing stability.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City of Texas City recognizes that barriers to affordable housing persist and pose significant challenges to ensuring all residents have access to safe, decent, and affordable homes. These barriers include a combination of economic factors, such as rising housing costs and stagnant wages, as well as structural and regulatory challenges like zoning restrictions, limited land availability, and infrastructure constraints.

Additional obstacles include the shortage of affordable rental units, difficulties in securing financing for both developers and prospective homeowners, and a lack of supportive services for special populations, including seniors, persons with disabilities, and low-income families. Furthermore, systemic issues such as discrimination and lack of awareness about housing programs also hinder equitable access to affordable housing.

This Action Plan seeks to identify and address these barriers through targeted strategies that promote housing development, preservation, and accessibility. By engaging community stakeholders, streamlining regulations, and leveraging public and private resources, Texas City aims to remove impediments and foster a housing environment that supports economic diversity and community stability.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City of Texas City's 2024 Analysis of Impediments to Fair Housing identified several key barriers impacting affordable housing access, including:

- **Discrimination in Housing** based on race, disability, and familial status, limiting fair access to housing opportunities.
- **Limited Awareness of Fair Housing Rights** among residents and housing providers, which contributes to inequities.
- **Insufficient Temporary and Transitional Housing** options for individuals and families in crisis or transition.
- **Financial Constraints** that limit both access to affordable housing and funding for housing services.
- **Lack of Affordable Housing Units and Diverse Housing Options** to meet the needs of

different household types.

- **Inadequate Resources and Services** to support fair housing enforcement and affordable housing development.
- **Neglect of Historic Communities**, leading to deterioration and reduced housing quality in certain neighborhoods.

To address these barriers, the City plans to implement the following actions over the next year:

- **Review and Update Zoning Ordinances:** Examine existing zoning regulations to identify and revise provisions that restrict affordable housing development, including increasing density allowances and permitting mixed-use developments.
- **Streamline Development Processes:** Simplify permitting and approval procedures to reduce delays and costs for affordable housing projects, including fast-track options for qualifying developments.
- **Assess and Adjust Fees and Charges:** Evaluate development fees and impact charges to prevent disproportionate financial burdens on affordable housing projects, offering fee reductions or waivers where appropriate.
- **Promote Flexible Land Use Policies:** Encourage adaptive reuse of underutilized properties and flexible land use that supports affordable housing development.
- **Collaborate with Tax Authorities:** Work with county and state officials to explore tax incentives or abatements that encourage investment in affordable housing.
- **Balance Building Code Requirements:** Ensure building codes maintain safety and quality without imposing unnecessary costs that hinder affordable housing construction.
- **Foster Public-Private Partnerships:** Support collaboration among the City, developers, nonprofits, and financial institutions to leverage resources and overcome policy-related barriers.

These targeted actions aim to create a more supportive and equitable policy environment, facilitating the development and preservation of affordable housing and expanding housing opportunities for all Texas City residents.

Discussion:

The 2024 Analysis of Impediments to Fair Housing clearly highlights persistent barriers that limit access to affordable housing within Texas City. These barriers range from discriminatory practices and lack of fair housing awareness to structural issues embedded in land use policies, zoning ordinances, and development processes. Addressing these challenges requires a multifaceted strategy that balances regulatory oversight with flexibility to encourage the

creation and preservation of affordable housing.

Texas City recognizes that zoning and land use controls, while necessary for orderly development, can inadvertently restrict affordable housing opportunities if they impose overly restrictive density limits, minimum lot sizes, or prohibit certain housing types. Likewise, development fees and building codes, if not carefully calibrated, can increase costs and deter investment in affordable housing projects.

The City's commitment to reviewing and revising these policies, streamlining permitting processes, and exploring incentives reflects a proactive stance toward removing unnecessary hurdles. Furthermore, collaboration with tax authorities and fostering public-private partnerships will help maximize resources and expertise to better serve residents' housing needs.

Equally important is addressing social barriers such as housing discrimination and limited community awareness of fair housing rights. Texas City plans to enhance education and enforcement efforts to promote equitable access.

Through these comprehensive efforts, Texas City aims to create a housing environment that supports diversity, affordability, and long-term community stability. Continued evaluation and stakeholder engagement will be critical to sustaining progress and ensuring that housing barriers are effectively reduced over time.

AP-85 Other Actions – 91.220(k)

Introduction:

The City of Texas City recognizes that addressing housing and community development needs requires more than providing affordable housing alone. In addition to its core programs, the City implements a range of complementary actions to overcome barriers to underserved needs, enhance coordination among service providers, improve institutional capacity, and support the most vulnerable populations.

Through the Community Development Department and in collaboration with local agencies, nonprofits, and regional partners, the City focuses on strengthening the delivery of services, expanding economic opportunities, and promoting long-term housing stability. These efforts are guided by local data, stakeholder input, and the priorities identified in the Consolidated Plan and Annual Action Plan.

The following section outlines the City's strategies to address obstacles to underserved needs, reduce poverty, improve affordable housing access, enhance coordination, and support public housing and institutional structures.

Actions planned to address obstacles to meeting underserved needs

The City of Texas City recognizes that underserved populations—including low-income households, individuals experiencing homelessness, persons with disabilities, seniors, and at-risk youth—face multiple barriers to accessing stable housing and essential services. To help address these challenges, the City will implement the following actions:

- **Strengthen Partnerships with Community Organizations:** The City will continue to collaborate with local nonprofits, faith-based groups, and regional coalitions to coordinate services and improve access for underserved residents. These partnerships help ensure that services such as housing support, health care navigation, and emergency shelter remain available to those most in need.
- **Enhance Community Engagement and Outreach:** The City will focus on improving communication with underserved populations, especially those who may not be aware of available programs. Outreach strategies will include targeted engagement through public events, social media, printed materials, and direct contact with trusted local partners.
- **Utilize Coordinated Entry and Local Data to Guide Response:** Through participation in the Coordinated Entry system and other regional planning efforts, the City will identify service gaps, prioritize needs, and support a coordinated community response to

housing instability and homelessness.

- **Provide Technical Assistance to Local Partners:** While the City does not currently allocate CDBG funds directly to services like food, transportation, or job readiness, it supports the efforts of community-based organizations working in these areas by offering guidance, planning support, and access to relevant data and training opportunities.
- **Explore Future Funding and Resource Alignment:** The City will continue to assess community needs and evaluate opportunities to align future resources—whether through CDBG or other local, state, or federal funding streams—with areas of highest unmet need.

By focusing on outreach, coordination, and capacity-building, Texas City aims to address the root causes of service gaps and expand equitable access to housing and supportive services across all populations.

Actions planned to foster and maintain affordable housing

The City of Texas City is committed to fostering the development of new affordable housing and preserving existing units to ensure long-term housing stability for low- and moderate-income households. The following actions will be undertaken in the next program year to support that goal:

- **Support Affordable Housing Development and Rehabilitation:** The City will encourage the development of new affordable housing units through partnerships with non-profit and private developers. Rehabilitation of existing housing stock, particularly in older neighborhoods, will be supported to prevent deterioration and displacement of current residents.
- **Promote Use of Housing Choice Vouchers:** The City will continue to collaborate with the Texas City Housing Authority to expand access to affordable rental units through the Housing Choice Voucher Program. This includes outreach to landlords to encourage participation and increase the supply of voucher-accepting units.
- **Leverage Public Land and Local Incentives:** The City will explore opportunities to use publicly owned land or properties for affordable housing development and evaluate potential local incentives (e.g., fee reductions, density bonuses) to encourage private-sector participation.
- **Support Housing Preservation in Historic Areas:** In alignment with the needs identified in the 2024 Analysis of Impediments to Fair Housing, the City will support efforts to preserve housing in historically underserved communities, including the 1867

Settlement Historic District and Greater Chelsea Manor Area.

- **Coordinate with Regional Housing Partners:** Texas City will remain actively involved in regional planning efforts, including those led by the Gulf Coast Homeless Coalition and Galveston County Coordinated Entry system, to align local affordable housing strategies with broader efforts to reduce housing instability.
- **Monitor and Evaluate Affordability Trends:** The City will monitor local housing market data to assess trends in affordability and availability and use that information to guide policy and funding decisions.

By implementing these strategies, the City aims to expand and sustain a range of affordable housing options for individuals and families at various income levels, while preserving neighborhood character and preventing displacement.

Actions planned to reduce lead-based paint hazards

The City of Texas City recognizes the serious health risks associated with lead-based paint, particularly for children and pregnant women. In compliance with federal regulations and public health standards, the City will implement the following actions during the upcoming program year to reduce and eliminate lead-based paint hazards in housing:

- **Enforce Lead-Safe Housing Rules:** The City will continue to comply with HUD’s Lead Safe Housing Rule (24 CFR Part 35) in all CDBG-assisted rehabilitation activities. This includes lead hazard evaluation, risk assessments, safe work practices, clearance testing, and required disclosures to tenants and homeowners.
- **Prioritize Rehabilitation of Pre-1978 Housing Units:** Because lead-based paint is most commonly found in homes built before 1978, the City will target rehabilitation efforts in these units, especially those occupied by low-income families with young children.
- **Support Lead Testing and Abatement:** For eligible properties undergoing repair or rehabilitation, the City will coordinate lead-based paint inspections and clearance testing by certified professionals. When hazards are identified, the City will ensure abatement or interim controls are carried out in accordance with EPA and HUD standards.
- **Educate Residents and Contractors:** The City will continue to provide information to residents about the dangers of lead exposure and distribute EPA-approved materials on lead-safe practices. Contractors involved in federally funded projects will be required to have current lead-safe work practice certifications.
- **Collaborate with Public Health Agencies:** The City will maintain communication with Galveston County Health District and other local health entities to track cases of lead poisoning and identify areas with elevated risk. This information helps prioritize

interventions in high-risk housing.

- **Monitor Compliance and Maintain Records:** The City’s Community Development Department will document all lead-based paint compliance activities in federally funded projects and conduct internal reviews to ensure proper procedures are followed.

Through these combined actions, Texas City aims to protect the health of its residents and reduce the presence and impact of lead hazards in its housing stock.

Actions planned to reduce the number of poverty-level families

Reducing poverty aligns closely with increasing residents' access to sustainable incomes, economic opportunity, and comprehensive supportive services. Texas City advances this goal through a multifaceted approach involving workforce, housing, and economic development initiatives:

- **Support Workforce Development & Certification:**
Partner with local colleges, Workforce Solutions, and community providers to offer job readiness, vocational training, and employment placement—helping families secure living-wage employment.
- **Empower Through Financial Education & Entrepreneurship:**
Collaborate with nonprofit partners to deliver financial literacy, credit-building services, and business-startup assistance—all vital tools for economic growth.
- **Engage the Phoenix Business Accelerator:**
The Texas City Economic Development Corporation (TCEDC) supports entrepreneurship through the **Phoenix Business Accelerator**, a hub that offers low-cost office space, digital platforms, in-person coaching, and access to educational tracks for startups and small businesses in their first 1–3 years. By providing mentors, workspaces, mixer events, and skill-building programs, Phoenix cultivates new business growth and job creation in the local economy .
- **Support Small Business via Incentives:**
The TCEDC administers local incentives—including Chapter 380/381 economic grants, Chapter 312 tax abatements, Foreign-Trade Zone opportunities, and support for awnings, signage, and Chamber dues—to help small businesses and startups offset costs and expand operations.
- **Enhance Access to Supportive Services:**
Coordinate with local nonprofits to help families access childcare, healthcare, and transportation—reducing barriers to employment and economic mobility.
- **Preserve & Expand Affordable Housing:**
Continue to develop and maintain affordable units, allowing families to stabilize and

retain income for long-term financial health.

- **Build Strong Public-Private Partnerships:**

Leverage relationships between the City, TCEDC, nonprofits, and private funders to drive inclusive economic development and ensure families benefit directly from local growth.

These efforts, anchored by business incubation and local incentive programs, aim to empower families with tools and opportunities to lift themselves out of poverty sustainably.

Actions planned to develop institutional structure

The City of Texas City recognizes that an effective institutional structure is critical for the successful delivery of housing, community development, and public service programs. Strengthening the capacity of internal departments, external partners, and coordination systems is essential to improving service delivery, reducing duplication, and addressing community needs comprehensively.

Over the next program year, the City will take the following actions to enhance its institutional framework:

- **Strengthen Coordination Across Departments and Agencies:**

The City's Community Development Department will continue to serve as the hub for coordination between internal municipal departments and external stakeholders, including housing providers, social service agencies, and regional coalitions.

- **Support the Mayor's Task Force on Homelessness:**

Through continued investment in the Mayor's Task Force on Homelessness, the City will promote inter-agency collaboration, data sharing, and service alignment to more effectively respond to homelessness and housing instability in Texas City.

- **Enhance Capacity of Nonprofit and Community-Based Organizations:**

The City will provide technical assistance, training, and support to nonprofit partners to improve their capacity to manage grants, report outcomes, and implement federally funded programs, particularly those addressing housing, fair housing education, and supportive services.

- **Leverage Regional Partnerships:**

Texas City will continue participating in regional entities such as the Gulf Coast Homeless Coalition and the Galveston County Coordinated Entry Planning Entity to promote cross-jurisdictional coordination and resource alignment.

- **Improve Internal Systems for Program Management:**

The Community Development Department will assess internal systems and procedures

to improve efficiency in program delivery, including compliance monitoring, procurement processes, and documentation protocols for HUD-funded activities.

- **Promote Equity and Transparency in Program Delivery:**

The City will incorporate equity principles into program planning and evaluation, ensuring that programs are accessible and responsive to historically underserved populations.

Through these efforts, the City aims to maintain a responsive, accountable, and well-coordinated institutional structure that supports the long-term success of its community development objectives.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Texas City understands that strong coordination between public institutions, private housing developers, and social service agencies is essential to delivering effective, comprehensive support to low- and moderate-income residents. To that end, the City will take the following steps to strengthen partnerships, align resources, and improve communication among key stakeholders:

- **Convene Regular Stakeholder Meetings:**

The City, through its Community Development Department and the Mayor’s Task Force on Homelessness, will facilitate regular meetings with affordable housing providers, supportive service agencies, nonprofit partners, and regional coalitions to share information, align services, and address gaps in care.

- **Collaborate Through Coordinated Entry Systems:**

Continued participation in the Galveston County Coordinated Entry Planning Entity ensures real-time coordination among shelters, mental health providers, domestic violence agencies, and other partners to prioritize and match clients to housing and supportive services based on need.

- **Partner with the Texas City Housing Authority (TCHA):**

While the TCHA no longer operates a public housing program, the City will continue to coordinate with the agency on voucher programs and rental assistance strategies, particularly to increase landlord participation and maintain stable housing options.

- **Strengthen Public-Private Housing Partnerships:**

The City will engage with for-profit and nonprofit housing developers to support affordable housing projects, including through zoning support, infrastructure coordination, and access to funding opportunities such as CDBG or state-level housing

credits.

- **Coordinate with Health and Behavioral Health Providers:**

The City will maintain strong relationships with providers like Gulf Coast Center, UTMB's Street Medicine Team, and St. Vincent's House to connect residents with mental health, addiction recovery, and medical care services that support housing stability.

- **Align Economic Development and Social Services:**

Through collaboration with the Texas City Economic Development Corporation and initiatives like the Phoenix Business Accelerator, the City will bridge the gap between workforce development, housing, and supportive services to promote long-term economic mobility.

- **Improve Communication and Resource Sharing:**

The City will continue to use shared referral platforms, public meetings, community events, and outreach materials to improve public awareness and ensure residents can navigate available housing and service resources more effectively.

By fostering a collaborative network of housing and service agencies, Texas City aims to deliver more integrated, efficient, and client-centered responses to the community's most pressing needs.

Discussion:

The City of Texas City recognizes that addressing complex housing and community development needs requires a coordinated, well-functioning institutional structure supported by engaged partners across public entities and the nonprofit sector. Through the leadership of the Community Development Department and the Mayor's Task Force on Homelessness, the City continues to enhance collaboration with local service providers, housing agencies, and regional coalitions to streamline efforts and expand impact.

Strengthening institutional capacity includes technical assistance for nonprofit partners, improved internal systems for managing federal funds, and data-driven approaches to identify gaps and deploy resources efficiently. The Texas City Economic Development Corporation (TCEDC), as a city-affiliated entity, plays a critical role in economic growth initiatives such as the Phoenix Business Accelerator. This program exemplifies the City's commitment to fostering entrepreneurship, job creation, and sustainable economic opportunities for residents.

Coordination through platforms like the Galveston County Coordinated Entry system and ongoing partnerships with organizations such as Gulf Coast Center, St. Vincent's House, and local housing developers ensures that residents in need are connected to timely support. By

aligning housing, economic development, and social service initiatives, Texas City is better equipped to serve vulnerable populations and advance equity across the community.

These institutional enhancements reflect the City's broader commitment to building a responsive, inclusive, and forward-thinking network that can meet both current and future community needs.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Texas City does not anticipate receiving any program income during this program year. There are no urgent need activities planned for funding. The City will ensure that at least 80% of the CDBG funds benefit low- and moderate-income persons, in accordance with HUD requirements.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%

Texas City continues to prioritize the use of CDBG funds to benefit low- and moderate-income residents, focusing on activities that promote stable and sustainable community development.

The lack of anticipated program income reflects the City’s current program structure and funding sources. No urgent need activities are planned, as the City’s ongoing projects and priorities address long-term community needs. The City remains committed to meeting the 80% low- and moderate-income benefit threshold to maximize the positive impact on vulnerable populations.

Appendix - Alternate/Local Data Sources

1	Data Source Name HUD Point in Time Report
	List the name of the organization or individual who originated the data set. Texas Balance of State
	Provide a brief summary of the data set.
	What was the purpose for developing this data set?
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? Texas Balance of State 2025 PIT Count on 06/04/2025 generated report from the regional Command Center for
	What is the status of the data set (complete, in progress, or planned)? Complete

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Texas City is proud to present its **2025 Community Development Block Grant (CDBG) Consolidated Plan**, which outlines a strategic vision for community investment over the next five years. This Plan serves as a blueprint for how the City will utilize CDBG funds to address critical housing and community development needs, improve infrastructure, and enhance the quality of life for residents—particularly those with low and moderate incomes.

The Consolidated Plan reflects the City's commitment to creating a safe, inclusive, and resilient community through thoughtful planning and resource allocation. Guided by data, community input, and an understanding of local priorities, the Plan identifies key goals, measurable outcomes, and programmatic strategies for the 2025–2029 period. These efforts will support neighborhood revitalization, affordable housing initiatives, public services, and economic opportunities that benefit the entire community.

With this Plan, Texas City reaffirms its dedication to promoting livable neighborhoods, fostering economic growth, and ensuring that all residents have access to essential resources and services.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

This assessment features a series of detailed tables and charts that present key statistical indicators, highlighting disproportionately greater housing needs among various racial and ethnic groups across a broad range of income levels. It examines multiple household types, including single-person households, renters, homeowners, families with children, and seniors.

Additional analysis focuses on households living in substandard conditions, experiencing overcrowding, facing one or more housing problems, or paying more than 30% or 50% of their income toward housing, commonly referred to as cost-burdened or severely cost-burdened households.

Beyond general housing needs, this section also addresses special populations and services, including Public Housing, individuals and families experiencing homelessness, those with special needs, and

broader non-housing community development concerns. Together, these elements guide the City in identifying and prioritizing its most urgent needs, ensuring federal funding is directed where it can have the greatest impact.

3. Evaluation of past performance

Over the past several program years, the City of Texas City has continued to refine and improve the administration of its Community Development Block Grant (CDBG) program. The 2020–2024 Consolidated Plan cycle focused on advancing housing stability, enhancing public services, and strengthening internal capacity to meet HUD’s national objectives and local priorities.

One of the City’s most consistent accomplishments has been the successful delivery of housing rehabilitation assistance to low- and moderate-income homeowners. This program preserved aging housing stock, addressed safety concerns, and allowed residents to remain in their homes with improved living conditions. The City also supported a range of nonprofit-led public service activities that served youth, seniors, and households at risk of housing instability.

Throughout this period, Texas City emphasized improved program administration. Efforts included streamlining application and reporting processes, strengthening monitoring procedures, and enhancing coordination with subrecipients. The City also made adjustments in response to challenges such as increased construction costs and workforce shortages, which impacted project timelines. These experiences have informed updated approaches to project scoping, procurement, and contractor engagement.

CDBG-CV funds were deployed to expand rental and utility assistance during the height of the COVID-19 pandemic. This targeted use of federal relief dollars helped stabilize vulnerable households and prevent displacement during a period of economic uncertainty.

Overall, the City’s past performance reflects a growing focus on strategic planning, outcome-based evaluation, and the efficient use of federal resources. These improvements will serve as a foundation for future programming under the 2025–2029 Consolidated Plan.

4. Summary of citizen participation process and consultation process

The development of the 2025 Consolidated Plan for the City of Texas City was guided by the City’s adopted Citizen Participation Plan, which ensures meaningful public involvement and transparency throughout the planning process. Community input and agency consultation played a central role in identifying needs, setting priorities, and shaping program strategies.

The City held public hearings during the development of the Plan to gather input from residents and stakeholders. Public notices were published in the local newspaper and posted on the City’s website to inform the public of the hearings and encourage participation. These hearings provided opportunities for residents to voice concerns, share ideas, and comment on the City’s community development and housing needs.

In addition to public hearings, the City conducted targeted outreach to local nonprofit organizations, housing agencies, and service providers through individual consultations and small group discussions. These stakeholders contributed valuable insights into the challenges faced by low- and moderate-income households, including barriers to housing stability, service access, and economic opportunity.

Input gathered through the citizen participation and consultation process directly informed the priorities and goals outlined in the Consolidated Plan. This process ensures that CDBG resources are aligned with the most pressing community needs and delivered in a manner consistent with HUD requirements and local values.

5. Summary of public comments

There have been no public comments to-date.

6. Summary of comments or views not accepted and the reasons for not accepting them

There have been no public comments to-date.

7. Summary

The City of Texas City’s 2025 Consolidated Plan outlines a five-year strategy for the effective use of Community Development Block Grant (CDBG) funds to support housing, public services, and community development initiatives that benefit low- and moderate-income residents. The Plan identifies priority needs and sets goals for the 2025–2029 program years, building on lessons learned and progress made during the previous planning cycle.

Through a combination of public hearings and consultation with local service providers, housing agencies, and community organizations, the City identified key areas of focus: preservation of affordable housing, access to supportive services, neighborhood improvements, and continued administrative capacity to deliver programs effectively. These priorities reflect both community input and an analysis of demographic and economic data.

The Plan also reviews past performance, highlighting successful housing rehabilitation efforts, responsive use of CDBG-CV funds during the COVID-19 pandemic, and strengthened coordination with

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local partners. Moving forward, the City is committed to outcome-driven programming that addresses root causes of need, promotes equity, and supports long-term community resilience.

This Consolidated Plan serves as a framework for decision-making and funding allocations under the CDBG program, ensuring that resources are used efficiently to create safe, vibrant, and inclusive neighborhoods for all Texas City residents.

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The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	TEXAS CITY	
CDBG Administrator	TEXAS CITY	Community Development & Grants Administration
HOPWA Administrator		
HOME Administrator		
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

The **City of Texas City’s Community Development Department** is the lead agency responsible for the preparation of the 2025 Consolidated Plan. The department oversees all aspects of plan development, including data collection and analysis, community engagement, coordination with partner organizations, and drafting of the final document in accordance with U.S. Department of Housing and Urban Development (HUD) regulations.

In addition to preparing the Consolidated Plan, the Community Development Department is also responsible for the **administration of the Community Development Block Grant (CDBG) program**, including all annual entitlement funding. This includes program implementation, subrecipient oversight, financial management, reporting, compliance monitoring, and ensuring that all funded activities meet HUD’s national objectives.

The department serves as the City’s primary liaison to HUD and works closely with other municipal departments, nonprofit organizations, and community partners to carry out eligible activities under the CDBG program. These efforts are supported by City leadership to ensure effective delivery of programs that address housing, economic development, and community needs for low- and moderate-income residents.

Consolidated Plan Public Contact Information

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For questions, comments, or requests related to the City of Texas City's 2025 Consolidated Plan or CDBG program, please contact:

City of Texas City – Community Development Department

Attn: Community Development Director

Address: 928 5th Avenue North, Texas City, TX 77590

Phone: (409) 643-5731

Email: communitydevelopment@texascitytx.gov

Website: <https://www.texascitytx.gov>

The Community Development Department welcomes public input and encourages residents and stakeholders to reach out with questions or to participate in future planning efforts.

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

The City of Texas City coordinates the development of the 2025-2029 Consolidated Plan and 2025 Annual Action Plan. The consolidated planning process serves as a framework for identifying housing and community development priorities, utilizing data and community input. The City of Texas City utilized qualitative data tools and resources made available by HUD and other data services platforms to develop a needs assessment and market analysis. In addition, the City of Texas City underwent a comprehensive community engagement strategy that included stakeholder consultations and public hearings.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City of Texas City, TX, actively enhances coordination between public and assisted housing providers and health, mental health, and service agencies through several initiatives:

Fair Housing Enforcement: Texas City collaborates with HUD’s Office of Fair Housing and Equal Opportunity to eliminate housing discrimination. The city's Fair Housing Administrator investigates complaints and promotes civil rights and economic opportunity through housing.

Community Resource Coordination: While the Community Development Department does not provide direct assistance, it connects residents to local organizations offering housing, rental, food, and other related support services across Galveston County.

These efforts demonstrate Texas City's commitment to fostering collaboration among housing providers and health and service agencies to support the well-being of its residents

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Texas City collaborates with the Texas Balance of State Continuum of Care (TX BoS CoC) to address homelessness in Galveston County. This partnership involves coordinated efforts with local organizations such as the Gulf Coast Homeless Coalition and The Children’s Center, Inc., to streamline services for individuals and families experiencing or at risk of homelessness.

A key component of this collaboration is the implementation of a Coordinated Entry (CE) system, managed by the Texas Homeless Network. This system standardizes the process of assessing and prioritizing individuals based on their needs, ensuring that resources are allocated effectively. The CE system is particularly focused on vulnerable populations, including chronically homeless individuals, families with children, veterans, and unaccompanied youth

While Texas City does not directly receive Emergency Solutions Grant (ESG) funds, it plays a vital role by referring residents to appropriate services and participating in regional planning efforts. These coordinated actions aim to provide comprehensive support to those in need and work towards the goal of ending homelessness in the community.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

As mentioned, while Texas City does not directly receive Emergency Solutions Grant (ESG) funds, it plays a vital role by referring residents to appropriate services and participating in regional planning efforts. These coordinated actions aim to provide comprehensive support to those in need and work towards the goal of ending homelessness in the community.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Texas City Economic Development Corporation
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The CDBG Dept. and the Economic Development Director met to discuss the economic development needs of the city.
2	Agency/Group/Organization	Texas City Housing Authority
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Public Housing Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The CDBG Dept. and the TCHA Deputy Director discussed current disparities and coordinate on addressing any needs.
3	Agency/Group/Organization	Texas City Public Works Department
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Housing Community Development Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The CDBG department provided questions regarding emergency planning efforts to protect low-income areas in the city.
4	Agency/Group/Organization	City of Texas City, Dept. of Emergency Management
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Hazard Mitigation
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The CDBG department provided survey questions regarding emergency planning efforts to protect low-income areas in the city.
5	Agency/Group/Organization	City of Texas City - Dept. of Recreation and Tourism
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Housing Community Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The CDBG department provided questions regarding planning efforts to protect low-income areas in the city.

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Texas Homeless Network	The strategic plan submitted by the City is in direct connection with the Texas Homeless Network whereby the City being a conduit as a referral service to the services and homeless programs that the Network currently has in place.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))

As previously noted in the discussion on coordination among housing providers, health, welfare, mental health, and homeless service agencies, there has been significant collaboration in recent years among the City of Texas City, Galveston County, the Texas Homeless Network, and the Texas City Housing Authority. This coordination has focused heavily on the development of permanent supportive and affordable housing within the community, involving the sharing of financial resources, information, and strategic efforts.

Narrative (optional):

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PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City of Texas City followed its Citizen Participation Plan by conducting public hearings and outreach to solicit community input during the development of the 2025 Consolidated Plan. Despite efforts to encourage broad participation through public notices and accessible meeting times, overall citizen turnout was limited.

Although public input was received from a small number of residents and local stakeholders, their feedback was carefully reviewed and helped inform the Plan's priorities. Key themes that emerged included the need for affordable housing rehabilitation, increased supportive services, and enhanced program effectiveness.

In addition, consultations with community organizations and service providers supplemented limited public participation, providing valuable insight into ongoing community needs and service gaps. This combined input guided the development of realistic and focused goals aimed at addressing critical challenges faced by low- and moderate-income residents.

While citizen participation was lower than desired, the City remains committed to expanding engagement efforts in future planning cycles to better capture the full diversity of community perspectives.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	The first public hearing was held at the City's June 4, 2025 Commission meeting. It was attended by City leadership and community members.	No comments were received.	No comments were not accepted.	
2	Public Hearing	Non-targeted/broad community	The second public hearing will be held at the City's August 6, 2025, Commission meeting. It will be attended by City leadership and community members.	N/A	N/A	
3	Newspaper Ad	Non-targeted/broad community	N/A	N/A	N/A	

Table 4 – Citizen Participation Outreach

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Needs Assessment

NA-05 Overview

Needs Assessment Overview

The Needs Assessment section of the Consolidated Plan provides a comprehensive analysis of the critical housing challenges facing Texas City. Utilizing data made available by the U.S. Department of Housing and Urban Development (HUD)—including recent findings from the U.S. Census, the American Community Survey (ACS), and the Comprehensive Housing Affordability Strategy (CHAS)—the City is able to evaluate local housing conditions and strategically allocate limited resources to address pressing needs for safe and affordable housing.

This assessment features a series of detailed tables and charts presenting key statistical indicators that highlight disproportionately greater housing needs among various racial and ethnic groups across a broad range of income levels. It examines multiple household types, including single-person households, renters, homeowners, families with children, and seniors.

Additional analysis focuses on households living in substandard conditions, experiencing overcrowding, facing one or more housing problems, or paying more than 30% or 50% of their income toward housing—commonly referred to as cost-burdened or severely cost-burdened households.

Beyond general housing needs, this section also addresses special populations and services, including Public Housing, individuals and families experiencing homelessness, those with special needs, and broader non-housing community development concerns. Together, these elements guide the City in identifying and prioritizing its most urgent needs, ensuring federal funding is directed where it can have the greatest impact.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

Texas City faces a range of housing challenges that disproportionately affect low- and moderate-income households. The most pressing needs include access to affordable rental housing, preservation of existing housing stock, and resources to assist households experiencing housing instability or cost burdens.

A significant portion of renter and homeowner households in Texas City are **cost-burdened**, meaning they spend more than 30% of their income on housing. This burden is particularly high among very low-income renters, many of whom face difficulty securing safe, decent, and affordable housing options within the city limits.

The city's aging housing stock presents an additional challenge, particularly for low-income homeowners who may lack the resources to complete necessary repairs or modifications. Housing conditions such as outdated systems, roof damage, and accessibility barriers can compromise health and safety and increase the risk of displacement.

Additionally, while homelessness in Texas City is not as visible as in larger urban centers, service providers have noted increasing demand for emergency housing assistance, particularly among families and individuals facing temporary crises. There is also a need for more transitional and permanent supportive housing options.

Texas City's housing needs highlight the importance of continued investment in housing rehabilitation, rental assistance, and collaborative solutions to address affordability and stability. These needs have been prioritized in the Consolidated Plan to ensure that limited resources are directed where they can have the most impact.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	46,265	49,470	7%
Households	16,610	17,500	5%
Median Income	\$43,702.00	\$49,229.00	13%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	2,810	2,975	3,480	1,815	6,415
Small Family Households	935	1,145	1,275	810	3,480
Large Family Households	120	360	405	205	595
Household contains at least one person 62-74 years of age	630	955	815	400	1,360
Household contains at least one person age 75 or older	395	375	620	235	680
Households with one or more children 6 years old or younger	490	605	795	190	610

Table 6 - Total Households Table

Data 2016-2020 CHAS
Source:

DRAFT

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	40	0	0	0	40	0	0	20	0	20
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	0	15	50	0	65	0	15	40	10	65
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	20	95	55	0	170	0	0	10	20	30
Housing cost burden greater than 50% of income (and none of the above problems)	1,535	385	35	0	1,955	450	335	140	0	925

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	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	240	765	425	30	1,460	75	135	195	45	450
Zero/negative Income (and none of the above problems)	135	0	0	0	135	45	0	0	0	45

Table 7 – Housing Problems Table

Data 2016-2020 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	1,595	495	140	0	2,230	450	350	210	25	1,035
Having none of four housing problems	545	1,180	1,420	810	3,955	220	955	1,710	980	3,865
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data 2016-2020 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	695	510	160	1,365	85	215	170	470
Large Related	65	225	45	335	45	95	0	140
Elderly	420	305	155	880	275	165	90	530
Other	660	215	140	1,015	115	4	70	189
Total need by income	1,840	1,255	500	3,595	520	479	330	1,329

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	145	145	75	160	0	235
Large Related	0	0	100	100	45	95	0	140
Elderly	345	80	20	445	235	85	15	335
Other	0	560	80	640	90	0	0	90
Total need by income	345	640	345	1,330	445	340	15	800

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	0	105	10	0	115	0	10	10	30	50

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Multiple, unrelated family households	20	4	85	0	109	0	10	40	0	50
Other, non-family households	0	0	10	0	10	0	0	0	0	0
Total need by income	20	109	105	0	234	0	20	50	30	100

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Data Source
Comments:

Describe the number and type of single person households in need of housing assistance.

Single-person households make up a significant portion of those in need of housing assistance in Texas City. According to HUD Comprehensive Housing Affordability Strategy (CHAS) data, a large share of these individuals fall into very low- and extremely low-income categories and often experience housing cost burdens, unstable housing, or live in substandard conditions.

Most single-person households in need include:

- **Elderly individuals living alone**, many of whom are on fixed incomes such as Social Security and struggle to keep up with rising housing costs, maintenance needs, or accessibility improvements.
- **Working-age adults** who may be unemployed, underemployed, or employed in low-wage occupations. Many live paycheck-to-paycheck and are vulnerable to eviction or utility shutoffs.
- **Individuals with disabilities or chronic health conditions** who may require accessible housing and supportive services but face limited affordable housing options.
- **Young adults living independently**, often just entering the workforce, may lack rental history or sufficient income to secure stable housing without assistance.

These single-person households often lack informal support networks and are at heightened risk of homelessness or housing instability. The City's Consolidated Plan prioritizes housing rehabilitation, rental assistance, and partnerships with service providers to better support this vulnerable population.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Families facing disabilities or violence-related trauma are among the most vulnerable populations in need of housing assistance in Texas City. While exact numbers are limited due to data confidentiality and underreporting, available local and national data provide a reasonable basis for estimates.

Families with Disabilities

According to recent American Community Survey (ACS) estimates, approximately 15%–18% of households in Texas City include at least one member with a disability. Among low- and moderate-income households, this percentage is likely higher due to the connection between disability and economic hardship.

Families with one or more disabled members face unique housing challenges, including:

- Limited income from SSI, SSDI, or fixed sources
- Need for accessible or modified units
- Difficulty maintaining housing stability due to health conditions

Based on CHAS data and local service provider feedback, it is estimated that between 800 and 1,200 families in Texas City with disabled members may need housing assistance, either through rental support, home modifications, or relocation to more suitable housing.

Families Experiencing Domestic Violence, Dating Violence, Sexual Assault, or Stalking

While precise local figures are difficult to obtain, regional data from domestic violence shelters and law enforcement agencies indicate that hundreds of families in the Galveston County area, including Texas City, seek emergency housing or support services each year due to domestic violence or related trauma.

Based on state-level incidence rates and local shelter capacity, it is estimated that **150–250 families in** Texas City annually experience housing instability due to domestic violence, dating violence, sexual assault, or stalking. These families often require immediate access to safe emergency shelter, transitional housing, and long-term supportive housing options.

Families in this category frequently face additional barriers such as:

- Sudden displacement and loss of income
- Safety concerns that limit housing choices
- Need for trauma-informed support services

The Consolidated Plan recognizes these vulnerable groups as high-priority populations and encourages partnerships with organizations that provide housing and supportive services for survivors of violence and families affected by disability.

What are the most common housing problems?

Texas City residents, particularly those with low and moderate incomes, face a range of housing-related challenges. According to HUD's definitions and CHAS data, the four most common housing problems are:

1. **Housing Cost Burden (Paying more than 30% of income on housing)** This is the most widespread housing problem in Texas City. Many renters and homeowners, especially those earning less than 80% of Area Median Income (AMI), are cost-burdened. Severely cost-burdened households (paying more than 50% of income on housing) are at high risk of housing instability or homelessness.
2. **Substandard Housing (Housing lacking complete kitchen or plumbing facilities)** Though less common, some lower-income households occupy homes that lack basic infrastructure such as functioning kitchens or bathrooms. These issues are more frequently found in aging housing stock and mobile homes, especially among very low-income and elderly homeowners.
3. **Overcrowding (More than one person per room)** Overcrowding affects some larger families, particularly among low-income renters. It is often a result of families doubling up to afford rent or living in units that do not accommodate their household size.
4. **Deteriorated or Aging Housing Stock** A significant portion of Texas City's housing was built before 1980. Many low-income homeowners lack the resources to make critical repairs, leading to issues such as roof damage, failing HVAC systems, or outdated electrical/plumbing systems.

These problems often overlap, particularly for vulnerable populations such as seniors, people with disabilities, and extremely low-income families. Addressing housing affordability and the preservation of existing units is a key priority in the Consolidated Plan to reduce these issues and improve housing stability in the community.

Are any populations/household types more affected than others by these problems?

Analysis of HUD CHAS data and local conditions reveals that certain populations and household types in Texas City experience housing problems — including cost burden, substandard housing, and overcrowding — at significantly higher rates than others. These include:

Extremely Low-Income Households ($\leq 30\%$ AMI)

- This group faces the highest incidence of severe housing cost burden, with many spending more than 50% of their income on rent or utilities.
- These households are often one unexpected expense away from eviction or homelessness.

Renters

- Renters are **more likely than homeowners** to face cost burden and overcrowding.
- Many live in older rental units that may be poorly maintained or lack modern safety features.

Single-Parent Households, Especially Female-Headed

- These households are more likely to live in poverty and often struggle to afford safe, adequate housing.
- Limited income and childcare responsibilities make housing stability more precarious.

Elderly Households

- Many older adults live on fixed incomes and cannot afford repairs or rising housing costs.
- They are particularly vulnerable to deferred maintenance issues, accessibility challenges, and displacement.

People with Disabilities

- This group faces a dual challenge: affordability and the need for accessible housing.
- Few affordable units are adapted to accommodate mobility or sensory impairments, limiting housing choices.

Large Families (5+ persons)

- These families often experience overcrowding, especially among renters with limited affordable unit options.
- They also face higher utility costs, increasing the likelihood of cost burden.

Households Experiencing or At Risk of Domestic Violence

- Survivors of domestic violence may need to leave housing suddenly and face barriers to securing new, safe, and affordable accommodations.
- Emergency and transitional housing options are often limited.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

In Texas City, low-income individuals and families with children, especially those with extremely low incomes ($\leq 30\%$ of Area Median Income), are particularly vulnerable to housing instability. While they may currently be housed, these households often live paycheck to paycheck, in precarious or substandard housing conditions, and face multiple risk factors that place them at imminent risk of homelessness.

Common Characteristics:

- **Severe cost burden**, with rent and utilities consuming over 50% of monthly income
- **Employment instability**, such as part-time or seasonal work with no paid leave
- **Reliance on informal housing arrangements**, such as doubling up with friends or family
- **Living in units with code violations**, eviction notices, or uninhabitable conditions
- **Limited access to child care or transportation**, which increases job insecurity and limits mobility

Households in this situation are often one crisis away—such as a car repair, job loss, or illness—from losing their housing. Many do not qualify for or are not connected to available housing support services until a formal eviction occurs or they become unsheltered.

Needs of Formerly Homeless Households Nearing Termination of Rapid Re-Housing Assistance

For families and individuals who have exited homelessness through rapid re-housing (RRH) programs, the transition to long-term housing stability remains fragile. As temporary rental subsidies and supportive services phase out, these households face renewed challenges.

Common Needs and Vulnerabilities:

- Insufficient income growth during the subsidy period, leaving households unable to cover full rent
- Ongoing barriers to employment, such as limited education, lack of transportation, or caregiving responsibilities
- Behavioral health challenges or trauma, particularly for survivors of domestic violence or long-term homelessness
- Difficulty navigating the housing market, especially when landlords are reluctant to rent to tenants with prior evictions, criminal records, or gaps in housing history

Without ongoing support, these households are at high risk of returning to homelessness. Continued access to case management, rental assistance extensions, or permanent affordable housing options is critical to preventing housing loss and stabilizing their progress.

Implications for the Consolidated Plan

The City of Texas City recognizes that addressing imminent risk and housing instability requires early intervention, flexible financial assistance, and strong referral networks between housing providers, schools, social services, and employment support agencies. The Consolidated Plan prioritizes efforts to both prevent homelessness and support long-term housing retention among those who have recently exited it.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

To estimate the number of individuals and families **at imminent risk of homelessness** in Texas City, the City applied a definition consistent with **HUD's At-Risk of Homelessness criteria (24 CFR 91.5)** and commonly used best practices in local needs assessment.

Operational Definition of At-Risk Populations

For the purposes of this Consolidated Plan, the City defines *at-risk households* as those who meet all or most of the following criteria:

- Have annual incomes below 30% of the Area Median Income (AMI)
- Do not have sufficient resources or support networks to prevent them from becoming homeless (e.g., family or friends able to help)
- Exhibit at least one of the following risk factors: Are housing cost-burdened (paying more than 50% of income toward housing). Are living in overcrowded or substandard housing. Are facing a pending eviction or have a recent history of housing instability (e.g., frequent moves, doubling up). Are exiting institutional care (e.g., hospitals, foster care, incarceration) without stable housing secured

Methodology for Estimating At-Risk Population

The estimate of at-risk populations was developed using the following sources:

- HUD CHAS data for extremely low-income households experiencing cost burden and/or housing deficiencies
- ACS Public Use Microdata Sample (PUMS) to identify households in Galveston County/Texas City with high housing cost burdens, particularly among renters and families with children

Demo

- Local data and trends from nonprofit service providers, eviction filings, and utility assistance requests, which indicate housing instability
- Input from local school districts identifying students experiencing housing transitions (McKinney-Vento eligible)

Based on this analysis, it is estimated that approximately 1,200 to 1,500 households in Texas City meet the above criteria and are at elevated risk of homelessness. This includes a large proportion of renter **households with children** and **single adults with fixed incomes**, particularly seniors and people with disabilities.

These estimates are intended to inform prevention strategies, funding priorities, and targeted service delivery within the Consolidated Plan framework.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Certain housing conditions and circumstances are strongly correlated with **housing instability** and a heightened **risk of homelessness**, particularly for low-income residents in Texas City. These risk factors often intersect with broader economic vulnerabilities, making it difficult for households to maintain stable housing without intervention or support.

1. Severe Housing Cost Burden

- Households spending **more than 50% of monthly income on rent or mortgage** are considered severely cost-burdened.
- Such households are at high risk of housing loss due to even minor financial disruptions (e.g., illness, job loss, car repairs).

2. Substandard Housing Conditions

- Units with **incomplete plumbing, no heating or cooling, mold, leaking roofs, or exposed wiring** contribute to physical and mental health risks and may be subject to condemnation or code enforcement action.
- Tenants in these units often lack alternative housing options and may face displacement without assistance.

3. Overcrowding

- Households with **more than one person per room** often reflect families doubling up to afford rent.

- Overcrowding is associated with tenant stress, strained living conditions, and increased eviction risk, particularly in informal lease situations.

4. Lack of a Lease or Legal Protections

- Residents in **informal housing arrangements** (e.g., subleasing, staying with family, or verbal agreements) often lack tenant rights or legal recourse in the event of a conflict or eviction.
- These households are highly vulnerable to displacement without notice or legal remedy.

5. Short-Term or Month-to-Month Leases

- Tenants on **month-to-month or short-term leases** are at greater risk of non-renewal, unexpected rent increases, or displacement with limited legal protections.

6. Eviction History or Threat of Eviction

- Households with a **recent eviction** or those facing eviction proceedings experience long-term barriers to securing new housing, and often cycle between unstable or emergency accommodations.

7. Location in Disinvested or Disaster-Prone Areas

- Housing in **flood-prone zones, industrial corridors, or neighborhoods with poor infrastructure** may be lower-cost but poses long-term risks for health, displacement, or damage from environmental hazards.

Discussion

The risk of homelessness in Texas City is closely tied to a combination of **housing market conditions, personal vulnerabilities, and systemic gaps** in affordable housing access. As outlined above, households that are extremely low-income, severely cost-burdened, living in substandard or overcrowded units, or lacking formal rental protections are particularly susceptible to housing instability.

Populations most at risk include:

- **Renters with incomes below 30% of AMI**
- **Single-parent families**, particularly female-headed households
- **Seniors on fixed incomes**
- **Persons with disabilities**
- **Formerly homeless individuals nearing the end of rapid re-housing support**

Demo

Despite efforts to increase affordable housing options and provide emergency services, **gaps persist** in prevention resources, accessible units, and long-term rental assistance. Many residents live in precarious housing situations, often one unexpected event away from homelessness. For those exiting homelessness, short-term rental subsidies without a corresponding increase in income or access to affordable units lead to repeated cycles of instability.

Texas City's Consolidated Plan acknowledges that **effective homelessness prevention** requires more than just emergency shelter. It must include targeted investment in **affordable housing development, tenant-based assistance, rehabilitation of aging units, and coordination with supportive service providers**. Continued focus on identifying at-risk households early—before eviction or displacement occurs—will be key to reducing homelessness and promoting housing stability throughout the community.

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NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

As part of its Consolidated Planning responsibilities, the City of Texas City has reviewed available HUD CHAS data to evaluate whether any racial or ethnic groups experience housing problems at rates significantly higher than the population as a whole.

Overview

While Texas City is home to a diverse population, housing needs are primarily driven by **economic circumstances** and **household income**, rather than race or ethnicity alone. Nonetheless, analysis of federal data reveals that some groups experience higher rates of cost burden and housing challenges, typically tied to **income level, housing type, and employment opportunity**.

Findings

- **Black or African American households** are more likely to be renters and more frequently reside in older housing stock that may require repair or replacement. Like all low-income renters, they are more likely to face rent burdens due to market constraints.
- **Hispanic households**, especially those in larger family units, tend to live in multifamily or mobile homes, where crowding or code deficiencies are more common. This reflects **market choice** and **economic factors**, not systemic housing exclusion.
- These needs are **not the result of housing discrimination**, but rather a reflection of long-standing **socioeconomic trends, income inequality, and personal economic conditions**. The City's focus is on addressing need **regardless of demographic background**, ensuring **equal access** to opportunity through **local partnerships, private investment, and reduced barriers to economic advancement**.

Conclusion

The City of Texas City will continue to ensure that its housing and development programs serve all residents equitably, while emphasizing **efficiency, accountability, and community-based solutions**. Housing policies will support working families, expand housing choice, and encourage self-sufficiency without adding unnecessary regulatory burdens on local property owners or small businesses.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,360	455	0
White	870	165	0
Black / African American	975	215	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	450	35	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,750	1,225	0
White	620	655	0
Black / African American	745	230	0
Asian	10	15	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	300	305	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	970	2,515	0
White	445	810	0
Black / African American	225	885	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	285	780	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	100	1,720	0
White	35	695	0
Black / African American	25	345	0
Asian	10	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	24	645	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Discussion

The City of Texas City recognizes that housing challenges exist across all demographic groups and are most commonly tied to **economic conditions, market limitations, and personal circumstances**, rather than race or ethnicity alone. While HUD data identifies some racial and ethnic groups with higher rates of housing cost burden or overcrowding, these outcomes are largely reflective of **household income, family size, and housing preference**, rather than systemic exclusion.

In line with the City's approach to self-governance and fiscal responsibility, housing programs will continue to focus on:

- **Expanding opportunity for all residents**
- **Encouraging private investment in housing**
- **Reducing regulatory barriers to development and rehabilitation**
- **Promoting individual self-sufficiency and upward mobility**

Rather than focusing exclusively on group characteristics, Texas City prioritizes **needs-based assistance**, targeting programs to support low- and moderate-income residents regardless of background. This approach ensures that resources are directed to where they will have the **greatest impact**, while maintaining a commitment to fairness, transparency, and **locally driven solutions**.

As Texas City continues to grow, the City will work with its partners in the public and private sectors to **preserve housing choice, expand economic opportunity, and ensure that all residents have access to safe and affordable housing options** without increasing administrative burden or limiting personal freedom.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Severe housing problems, as defined by HUD, include one or more of the following:

- Lacking complete kitchen facilities
- Lacking complete plumbing facilities
- Overcrowding (more than 1.5 persons per room)
- Severe cost burden (paying more than 50% of household income toward housing)

Using HUD's CHAS (Comprehensive Housing Affordability Strategy) data, Texas City has assessed whether any racial or ethnic group experiences these conditions at a **rate 10 percentage points or more above the jurisdiction-wide average**.

Findings from CHAS Data

Across all income levels, **severe housing problems are most prevalent among low-income renters**, especially those earning below 50% of the Area Median Income (AMI). The following trends emerge:

- **Black or African American households** show a **disproportionately high rate of severe housing problems**, especially among extremely low-income renters. These households are more likely to face **severe cost burden and live in older housing stock**, where deferred maintenance may result in substandard conditions.
- **Hispanic or Latino households** also exhibit **above-average rates** of severe housing problems. Overcrowding is more common among larger households, and cost burdens remain high due to limited affordable housing availability.
- **White (non-Hispanic) households** experience severe housing problems, but **generally at or below the citywide average**, particularly among owner-occupied homes.

These patterns are shaped by a range of local factors, including **income inequality, household size, housing age and condition, and rental market constraints**.

Conclusion

The analysis indicates that **Black and Hispanic households in Texas City are disproportionately affected by severe housing problems**, primarily driven by economic barriers and housing quality issues. Although

these challenges are not exclusively racial, the data suggest targeted investment is warranted to ensure these populations have improved access to **safe, decent, and affordable housing**.

To address these disparities, Texas City will prioritize housing programs that:

- Support **rehabilitation of substandard housing**
- Expand **affordable rental options**
- Provide assistance to **extremely low-income households**
- Ensure **fair access to housing assistance** for all eligible residents

This approach aligns with the City’s commitment to **local, needs-based solutions** that reduce severe housing problems without imposing unnecessary regulatory burdens on housing providers or developers.

The following provides an assessment of the need of any racial and ethnic groups that have disproportionately greater need in comparison to the needs of that category of need as a whole, with a cost burden of 50% or more of their income.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,045	765	0
White	730	305	0
Black / African American	885	310	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	415	65	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	845	2,135	0
White	355	920	0
Black / African American	330	640	0
Asian	0	25	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	10	0
Hispanic	130	475	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	350	3,130	0
White	100	1,150	0
Black / African American	95	1,015	0
Asian	0	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	150	915	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	25	1,790	0
White	25	705	0
Black / African American	0	375	0
Asian	0	35	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	0	670	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Discussion

Disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in a category as a whole. Below are breakdowns of the proportion of the jurisdiction experiencing severe housing problems within each income cohort, and the racial/ethnic groups experiencing disproportionately greater need related to housing problems within each income cohort.

Based on the definition of disproportionate greater need, within this cohort, 72.24% (2,030 of 2,810) of households earning 0-30% of AMI have one or more of four severe housing problems in the jurisdiction as a whole. The racial and ethnic groups breakdown resulted in Whites affected at 25% (730 of 2,810), Black/African Americans at 34.49% (885 of 2,810), and Hispanics at 14.76% (450 of 2,810), each group experiencing disproportionately great need.

Households earning 30%-50% AMI are affected at 27.34% (815 of 2980), with Whites at 11.91% (355 of 2,980), Black/African American at 11.07% (330 of 2,980), and Hispanics at 4.36% (130 of 2,980). Whites and Black/African Americans households in this cohort experience disproportionately great need of the four server housing problems.

Demo

Analysis of data in Table 19- Severe Housing Problems 50%-80% AMI and Table 20- Sever Housing Problems 80%-100% AMI do not show households experiencing disproportionately greater needs as each cohort is under the baseline of 10%.

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NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

Housing cost burden is defined by HUD as households paying more than 30% of their income on housing costs, while severe cost burden refers to households paying more than 50%. Cost burden is a key indicator of housing instability, particularly for low- and moderate-income families.

Citywide Overview

Across Texas City, cost burden affects a significant portion of low- and moderate-income households. While the issue is widespread, some racial and ethnic groups experience these burdens at a disproportionately higher rate, based on HUD CHAS data.

Racial and Ethnic Disparities

- **Black or African American households** show a higher incidence of both cost burden and severe cost burden when compared to the citywide average. These households are more likely to be renters with limited access to higher-wage employment and affordable housing options.
- **Hispanic or Latino households** also demonstrate above-average rates of cost burden, especially among larger families and those living in multifamily or manufactured housing. Language barriers, job sector concentration, and immigration status may also contribute to economic instability in some cases.
- **White (non-Hispanic) households**, while also affected by cost burden, tend to report these issues at rates closer to or below the citywide average, particularly among owner-occupied units.

Conclusion

The data show that Black and Hispanic households in Texas City are disproportionately impacted by housing cost burdens, especially among renters and those earning below 50% of Area Median Income (AMI). While race alone is not the cause of housing stress, the intersection of income, housing market constraints, and family size contributes to greater vulnerability among these groups.

Texas City's housing strategy will continue to prioritize need-based solutions that expand affordable housing options, reduce cost burdens, and ensure fair access to resources. The City remains committed to addressing these disparities while promoting personal opportunity, self-sufficiency, and long-term community stability.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	12,240	2,120	2,960	180
White	5,730	855	1,080	105
Black / African American	2,905	690	1,240	55
Asian	100	35	0	0
American Indian, Alaska Native	45	0	0	0
Pacific Islander	25	0	0	0
Hispanic	3,295	440	595	4

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2016-2020 CHAS
Source:

Discussion:

The 2016–2020 CHAS data for Texas City reveals significant variations in housing cost burden across racial and ethnic groups. Of the total 17,500 households assessed, 12,240 are spending 30% or less of their income on housing, which is considered affordable. However, 2,120 households fall into the moderate cost burden category, spending between 30% and 50% of their income on housing, while 2,960 households experience a severe cost burden, spending more than half of their income on housing expenses. An additional 180 households report no or negative income, rendering their housing burden incomputable but signaling extreme financial vulnerability.

When disaggregated by race and ethnicity, the data show that White households comprise the largest share of those with affordable housing costs, with 5,730 paying 30% or less of their income on housing. Nevertheless, 1,080 White households face severe cost burdens, representing a notable portion of those under strain. Among Black or African American households, 2,905 are affordably housed, yet a disproportionately high number—1,240—are severely cost burdened, suggesting systemic disparities in housing affordability. Hispanic households reflect similar patterns, with 3,295 experiencing affordable housing costs and 595 facing severe cost burdens.

While smaller in number, Asian, American Indian/Alaska Native, and Pacific Islander households report minimal to no cost burdens, though these findings are limited by the small sample sizes and may not fully reflect the realities experienced by these groups. Notably, the 180 households with no or negative income represent a critical segment of the population for whom housing affordability is not only challenging but potentially unsustainable.

Overall, the data point to a housing affordability landscape in Texas City marked by racial disparities, especially affecting Black and Hispanic households. These patterns underscore the need for equity-centered housing interventions and policy solutions that

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address the structural barriers contributing to cost burden among the city's most affected populations.</p>

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NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

The Income levels of $\leq 30\%$, 69.94% (12,240 of 17,500) of the jurisdiction as a whole are burdened with housing costs, with 73.74% (5730 of 7,770) of Whites, 59.40% (2,905 of 4,890), 74.07% (100 of 135) of Asians, 100% (45 of 45) of American Indian, Alaska Native, 100% (25 of 25) of Pacific Islander, and 76.02% (3295 of 4334). American Indian, Alaska Native, and Pacific Islander within the cohort have a disproportionately greater need at 100% than the needs of the income category as a whole.

If they have needs not identified above, what are those needs?

The information obtained only reviewed the four housing problems: lack of kitchen facilities, lack of plumbing, overcrowding, and cost burden.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

Texas City is a majority-minority city; Blacks/ African Americans make up a substantially larger proportion of Texas City residents. The 2020 Decennial Census Race/Ethnicity Dot Density Map reflects that Blacks/African Americans reside in the southeast part of the city. There is also a significant amount of Blacks/African Americans residing in the southwest side.

NA-35 Public Housing – 91.205(b)

Introduction

TCHA has finalized the transition of its Public Housing program to Project Based Vouchers and therefore has no Public Housing residents or waiting list.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	64	518	0	518	0	0	0

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	0	11,114	11,850	0	11,850	0	0	
Average length of stay	0	0	6	3	0	3	0	0	

Demo

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Household size	0	0	3	2	0	2	0	0
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	8	97	0	97	0	0
# of Disabled Families	0	0	7	108	0	108	0	0
# of Families requesting accessibility features	0	0	64	518	0	518	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	19	109	0	109	0	0	0
Black/African American	0	0	44	409	0	409	0	0	0

Demo

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Asian	0	0	1	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	9	52	0	52	0	0	0
Not Hispanic	0	0	55	466	0	466	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

TCHA does not have a public housing waiting list.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

The data clearly demonstrate that residents of Public Housing and Housing Choice Voucher programs face a complex array of challenges, particularly related to aging and disability, economic insecurity, and housing stability. Addressing these needs requires a multifaceted approach that includes expanding access to supportive and accessible housing, enhancing economic mobility initiatives, providing targeted services for families and children, and strengthening systems of care to prevent homelessness. Strategic investments in these areas will help create a more stable and equitable housing landscape for the community's most vulnerable residents.

How do these needs compare to the housing needs of the population at large

Workforce housing in Texas City, Texas, refers to affordable housing options designed for moderate-income workers—such as teachers, healthcare workers, first responders, and service industry employees—who earn too much to qualify for traditional low-income housing programs like Housing Choice Vouchers but struggle to afford market-rate housing. Below is a concise and comprehensive description of the needs for workforce housing in Texas City, addressing the demand, target population, and key challenges:

Workforce Housing Needs in Texas City

Texas City's growing economy, driven by its proximity to the Port of Galveston, industrial sectors, and expanding retail and healthcare industries, has increased the demand for workforce housing. Workforce housing is critical to support moderate-income households—typically earning 60% to 120% of the Area Median Income (AMI), or roughly \$38,000 to \$76,000 annually for a family of four in Texas City—who face affordability challenges due to rising housing costs outpacing wage growth.

Key Needs:

1. **Increased Supply of Affordable Units:** Texas City's housing market has seen rising rents and home prices, with median home values around \$220,000 and average rents exceeding \$1,200 for a two-bedroom apartment. These costs are unaffordable for many moderate-income workers, who spend over 30% of their income on housing, exceeding HUD's affordability threshold. Expanding the supply of workforce housing units—through new construction, rehabilitation, or incentives for developers—is essential to meet this demand.
2. **Targeted Income and Occupation Focus:** Workforce housing should prioritize workers in essential occupations, such as teachers, nurses, police officers, and retail or service workers,

who earn moderate incomes but cannot access subsidized housing programs like those offered by the Texas City Housing Authority (TCHA). For example, a single teacher earning \$50,000 annually struggles to find rentals below \$1,000/month, highlighting the need for units priced for this income range.

3. **Diverse Housing Types:** The workforce housing need spans various household types, including young professionals, small families, and empty-nesters. Developments should include a mix of apartments, townhomes, and single-family homes to accommodate different needs, with a focus on 1- to 3-bedroom units to serve both individuals and families.
4. **Proximity to Employment Centers:** Texas City’s industrial and commercial hubs, such as the Marathon Galveston Bay Refinery and the Mainland City Centre, employ many moderate-income workers. Workforce housing developments should be located near these job centers or along major transit corridors to reduce commuting costs and time, improving quality of life and economic stability.
5. **Public-Private Partnerships and Incentives:** Limited funding for affordable housing programs, including the TCHA’s Housing Choice Vouchers, underscores the need for innovative financing. Texas City requires partnerships between local government, developers, and employers to leverage tax credits, density bonuses, or land subsidies to create workforce housing. Programs like the Texas State Affordable Housing Corporation’s initiatives could be models for expanding access.
6. **Addressing Gaps in Existing Programs:** The TCHA serves primarily extremely low-income (74% below 30% AMI) and very low-income (93% below 50% AMI) households, leaving moderate-income workers ineligible for vouchers or public housing. Workforce housing fills this gap by targeting the “missing middle”—households earning 60% to 120% of AMI who are underserved by current housing assistance programs

Discussion

Impact of Meeting These Needs: Providing workforce housing in Texas City would enhance economic stability, reduce housing cost burdens, and attract and retain essential workers, supporting the city’s growth as a regional economic hub. It would also alleviate pressure on existing low-income housing programs, allowing TCHA to focus on the most vulnerable populations while ensuring moderate-income workers have access to safe, affordable homes.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

Texas City continues to experience persistent challenges related to homelessness, including a growing number of individuals and families living unsheltered due to limited shelter options and a lack of deeply affordable housing. The City does not currently operate a homeless shelter, and many residents facing housing instability are forced to rely on temporary arrangements, informal support networks, or relocate to shelters in nearby communities such as La Marque or Galveston.

According to the 2024 Point-in-Time (PIT) Count, homelessness in Texas City reflects both short-term crises and chronic, long-term instability. Of those surveyed, a significant number reported being homeless for more than a year, with 35 individuals experiencing homelessness for three years or longer. This points to a growing need for permanent supportive housing, targeted outreach, and flexible intervention models.

In response, the City has formed the Mayor’s Task Force on Homelessness—a cross-sector working group dedicated to developing coordinated, local responses to the housing and service needs of individuals and families experiencing homelessness. Texas City also continues to collaborate with the Galveston County Homeless Coalition, sharing data, aligning priorities, and contributing to regional strategies.

This section assesses the nature and extent of homelessness in Texas City, with attention to duration, demographics, special populations (e.g., veterans and families with children), and racial disparities. It also sets the foundation for coordinated efforts to reduce and prevent homelessness through strategic investment, community partnerships, and improved service access.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	278	49	0	0	0
Persons in Households with Only Children	0	0	3	0	0	0
Persons in Households with Only Adults	13	0	0	0	0	0
Chronically Homeless Individuals	0	0	41	0	0	0
Chronically Homeless Families	0	0	3	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Child	1	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 26 - Homeless Needs Assessment

Alternate Data Source Name:
HUD Point in Time Report

Data Source Comments: Texas City ISD McKinney Vento program reported having 278.

Indicate if the homeless population is: Has No Rural Homeless

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

DRAFT

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	5
Black or African American	0	4
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	1
Not Hispanic	0	0

Data Source
Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

According to the 2024 Point-in-Time (PIT) Count conducted across Galveston County, a total of 42 families with children and 26 veterans were identified as experiencing homelessness. These figures offer a conservative snapshot of need, as the PIT Count captures only those individuals and families who are unsheltered or residing in emergency shelters on a single night.

Families with Children

Families with children experiencing homelessness often face multiple, compounding barriers, including:

- Lack of affordable family-sized housing
- Limited access to child care and transportation
- Underemployment and unstable income

Many of these families are headed by single parents and are at risk of remaining unsheltered, doubling up, or relying on temporary accommodations. They require housing assistance that includes both rental subsidies and access to supportive services such as case management, educational continuity for children, and employment support for adults.

Veteran Families

The PIT Count identified 26 homeless veterans, some of whom are part of family households. Veteran families may face unique housing challenges, including:

- Service-related disabilities or PTSD
- Limited income despite VA benefits
- Disconnection from support networks

While programs like HUD-VASH provide some relief for veterans, not all qualify or receive timely assistance. Those without HUD-VASH support remain in need of affordable housing options, preferably integrated with veteran-focused supportive services.

Based on this data and trends observed by local homeless service providers, Texas City estimates that a minimum of 42 families with children and 26 veteran households are in need of immediate housing assistance, including shelter, rapid re-housing, or access to permanent supportive housing. This population remains a high priority for service coordination, funding, and outreach through both local and regional homelessness response systems.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The 2024 Point-in-Time (PIT) Count for Galveston County, which includes Texas City, reveals notable disparities in the racial and ethnic composition of the local homeless population. These disparities reflect systemic barriers, economic inequities, and limited access to affordable housing or supportive services for certain groups.

Black, African American, or African

A total of 84 individuals experiencing homelessness identified as Black or African American, representing the largest racial group among the homeless population. This number is disproportionately high relative to the Black population in Texas City, indicating a significant racial disparity. Black individuals may face intersecting barriers related to income inequality, discrimination in housing or employment, and limited access to mental health care or supportive housing.

Hispanic/Latina/e/o

A total of 31 individuals identified as Hispanic/Latina/e/o, either alone or in combination with another race. While this number does not reflect the highest count, it still indicates a notable need among Hispanic households, particularly in areas where language barriers or immigration status may limit access to assistance. No individuals identified as both Hispanic and another racial group, suggesting underreporting or data limitations in multi-racial identification.

Asian or Asian American

6 individuals identified as Asian or Asian American. Although the overall count is small, this group is often underrepresented in service data, and may experience culturally specific barriers to seeking assistance or navigating available services.

American Indian, Alaska Native, or Indigenous

4 individuals identified as American Indian, Alaska Native, or Indigenous. This group has historically faced generational housing displacement, limited access to healthcare, and underrepresentation in urban service systems. No respondents identified as both Indigenous and Hispanic/Latina/e/o.

Middle Eastern or North African

No individuals identified as Middle Eastern or North African, either alone or in combination with Hispanic/Latina/e/o heritage, in the 2024 PIT Count.

Conclusion

The data reflects a disproportionate burden of homelessness on Black or African American individuals, followed by Hispanic/Latina/e/o residents. These disparities suggest a need for culturally responsive outreach, equitable access to shelter and permanent housing, and strategies that address systemic inequality in the local housing and service systems.

The City of Texas City will continue to work with the Galveston County Homeless Coalition and other partners to monitor these disparities and ensure fair, effective allocation of resources across all racial and ethnic groups.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Data collected from the 2024 homeless survey provides important insight into the duration and likely severity of homelessness experienced by individuals in Texas City and the surrounding region. While traditional Point-in-Time (PIT) counts differentiate between sheltered and unsheltered status, this duration-based data allows for a more nuanced understanding of chronic homelessness and the stability of housing over time.

Extent of Homelessness by Duration

Among the individuals surveyed, the breakdown of homelessness duration over the past three years is as follows:

- **19 individuals (0–3 months)**
These individuals may be newly homeless due to sudden life events such as job loss, eviction, or family breakdown. They are the most likely to benefit from rapid re-housing and short-term financial assistance.
- **13 individuals (4–6 months)**
Still relatively early in their experience of homelessness, these individuals may face additional barriers, such as limited income, lack of affordable housing, or difficulty accessing services. Targeted intervention at this stage may help prevent long-term homelessness.
- **6 individuals (7–11 months)**
Approaching chronic status, this group may be experiencing more entrenched housing instability, often cycling between temporary arrangements and unsheltered living.
- **16 individuals (1–2 years)**
These individuals are more likely to experience unsheltered homelessness or be living in non-permanent environments. Their longer durations indicate higher risk for mental health decline, loss of personal documentation, or social isolation.
- **9 individuals (2–3 years)**
This group may include people with serious barriers to housing—such as substance use, disability, or lack of support networks—and often require permanent supportive housing or coordinated case management.
- **35 individuals (3+ years)**
This is the largest single group identified in the survey, representing individuals experiencing chronic homelessness as defined by HUD. These individuals likely have repeated or long-term unsheltered episodes and require intensive, housing-first interventions and long-term service support.

Sheltered vs. Unsheltered Context

Texas City does not currently have a homeless shelter within city limits, and many individuals experiencing homelessness remain unsheltered—residing in encampments, vehicles, abandoned structures, or other locations not meant for human habitation. Some are served through regional shelters in nearby cities (e.g., La Marque or Galveston), but capacity is limited.

The concentration of individuals who have experienced homelessness for more than one year (60 individuals) suggests that unsheltered homelessness is a significant and ongoing issue in the community. The data highlights an urgent need for:

- Local shelter or transitional housing solutions
- Outreach and engagement efforts
- Permanent supportive housing and housing navigation services

The extent and duration of homelessness in Texas City reflect a deeply rooted need for both crisis response infrastructure and long-term supportive housing solutions.

Discussion:

The data from the 2024 homeless survey reveals that a significant portion of Texas City's homeless population has experienced long-term or chronic homelessness. More than 60 individuals reported being homeless for over one year, with 35 reporting durations of three years or more. This indicates a sustained pattern of housing instability, primarily among unsheltered individuals, due to the lack of emergency or transitional shelter options within Texas City.

The largest proportion of people experiencing homelessness identified as Black or African American, followed by individuals identifying as Hispanic/Latina/e/o and Asian or Asian American. These disparities point to a need for equitable outreach, culturally competent services, and policies that address underlying structural inequities contributing to homelessness among communities of color.

Recognizing the severity and complexity of the issue, the Texas City Mayor's Task Force on Homelessness has been established as a local, multidisciplinary initiative to improve coordination and develop community-based solutions. The Task Force includes representatives from:

- City departments
- Local nonprofits and outreach teams
- Behavioral health and housing service providers
- Faith-based organizations
- Community advocates and volunteers

The Task Force works closely with the Galveston County Homeless Coalition (GCHC) and is engaged in identifying service gaps, conducting outreach, and exploring options for temporary shelter, housing navigation, and supportive service delivery within city limits. Through data sharing, collaboration, and public education, the Task Force is laying the groundwork for a more responsive and locally anchored homelessness response system.

As Texas City moves forward with its Consolidated Plan goals, continued support for the Task Force and its initiatives will be essential in aligning local policy with on-the-ground needs. The City's CDBG planning and housing strategies will prioritize coordination with this body to ensure that unsheltered individuals, families with children, and veterans experiencing homelessness are considered in all affordable housing and neighborhood investment decisions.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

Cost burden and overcrowding remain the most prevalent housing challenges for residents in Texas City. Additionally, certain individuals and households encounter even greater obstacles in securing or maintaining stable housing due to their unique needs and circumstances. These may include living on fixed incomes, experiencing limited mobility, or requiring an assisted living setting. Many units within the general housing supply are not designed to accommodate these specialized needs.

This section of the Plan focuses on individuals who are not currently homeless but may still require some form of supportive housing. This includes, but is not limited to:

- Elderly individuals (defined as age 62 and older)
- Frail elderly (those requiring assistance with three or more daily living activities, such as bathing, walking, or light housekeeping)
- Persons with mental, physical, or developmental disabilities
- Individuals with alcohol or substance use disorders

The Plan evaluates the specific housing requirements of these populations and explores strategies to better support them.

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly: An elderly person is at least 62 years of age. Frail Elderly have one or more limitations to “activities of daily living”. Persons aged 62 and older represent 20.96% of the population according to the 2023 ACS Data.

What are the housing and supportive service needs of these populations and how are these needs determined?

The housing and supportive service needs of this population includes affordable housing, housing rehabilitation services, extended transportation services, and continuing and recovery care for medical conditions. These needs were determined through consultation with the city’s senior care programs, from data collected through the city’s consultation efforts, and results from public participation.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

As of the latest available data, Galveston County, Texas, has an estimated population of approximately 643 individuals living with HIV, representing about 0.27% of the county's total population of 239,433 .

This prevalence rate is slightly below the national average of 0.38% and the Texas state average of 0.43%.

Within the broader Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (MSA), which includes Galveston County, there are approximately 29,078 people living with HIV/AIDS. Demographic data indicates that nearly half of this population identifies as Black or African American, about one-third as Hispanic or Latino, and slightly less than one-quarter as White.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

The City of Texas does not participate in the HOME program.

Discussion:

In Texas City, cost burden and overcrowding continue to be the most significant housing challenges for many residents, particularly among non-homeless individuals with special needs. Populations such as elderly and frail elderly persons, those with physical, mental, or developmental disabilities, and individuals living with substance use disorders or HIV/AIDS often face additional barriers in obtaining or maintaining stable, appropriate housing. These challenges are heightened by factors like fixed incomes, limited mobility, and the lack of supportive housing units equipped to meet their needs.

According to 2023 ACS data, elderly individuals aged 62 and older comprise approximately 20.96% of the local population, many of whom require affordable housing, transportation assistance, and ongoing medical or recovery care. These needs have been identified through local consultation, public engagement, and collaboration with senior service providers.

In Galveston County, around 643 individuals live with HIV/AIDS, with nearly half identifying as Black or African American and one-third as Hispanic. Though the prevalence rate is slightly below state and national averages, individuals living with HIV/AIDS face persistent housing instability, healthcare access issues, and social stigma. Across the broader MSA, over 29,000 individuals live with HIV/AIDS, further underscoring the need for targeted interventions.

The Plan supports efforts to expand affordable housing and supportive services for these vulnerable populations. If Texas City establishes a preference for HOME Tenant-Based Rental Assistance (TBRA) for persons with specific disabilities, including those with HIV/AIDS or chronic mental illness, it would directly address the unmet need for stable housing and coordinated services to narrow existing gaps in equity, care, and housing access.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction’s need for Public Facilities:

Public facilities in Texas City are being addressed. Over the past few years, the city has been replacing and improving existing structures, as well as creating new public facilities throughout the neighborhoods. These enhancements, along with the replacements and new facilities, have significantly improved the quality of life for Texas City residents. The City's focus is building an emergency shelter and supporting transitional housing

Emergency shelters provide immediate, short-term housing for individuals and families who are homeless. They offer a safe place to sleep, basic hygiene facilities, meals, and sometimes limited case management or referrals.

Transitional housing is a bridge between emergency shelter and permanent housing. It provides longer-term (usually 6–24 months) housing along with supportive services such as job training, mental health care, substance abuse treatment, and life skills development.

How were these needs determined?

Many of the expanded and improved public facilities needs are determined through the city’s Capital Improvement Plan, updated annually, and through discussions with other City Departments. The needs of neighborhoods and services in low-income and moderate-income neighborhoods are discussed in public hearings, community discussion groups, and other City Departments

Describe the jurisdiction’s need for Public Improvements:

Much of the Southeast portion of Texas City was developed in the 1930s through the 1950s. Although the City has replaced a significant portion of the aged infrastructure, much of the original infrastructure remains, such as old, undersized water pipes, sanitary sewer, and storm sewer lines. Original pavement still exists through some of the older neighborhoods. Much of this infrastructure is now obsolete and in need of replacement.

A significant portion of the older sections of West Texas City were developed in the early 1900s before being annexed into the city. Open storm drainage remains an issue in this area, which needs to be addressed. The water and sanitary sewer lines were constructed in those neighborhoods many years ago, but they now need to be addressed again. Although the city has been systematically replacing old infrastructure on its eastside, much of it still requires attention.

The City urgently needs transitional housing to break the cycle of homelessness. Many individuals face complex challenges like mental illness, addiction, job loss, or domestic violence—issues that require

time and support to overcome. Transitional housing provides that stability, offering a structured, goal-oriented environment where people can rebuild their lives with help from case managers and supportive services. Unlike emergency shelters, which only meet immediate needs, transitional housing helps individuals move toward lasting independence. Without it, people often return to the streets, trapped in a cycle of chronic homelessness with no clear way forward.

How were these needs determined?

The city's public improvement needs were determined through a discussion with other City Departments, City Commissioners, a review of the city's Capital Improvement Plan, citizen comments obtained during citizen meetings, and through visual inspection of city neighborhoods.

During extensive discussion of public improvement needs with citizens and stakeholders, flooding and drainage improvements ranked the highest in community concerns. Most public infrastructure projects are identified through the City's Capital Improvement Plan (CIP), which is also a five-year plan updated annually that prioritizes and identifies funding sources for infrastructure improvements

Describe the jurisdiction's need for Public Services:

The public service needs of low -and moderate-income individuals and families in Texas City remain critical. These needs include:

- Health services, including mental health and substance abuse treatment services
- Youth Development services (mentoring, on-the-job training/internships)
- Emergency housing services (rent, mortgage, and utility assistance)
- Transportation services - Enhanced public safety services - Education and job training opportunities for skilled and unskilled workers

How were these needs determined?

Through comments and feedback received in the preparation of this 2025-2029 Consolidated Plan, as well as public service agency representatives in Texas City and Galveston County.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Texas City and other parts of Galveston County are ideally positioned in the path of growth emanating from Houston and other major cities in Texas. Inland cities have a tendency to grow in the direction of the nearest coast. The Interstate 45 corridor that connects Houston directly with the Gulf of Mexico is already experiencing intense development and growth, as are the communities adjacent to it. The City's small town ambiance, and stable regional job base, in combination with recreational opportunities associated with the Dike, Texas City is ideally situated for its own rapid growth.

Over the five-year span, Texas City's housing market has demonstrated resilience amid economic shifts. After a peak in 2023 and a subsequent correction in 2024, early 2025 data suggests a market rebound. The current buyer's market conditions present opportunities for purchasers, while sellers may need to adjust expectations and pricing strategies. This Housing Market Analysis will review the general characteristics of the supply of housing by studying the number of housing units, the cost of housing, and housing conditions. The analysis will consider the existing public housing, assisted housing and housing and services for homeless and non-homeless persons with special needs

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

The City of Texas City has a majority of 1-unit detached structures making up 67% of the total housing stock. The second most common housing type is multi-family structures with 5-19 units, making up 15% of the housing stock.

The majority of residents in Texas City are homeowners who own a 3 or more bedroom house and this represent 85% of the occupied housing within the city. While the majority of renters occupy a 2-bedroom rental unit, these make up 37% of the housing market. Texas City continues to be a city of predominantly homeowners with an increasing need for affordable rental housing.

Texas City Real Estate Overview: Data Source Houston Area Real Estate (HAR)

As of June 2025, the Texas City real estate market offers a diverse range of housing options, catering to various buyer preferences and budgets. According to data from the Houston Association of Realtors (HAR), there are currently 649 homes listed for sale in Texas City, with an average listing price of approximately \$312,855 and an average price per square foot of \$159.

The market showcases a variety of properties, from affordable starter homes to more spacious family residences. The median appraised value stands at \$117,150, while the median market value is around \$141,090, indicating a neighborhood value range between \$64,000 and \$191,000.

For those interested in rental properties, the average rent for a three-bedroom house in Texas City is approximately \$2,148 per month.

Overall, Texas City's real estate market remains accessible and varied, making it an attractive option for both first-time homebuyers and investors seeking opportunities in the region.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	13,285	67%
1-unit, attached structure	390	2%
2-4 units	1,040	5%
5-19 units	3,045	15%
20 or more units	1,680	8%
Mobile Home, boat, RV, van, etc	445	2%
Total	19,885	100%

Table 27 – Residential Properties by Unit Number

Data Source: 2016-2020 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	10	0%	215	3%
1 bedroom	80	1%	2,360	29%
2 bedrooms	1,290	14%	2,955	37%
3 or more bedrooms	8,085	85%	2,500	31%
Total	9,465	100%	8,030	100%

Table 28 – Unit Size by Tenure

Data Source: 2016-2020 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

There are 874 families and individuals residing in federally assisted and public housing units in Texas City.

These federally assisted units serve a range of extremely low, very low, and low-moderate income households. These existing affordable housing units are federally subsidized through the Section 8 Housing Choice Voucher program, the State low-income housing tax credits, and federally assisted Public Housing units. Specifically, families with children, individuals, the elderly, persons with disabilities, and low-income persons reside in the assisted housing.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The Texas City Housing Authority no longer has a Public Housing Program and has transitioned to a project-based voucher program.

Does the availability of housing units meet the needs of the population?

The City of Texas City's Consolidated Plan identifies a clear and growing need for specific types of housing to meet the diverse demands of its residents, particularly those in the low- to moderate-income cohort. The availability of housing units does not meet the needs of the population.

Describe the need for specific types of housing:

One of the most critical needs is for affordable rental housing, especially for extremely low-income households earning below 30% of the Area Median Income (AMI), who experience severe cost burdens and face limited options in the private market.

There is also a significant demand for accessible and supportive housing units tailored to the needs of elderly residents, individuals with disabilities, and persons with chronic health conditions or mental health needs. Many in these groups require housing with modifications for mobility, proximity to services, or access to on-site or connected supportive care.

There is a need for larger units to accommodate families with children, as overcrowding is more prevalent among these households. At the same time, there is a growing demand for smaller, single-occupancy units to serve the increasing number of single-person households, particularly older adults and veterans.

Additionally, transitional and permanent supportive housing is needed for individuals at risk of homelessness, such as those exiting institutional care, victims of domestic violence, or those recovering from substance use disorders.

Discussion

When considering housing unit size by tenure, the data show that the vast majority of owner-occupied units 85% consist of homes with three or more bedrooms, with only a small percentage of owner units being smaller (14% with two bedrooms, 1% with one bedroom, and virtually none with no bedroom). In contrast, rental units are more varied in size: 3% have no bedrooms, 29% have one bedroom, 37% have two bedrooms, and 31% have three or more bedrooms. This suggests a greater diversity of unit sizes in the rental market, likely serving a broader range of household types and sizes, while owner-occupied housing is more heavily concentrated in larger units intended for families. These patterns inform the city's housing planning efforts by highlighting the need to preserve and develop more small- and mid-sized rental units while also addressing potential gaps in ownership opportunities for smaller households.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

The Cost of Housing analysis examines the affordability and availability of housing in Texas City across income levels. Between 2020 and 2023, median home values rose by over 44% and rents increased by 20%, outpacing wage growth and intensifying cost burdens. While the majority of renters pay under \$1,000 per month, Fair Market Rents and HOME rent limits are considerably higher, indicating potential gaps in affordability. The data suggests that housing options for extremely low- to moderate-income households are limited, highlighting a growing need for both preservation and development of affordable housing units.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	95,700	131,400	37%
Median Contract Rent	669	833	25%

Table 29 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	1,190	14.8%
\$500-999	4,755	59.2%
\$1,000-1,499	1,950	24.3%
\$1,500-1,999	135	1.7%
\$2,000 or more	0	0.0%
Total	8,030	100.0%

Table 30 - Rent Paid

Data Source: 2016-2020 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	475	No Data
50% HAMFI	2,070	1,645
80% HAMFI	5,615	3,770
100% HAMFI	No Data	4,845
Total	8,160	10,260

Table 31 – Housing Affordability

Data Source: 2016-2020 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,226	1,279	1,529	2,038	2,568
High HOME Rent	1,130	1,213	1,457	1,675	1,849
Low HOME Rent	885	948	1,137	1,314	1,466

Table 32 – Monthly Rent

Data Source Comments:

Is there sufficient housing for households at all income levels?

Based on the data provided, there is not sufficient housing across all income levels in Texas City, especially for extremely low- and very low-income households. The most telling indicator is the steep rise in median home value, which more than doubled from \$131,400 in 2020 to \$296,900 in 2023 a 44.25% increase. This surge far outpaces income growth for most residents, creating substantial affordability barriers for potential homeowners, particularly low- and moderate-income households. Where there may be adequate housing options for middle- and upper-income households, there is insufficient affordable housing for extremely low- and very low-income renters and prospective homeowners, highlighting a need for expanded rental assistance, affordable housing development, and targeted homebuyer support.

How is affordability of housing likely to change considering changes to home values and/or rents?

Affordability of housing in Texas City is likely to worsen if current trends in home values and rents continue. Between 2020 and 2023, the median home value rose by 44.25%, jumping from \$131,400 to \$296,900. This dramatic increase far exceeds typical income growth rates, making homeownership increasingly out of reach for low- and moderate-income households, especially first-time buyers. At the same time, median contract rent increased by 20.04%, from \$833 to \$1,000. While this rise is less steep than home values, it still outpaces inflation-adjusted wage growth for many renters. The fact that 74% of renters currently pay less than \$1,000 suggests that a large portion of the population may soon be priced out of the market if these increases continue. Adding further pressure, HUD's Fair Market Rents (FMRs) for the region significantly exceed what many residents currently pay—indicating that as older, more affordable units cycle out of the market or are upgraded, tenants could face higher asking rents not matched by their income. Unless affordable housing development is accelerated or intervention strategies such as subsidies, rental assistance, or zoning reform are implemented, the gap between housing costs and what households can afford will

likely continue to grow—deepening housing instability, especially for renters and low-income families.</p>

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Fair Market Rents (FMR) and HOME rents in Texas City are significantly higher than the area’s median rent of \$1,000. For example, a two-bedroom FMR is \$1,529, and Low HOME Rent is \$1,137. This gap suggests many residents rely on lower-cost housing that could be lost as the market shifts. To address this, Texas City should prioritize preserving existing affordable units and producing new housing at or below HOME rent limits to meet the needs of low-income households.

Discussion

The data reveals growing affordability challenges in Texas City’s housing market. Median home values have more than doubled since 2020, increasing by 44%, while contract rents rose by 20%. Most renters over 59% pay between \$500 and \$999 monthly, yet Fair Market and HOME rents far exceed these amounts. With only 475 rental units affordable to households at 30% of HAMFI and just 2,070 for those at 50%, the supply of affordable housing is not keeping pace with demand. These trends suggest that low-income households face increasing difficulty securing and maintaining housing, emphasizing the urgent need for targeted affordability strategies.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

The Housing Market Analysis for Texas City evaluates the condition and characteristics of the local housing stock to inform planning and preservation efforts. Data from the 2016-2020 ACS shows that the majority of owner-occupied units, 83%, are free of major physical conditions, while a significant portion of renter-occupied units, 45%, exhibit at least one condition affecting their quality. Most housing units were built between 1950 and 1979, with 51% of owner-occupied and 39% of renter-occupied homes falling into this age range. Older housing raises concerns about lead-based paint hazards, as 58% of owner-occupied and 47% of renter-occupied units were constructed before 1980. Importantly, many of these older homes house children, increasing the need for targeted interventions. Understanding the condition and age of housing units is crucial to addressing safety, habitability, and rehabilitation needs in the community.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

In Texas City, the definitions of "standard condition" and "substandard condition but suitable for rehabilitation" align with guidelines established by the U.S. Department of Housing and Urban Development (HUD). These definitions are integral to the city's housing policies, particularly concerning rehabilitation and preservation efforts. "Standard condition" refers to dwelling units that comply with all applicable local housing codes and standards. These units are considered safe, habitable, and in good repair, requiring no significant intervention to meet health and safety requirements. "Substandard condition but suitable for rehabilitation" pertains to units that, while not meeting standard conditions, are structurally sound and financially feasible to rehabilitate. These units may have deficiencies such as outdated systems or cosmetic issues, but can be restored to standard condition through appropriate investment and repairs.

These definitions are crucial for determining eligibility for housing assistance programs, guiding decisions on rehabilitation projects, and ensuring compliance with HUD's requirements for housing quality and safety.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	1,610	17%	3,640	45%
With two selected Conditions	20	0%	200	2%
With three selected Conditions	0	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	7,835	83%	4,195	52%
Total	9,465	100%	8,035	99%

Table 33 - Condition of Units

Data Source: 2016-2020 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	2,075	22%	2,715	34%
1980-1999	1,910	20%	1,520	19%
1950-1979	4,830	51%	3,130	39%
Before 1950	650	7%	665	8%
Total	9,465	100%	8,030	100%

Table 34 – Year Unit Built

Data Source: 2016-2020 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	5,480	58%	3,795	47%
Housing Units build before 1980 with children present	1,330	14%	590	7%

Table 35 – Risk of Lead-Based Paint

Data Source: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

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Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

To estimate the number of housing units occupied by low- or moderate-income families that contain lead-based paint hazards, we focus on units built before 1980, as these are most at risk for lead-based paint.

From the data:

- Owner-occupied units built before 1980: 5,480
- Renter-occupied units built before 1980: 3,795
- Total units built before 1980: 9,275

We know these units have a higher risk of lead-based paint hazards.

To estimate how many of these are occupied by low- or moderate-income families, we can use the distribution of income groups from the CHAS data or similar sources. Although exact income breakdowns are not provided here, typically a significant share of renter-occupied units are by low- or moderate-income households, and a smaller but notable portion of owner-occupied units fall into this group.

For estimation purposes, assume:

- About 60% of renter-occupied units are low- or moderate-income (common in affordable housing analyses).
- About 30% of owner-occupied units are low- or moderate-income (due to higher homeownership costs).

Applying these percentages:

- Low/moderate-income renter units with lead risk: $3,795 * 60\% = 2,277$ units
- Low/moderate-income owner units with lead risk: $5,480 * 30\% = 1,644$ units

Estimated total low- or moderate-income housing units with lead-based paint hazards:
 $2,277 + 1,644 = 3,921$ units

This estimate highlights the significant need for lead hazard control and rehabilitation programs targeted to vulnerable low- and moderate-income households in older housing stock.

Discussion

The condition of housing in the jurisdiction reveals a substantial portion of the housing stock, particularly renter-occupied units faces challenges related to age and physical condition. With nearly half of renter-occupied units exhibiting at least one selected condition, and a significant number of homes built before 1980, there is an ongoing risk of lead-based paint hazards, especially in units housing children. These factors underscore the critical need for targeted rehabilitation programs aimed at both owner and renter households to ensure safe, healthy, and habitable living environments. Addressing these issues is essential to preserving the existing housing stock and improving overall community wellbeing.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available			74	422			0	0	0
# of accessible units									

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 37 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

TCHA transitioned its public housing to project-based vouchers. This still provides subsidized housing, but it is not technically a part of the public housing program any longer. This program, administered by local Public Housing Agencies (PHAs), allows voucher holders to choose their own housing and rent from private landlords. The PHA then pays a portion of the rent directly to the landlord, covering the difference between the voucher amount and the tenant's share.

Public Housing Condition

Public Housing Development	Average Inspection Score

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

Information is not available

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Housing Choice Vouchers—current housing stock allows for assisted families to find accessible units if desired. No shortage of accessible units has been identified by the Housing Authority. The Section 8 HCV program provides tenant-based rental assistance, allowing eligible households to choose housing in the private market, with TCHA paying a portion of the rent directly to landlords. Public housing units are owned and managed by TCHA, offering below-market-rate rentals based on income.

Discussion:

As noted in your earlier question, the funding for Housing Choice Vouchers does not meet the current supply of vouchers. For TCHA, the high percentage of ELI and very low-income households served (93% below 50% AMI) and the limited number of vouchers (831) compared to the demand (evidenced by the lottery system) suggest that funding constraints restrict the number of households that can be assisted. This results in a significant gap between the number of eligible households and available vouchers, contributing to prolonged waiting periods for applicants

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	0	0	44	0	0
Households with Only Adults	0	0	0	0	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0

Table 39 - Facilities and Housing Targeted to Homeless Households

Data Source Comments:

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of Texas City has standing collaborations with community homeless service providers, including Salvation Army, Our Daily Bread, UTMB's Street Medicine Team, St. Vincent's House, local ISD, and the Resource and Crisis Center for Domestic Violence in Galveston County and Samaritan Women at the Well for Domestic Violence shelters. The City of Texas City participates in local homeless response efforts like Gulf Coast Homeless Coalition and Galveston County's Coordinated Entry Planning Entity.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Primary healthcare is made available through imbedded Integrated Healthcare in the Gulf Coast Center's Mental Health Clinics as well as University of Texas Medical Branch (UTMB), Galveston County Health District, and Access Care of Coastal Texas (ACCT) that provides comprehensive AIDS/HIV services. Behavioral healthcare is made available through Gulf Coast Center, Coastal Health, Family Service Center, UTMB clinics, ISD based clinicians, and private practicing partners who provide sliding scale services. Workforce Solutions makes available opportunities for job training and employment assistance and meet monthly with service providers, including those serving homeless individuals.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

The City of Texas City does not have any special needs facilities, emergency housing or transitional housing facilities; however, there are an abundance of facilities, housing, and supportive housing resources.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The growing elderly population in Texas City is increasing the demand for housing and supportive housing services for this population. Although there are several low-income and low-income housing tax credit units for seniors, some are still not affordable for the low and moderate-income residents. The housing and supportive housing needs for seniors include smaller units that are made for persons with walking or climbing difficulties. In addition, many seniors owning their homes have difficulty maintaining it.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

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Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Samaritan Women at the Well offers transitional housing services to individuals at their Texas City location. The agency works to connect individuals and families to long-term housing and stability resources to reduce reengagement with the homeless crisis system. Endeavors support veterans and families with intensive case management and some emergency funds to stabilize those experiencing homelessness. With intensive case management, Endeavors works with veterans by connecting them to partners with long term services such as Veteran Affairs and VASH vouchers for long term housing. Mainland Community Partnership provides case management with some emergency financial assistance. Mainland Community Partnership works with individuals on a housing stability plan to collaborate with the individual/family on goals that are appropriate and attainable.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Texas City recognizes that while existing policies are intended to ensure safety, orderly growth, and neighborhood stability, they can sometimes create **barriers to affordable housing**. As part of its strategic efforts, the City will continue to review and update policies to:

- **Streamline development approvals**
- **Support infill and mixed-income housing**
- **Promote balanced growth and reinvestment**

These actions will help make the local housing market more accessible to families, seniors, and individuals of all income levels.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The Economic Development Market Analysis for Texas City provides insight into the local employment landscape by comparing the number of workers residing in the city to the number of jobs available across key economic sectors. This comparison helps identify sectors where the city imports or exports labor, revealing economic strengths and gaps in employment opportunities.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	272	85	2	1	-1
Arts, Entertainment, Accommodations	2,849	1,672	18	12	-6
Construction	1,591	1,450	10	10	0
Education and Health Care Services	2,637	2,337	17	16	-1
Finance, Insurance, and Real Estate	1,141	784	7	5	-2
Information	162	83	1	1	0
Manufacturing	1,401	3,970	9	28	19
Other Services	520	410	3	3	0
Professional, Scientific, Management Services	1,158	543	7	4	-3
Public Administration	0	0	0	0	0
Retail Trade	2,334	2,046	15	14	-1
Transportation and Warehousing	728	309	5	2	-3
Wholesale Trade	660	693	4	5	1
Total	15,453	14,382	--	--	--

Table 40 - Business Activity

Data Source: 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	22,995
Civilian Employed Population 16 years and over	21,170
Unemployment Rate	7.87
Unemployment Rate for Ages 16-24	30.49
Unemployment Rate for Ages 25-65	4.01

Table 41 - Labor Force

Data Source: 2016-2020 ACS

Occupations by Sector	Number of People
Management, business and financial	2,990
Farming, fisheries and forestry occupations	635
Service	3,515
Sales and office	4,615
Construction, extraction, maintenance and repair	2,235
Production, transportation and material moving	1,260

Table 42 – Occupations by Sector

Data Source: 2016-2020 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	13,808	69%
30-59 Minutes	5,238	26%
60 or More Minutes	1,085	5%
Total	20,131	100%

Table 43 - Travel Time

Data Source: 2016-2020 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	2,220	285	1,315

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	5,120	325	2,485
Some college or Associate's degree	6,565	285	2,040
Bachelor's degree or higher	3,020	95	830

Table 44 - Educational Attainment by Employment Status

Data Source: 2016-2020 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	80	135	145	555	550
9th to 12th grade, no diploma	680	830	545	1,610	800
High school graduate, GED, or alternative	1,975	2,035	1,970	3,995	2,555
Some college, no degree	1,295	2,160	1,410	2,875	1,790
Associate's degree	305	680	580	1,205	500
Bachelor's degree	225	985	945	1,060	800
Graduate or professional degree	0	415	100	435	425

Table 45 - Educational Attainment by Age

Data Source: 2016-2020 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	24,784
High school graduate (includes equivalency)	27,127
Some college or Associate's degree	36,317
Bachelor's degree	49,400
Graduate or professional degree	80,074

Table 46 – Median Earnings in the Past 12 Months

Data Source: 2016-2020 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

According to the data, the manufacturing sector stands out as the city's primary employment hub, accounting for 26% of local jobs but only 8% of resident workers, resulting in a surplus of jobs and

indicating a strong industry cluster that likely draws in commuters. Conversely, sectors such as arts, entertainment, and accommodations show a deficit—17% of the workforce is employed in these industries, but only 11% of the jobs are located in the city, suggesting workers are commuting out for employment in those fields.

Describe the workforce and infrastructure needs of the business community:

The data reveals several key workforce and infrastructure needs for the business community in Texas City. The city has a total resident workforce of 15,453 but only 14,382 local jobs, indicating a slight mismatch between where people live and where they work. This gap reflects both workforce export and sector-specific imbalances.

Workforce Needs:

- Manufacturing is the dominant sector in terms of local jobs (3,970), but only 1,401 resident workers are employed in this field. This 18% surplus suggests a strong demand for skilled labor in manufacturing and a potential need for job training or recruitment programs to fill local positions with local talent.
- Healthcare, education, and retail sectors show near parity between resident workers and local jobs, suggesting these industries are well-aligned but may require ongoing workforce development to meet future demand as the population ages and grows.
- Professional services and finance sectors show deficits, with more local workers than available jobs. This may indicate a need to grow these industries locally to retain skilled professionals and reduce commuting outflows.

Infrastructure Needs:

- Transportation and Warehousing reflects a notable job deficit, suggesting potential barriers in freight logistics or connectivity. Enhancing roadways, freight access, and public transportation may support business growth in this sector.
- Digital infrastructure improvements could support expansion in professional, finance, and information sectors, especially as remote and hybrid work becomes more common.
- Workforce training centers and partnerships with local educational institutions are needed to align local labor skills with industry demand—especially in manufacturing, healthcare, and STEM fields.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Texas City is positioned for economic transformation through a combination of industrial growth, strategic public and private investments, and workforce demands. Based on available data, several major trends and anticipated developments could significantly impact job and business growth during the planning period.

The city's manufacturing sector stands out as a dominant force, with 3,970 jobs compared to just 1,401 local workers—indicating a job surplus of over 2,500 positions. This surplus signals strong regional demand and makes manufacturing a key area for workforce development efforts. Strategic investment in training programs, trade certifications, and partnerships with employers will be critical to filling this gap locally, reducing commuter dependency, and increasing local employment.

Planned infrastructure upgrades and public-private partnerships—especially those tied to port expansion, logistics, and industrial corridor improvements—may further influence job growth. These changes will likely increase the demand for infrastructure enhancements such as road improvements, broadband expansion, and utility upgrades.

To align with these economic shifts, Texas City may need to focus on:

- Workforce development programs tailored to manufacturing, logistics, and technical trades.
- Support for small business growth in professional and service sectors to absorb local workforce surplus.
- Infrastructure investments that attract new employers and support mobility for workers.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The alignment between the skills and education of Texas City's current workforce and available employment opportunities reveals both strengths and gaps that could affect long-term economic stability and growth.

Data from the Economic Development Market Analysis shows that the manufacturing sector is the city's largest job provider, with 3,970 jobs but only 1,401 workers residing in the city indicating a significant job surplus. This suggests that while employment opportunities exist, many local residents may lack the specific technical skills or certifications required for manufacturing roles, resulting in these jobs being filled by workers commuting from outside the city.

Similarly, sectors such as arts, entertainment, accommodations, and professional services show a surplus of local workers compared to available jobs. For instance, 2,849 workers are in arts and accommodations, but only 1,672 jobs exist in that sector locally. This implies that while residents may possess service-oriented skills, there are insufficient local employment opportunities in these fields, possibly leading to underemployment or out-commuting.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Education, healthcare, construction, and retail show relative balance between jobs and local workers, suggesting that the current workforce is better aligned with these industries. However, growth in industries like transportation, logistics, and finance may still require upskilling or targeted training programs.

To address these mismatches, there is a clear need for:

- Vocational and technical training programs, especially in advanced manufacturing and logistics.
- Workforce alignment strategies, such as partnerships between employers, community colleges, and workforce boards.
- Local job creation incentives in sectors with workforce surpluses.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDs)?

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

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Discussion

Overall, while Texas City has a diverse labor pool, workforce development efforts must be strengthened to better align resident skills with local job market demands.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Definition of "Concentration":

In the context of HUD planning, a *concentration* refers to a geographic area—typically a census tract or block group—where a particular condition (such as poverty, cost burden, or substandard housing) occurs at a significantly higher rate than the jurisdictional average. For the purpose of this analysis, a concentration is defined as an area where the percentage of households with multiple housing problems exceeds the citywide average by at least 10 percentage points.

Multiple Housing Problems are defined by HUD as households experiencing two or more of the following issues:

- Incomplete kitchen or plumbing facilities
- Overcrowding (more than 1.01 persons per room)
- Cost burden (more than 30% of income toward housing)
- Severe cost burden (more than 50% of income toward housing)

Findings in Texas City

Based on available HUD CHAS data and local knowledge of housing conditions, areas of concentrated housing problems are most prevalent in older neighborhoods, particularly those with aging housing stock, limited infrastructure investment, and higher concentrations of low-income renters.

Key characteristics of these areas include:

- High rates of severe cost burden, particularly among renters earning below 50% of the Area Median Income (AMI)
- Older housing units with deferred maintenance or code violations
- Limited access to new development, reinvestment, or updated infrastructure

These areas are typically located in parts of the city with overlapping indicators of need, such as:

- Higher poverty rates
- Lower rates of homeownership
- Aging multi-family structures
- Limited access to public transportation and amenities

Conclusion

The City of Texas City recognizes that addressing concentrated housing problems requires a coordinated investment strategy that combines housing rehabilitation, infrastructure improvements, and targeted economic development. As part of the Consolidated Plan, the City will prioritize CDBG-funded activities in areas where the need is greatest, while continuing to support equitable housing opportunity across all neighborhoods.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Definition of "Concentration":

In HUD planning terminology, a *concentration* refers to a geographic area—typically a census tract or block group—where the percentage of a particular population significantly exceeds the jurisdictional average. For this plan, a concentration is defined as an area where the percentage of minority or low-income residents is at least 10 percentage points higher than the citywide average.

Racial and Ethnic Concentrations

Based on recent U.S. Census and American Community Survey data, Texas City has pockets of racial and ethnic concentration, primarily in older residential neighborhoods located in the northern and central portions of the city.

- Black or African American households are more heavily represented in historically established neighborhoods, including the 1867 Settlement Historic District.
- Hispanic or Latino populations are more concentrated in areas with older rental housing and mobile home communities, where larger households and language isolation may also occur.

These concentrations often reflect historical patterns of segregation, land use, and access to housing finance, rather than recent discriminatory practices.

Low-Income Concentrations

Several neighborhoods exhibit concentrations of low- and moderate-income (LMI) households, particularly in:

- Older single-family subdivisions with aging infrastructure
- Multifamily housing clusters near major corridors
- Areas lacking recent private investment or housing development

In many cases, these areas overlap with racial or ethnic minority concentrations, leading to compounded challenges related to housing affordability, aging infrastructure, and limited access to services.

Conclusion

Texas City acknowledges that while these concentrations are not the result of current exclusionary policies, they contribute to unequal access to opportunity. Through the CDBG program, the City will continue to prioritize infrastructure, housing rehabilitation, and public service activities in areas of greatest need, while promoting balanced investment and inclusive growth citywide.

What are the characteristics of the market in these areas/neighborhoods?

The neighborhoods in Texas City where low-income families and racial or ethnic minorities are concentrated share several common housing market characteristics. These features are shaped by a mix of historic development patterns, aging infrastructure, limited private reinvestment, and continued affordability pressures.

1. Aging Housing Stock

- Many of these neighborhoods contain older single-family homes built prior to 1980, with some structures significantly older and in need of rehabilitation.
- Deferred maintenance is common due to the limited financial capacity of homeowners and landlords to make needed repairs.
- Older rental properties, particularly small-scale multifamily units, may lack modern amenities or energy-efficient features.

2. High Rate of Rental Occupancy

- These areas tend to have higher percentages of renter-occupied housing, often housing lower-income families who cannot access homeownership.
- Small landlords and absentee property owners are more prevalent, which can contribute to inconsistent property upkeep and code violations.

3. Limited New Development or Investment

- There has been relatively little new residential development in these areas in recent years.
- Private market reinvestment is often limited due to perceived or actual financial risk, infrastructure gaps, or regulatory hurdles.
- In some cases, vacant lots and underutilized properties persist due to demolition, tax delinquency, or environmental concerns.

4. Affordability with Trade-Offs

- While housing in these neighborhoods is often more affordable, this affordability can come at the cost of housing quality, safety, or access to amenities.

- Some households may accept substandard conditions due to the lack of viable alternatives elsewhere in the city.

5. Infrastructure and Environmental Challenges

- These areas may also be more prone to flooding, drainage issues, or aging utilities, which further deters private investment and burdens existing residents.
- Streets, sidewalks, lighting, and public facilities are often in need of upgrades, contributing to a sense of neglect or disinvestment.

6. Proximity to Industrial and Commercial Uses

- Several concentrated neighborhoods are located adjacent to industrial zones, rail lines, or high-traffic corridors, which may create land use conflicts or reduce residential desirability.
- Environmental conditions such as noise, air quality concerns, or limited green space may further affect the quality of life.

Conclusion

The housing market in Texas City's areas of concentration reflects a pattern of persistent affordability coupled with structural disinvestment. Addressing these challenges will require a strategic blend of housing rehabilitation, code enforcement, infrastructure improvements, and support for new development that serves a range of incomes. The City is committed to targeting CDBG resources where they can stabilize neighborhoods and promote equitable housing opportunity.

Are there any community assets in these areas/neighborhoods?

Even in neighborhoods where housing problems and economic hardship are prevalent, there are meaningful community assets that offer both immediate benefits and long-term potential. These assets—physical, institutional, and cultural—play a key role in neighborhood cohesion, community pride, and local service delivery.

1. Schools and Educational Facilities

- Neighborhood schools serve as anchors for community life, providing educational resources, recreational facilities, and venues for public events.
- Several schools in these areas have strong community partnerships and host after-school or enrichment programs.

2. Parks and Public Spaces

- Local parks, such as Carver Park and Sanders/Vincent Park, offer green space, playgrounds, and gathering places for families and youth.
- Some parks host community events, health fairs, or summer programming supported by the City or local nonprofits.

3. Faith-Based Organizations

- Churches and other religious institutions are often deeply embedded in these neighborhoods, serving not only spiritual needs but also offering social support, food assistance, and space for community meetings.
- Many congregations have a long history in the area and contribute to intergenerational stability.

4. Community Centers and Nonprofit Services

- Facilities such as the Sanders Community Center and other neighborhood-based organizations provide services like youth activities, senior outreach, rental assistance, and job readiness.
- These centers serve as critical connectors between residents and public resources.

5. Cultural and Historical Significance

- Some neighborhoods—such as the 1867 Settlement Historic District—have deep cultural roots and historical significance, particularly for African American residents.
- These areas contribute to the city’s identity and heritage and offer opportunities for preservation-based investment.

6. Active Residents and Informal Networks

- Despite lower formal participation in city planning processes, many residents in these neighborhoods are highly engaged through informal networks, family ties, and local initiatives.
- Neighborhood leaders, civic clubs, and grassroots volunteers are often the first to respond in times of need.

Conclusion

The presence of these community assets provides a foundation upon which Texas City can build more inclusive, resilient, and thriving neighborhoods. CDBG-funded investments can amplify the impact of these local strengths by supporting physical improvements, program expansion, and coordination with public and nonprofit partners.

Are there other strategic opportunities in any of these areas?

Neighborhoods experiencing concentrated housing and economic challenges also present unique opportunities for targeted investment and community-driven transformation. These opportunities include geographic, institutional, and policy-based levers that can align with CDBG goals and other local initiatives.

1. Infill Development and Vacant Land Reuse

- Many older neighborhoods have vacant lots or underutilized parcels suitable for infill housing, small-scale commercial development, or public space improvements.
- With appropriate planning and incentives, these lots can support new affordable homeownership or rental options, increasing housing choice and stability.

2. Housing Rehabilitation and Preservation

- Aging but structurally sound homes in these areas are strong candidates for owner-occupied rehabilitation programs, which can preserve affordability and neighborhood character.
- Targeted code enforcement paired with rehab funding can improve conditions without displacing residents.

3. Infrastructure and Capital Improvements

- Infrastructure upgrades—such as drainage, sidewalks, street lighting, and water/sewer systems—can improve health and safety outcomes while laying the groundwork for private investment.
- These improvements are eligible for CDBG funding and can be coordinated with other City capital projects.

4. Historic and Cultural Identity

- Areas such as the 1867 Settlement Historic District provide opportunities to preserve and promote African American heritage while encouraging heritage tourism, cultural programming, and neighborhood pride.
- Strategic partnerships with cultural organizations can elevate these stories and attract investment.

5. Workforce and Small Business Development

- Some commercial corridors in or near these neighborhoods are underutilized but well-located for microenterprise support, job training hubs, or business façade improvements.
- There is potential to connect residents with emerging industries in the region, especially through targeted workforce programs.

6. Public/Private Collaboration

- Recent interest from nonprofits, developers, and community groups creates an opportunity to leverage public-private partnerships in housing, infrastructure, and service delivery.
- Coordinated efforts can stretch limited resources and increase project sustainability.

7. Alignment with Regional and City Plans

- These neighborhoods are well-positioned to benefit from broader City goals related to housing equity, disaster resilience, and environmental justice.
- Aligning CDBG goals with regional economic development and resilience strategies can magnify the impact of investments.

Conclusion

Strategic opportunities in Texas City's historically underserved neighborhoods are tangible and achievable. Through coordinated CDBG investments, policy updates, and community engagement, the City can support equitable revitalization, foster long-term stability, and ensure that existing residents benefit from future growth.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Access to reliable, high-speed internet is no longer a luxury—it is a fundamental utility that affects residents’ ability to work, learn, access healthcare, apply for jobs, and participate in civic life. In Texas City, while many areas have general broadband availability, there remain gaps in both connectivity and affordability, especially in LMI households and older neighborhoods.

1. Gaps in Access and Affordability

- Some low-income households in Texas City—particularly in older multifamily housing and mobile home communities—lack wired broadband service or rely on unstable mobile data plans.
- While broadband infrastructure may be technically available in most neighborhoods, monthly service costs, equipment fees, and credit requirements remain key barriers for LMI residents.

2. Impact on Education and Employment

- Households with school-aged children who lack reliable internet are at a significant disadvantage in completing homework, participating in remote learning, and accessing academic resources.
- Adults in these households face challenges applying for jobs, completing training programs, or working from home, further limiting economic mobility.

3. Disproportionate Effects on Vulnerable Populations

- Elderly residents, individuals with disabilities, and non-English-speaking households may be further isolated due to limited digital access and low digital literacy.
- Lack of broadband hinders access to telehealth, online banking, public service portals, and emergency alerts.

Conclusion

Ensuring affordable, reliable broadband access for all households—especially in low-income neighborhoods—is critical to bridging the digital divide in Texas City. The City will continue to evaluate strategic investments in broadband infrastructure and digital inclusion to support economic opportunity, equity, and resilience for all residents.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

While broadband infrastructure is present in much of Texas City, limited provider competition remains a barrier to affordable, high-quality internet service—especially in low- and moderate-income (LMI) neighborhoods.

1. Limited Provider Choice

- In many areas of the city, only one wired broadband provider is available, leaving households with no real choice in terms of speed, cost, or customer service.
- This lack of competition often results in higher prices, data caps, slower speeds, and less incentive for service improvement or customer responsiveness.

2. Disproportionate Impact on LMI Neighborhoods

- Low-income neighborhoods are more likely to experience infrastructure underinvestment by providers, leading to outdated equipment or slower service tiers.
- Households in these areas may be excluded from promotional pricing or high-speed packages offered in better-served neighborhoods.

3. Affordability and Market Leverage

- Without competition, the dominant provider may set prices above what many households can afford, even with subsidies or promotional rates.
- Increased provider presence could help drive down prices and expand service tiers, giving consumers more choices aligned with their needs and budgets.

4. Innovation and Reliability

- Competitive markets encourage investment in newer technologies, such as fiber optics, and improve reliability during peak usage times.
- In a single-provider market, service outages or customer issues can go unaddressed longer due to the absence of market pressure.

5. Economic Development and Equity

- Increased broadband competition benefits the broader economy by supporting remote work, digital entrepreneurship, education, and access to essential services.

- Enhancing digital infrastructure in underserved areas is also a matter of equity, helping to close longstanding gaps in access and opportunity.

Conclusion

Encouraging additional broadband providers to enter the Texas City market—especially in underserved neighborhoods—will promote affordability, improve service quality, and help residents fully participate in the digital economy. The City can play a role by coordinating infrastructure access, advocating for state and federal investment, and working with providers to ensure equitable service coverage citywide.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Texas City faces growing risks from natural hazards that are being exacerbated by the effects of climate change. As a coastal community on Galveston Bay, the city is particularly vulnerable to flooding, hurricanes, storm surge, and extreme heat, all of which threaten public safety, housing stability, infrastructure, and long-term resilience.

1. Increased Flooding and Storm Surge

- Sea level rise and more frequent intense rain events have increased the likelihood and severity of both coastal and inland flooding in Texas City.
- Neighborhoods with older drainage systems or limited elevation are at increased risk of chronic flooding, damaging homes, roads, and utilities.
- Areas outside FEMA-designated flood zones are also increasingly impacted, placing low- and moderate-income households at unanticipated risk.

2. More Intense Hurricanes

- Climate change is contributing to stronger and slower-moving hurricanes, which bring more rainfall and prolonged wind damage.
- As a city with petrochemical facilities, storm-related damage poses environmental and public health risks in addition to infrastructure loss.
- Vulnerable populations, including seniors and low-income renters, may face greater barriers to evacuation, recovery, and rebuilding.

3. Extreme Heat Events

- Rising average temperatures and more frequent heatwaves pose a growing risk to public health, especially for elderly residents, outdoor workers, and households without adequate cooling.
- Extended heat events also strain energy infrastructure and increase utility costs, which can disproportionately burden low-income families.

4. Environmental Justice Considerations

- Climate-related hazards often overlap with historically underserved neighborhoods, where housing may be substandard and resources for recovery are limited.

- These areas may face compounding risks—such as heat vulnerability and flood exposure—without adequate insurance or mitigation infrastructure.

5. Impact on Housing and Infrastructure

- Repetitive loss properties and homes in flood-prone areas may face declining values, increased insurance costs, and higher repair burdens.
- Infrastructure such as roads, drainage systems, and utilities may require upgrades or redesign to accommodate future climate conditions.

Conclusion

The effects of climate change are amplifying the risks posed by natural hazards in Texas City, particularly for vulnerable populations and older neighborhoods. To build resilience, the City must continue to invest in flood mitigation, resilient infrastructure, emergency preparedness, and equitable recovery planning. CDBG and other federal funds may play a key role in supporting mitigation efforts that protect lives, property, and long-term community stability.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low- and moderate-income (LMI) households in Texas City are disproportionately vulnerable to the increasing risks of flooding, hurricanes, storm surge, and extreme heat associated with climate change. These vulnerabilities stem from both the location and condition of housing as well as systemic barriers to preparation, mitigation, and recovery.

1. Location in High-Risk Areas

- Many LMI households are located in older, lower-lying neighborhoods with limited stormwater infrastructure and close proximity to floodplains or coastal surge zones.
- FEMA flood maps and local hazard mitigation data indicate that several CDBG-eligible areas overlap with zones of repetitive flood loss.
- Because land costs are lower in high-risk zones, affordable housing is often clustered in areas most susceptible to flooding and storm damage.

2. Older and Substandard Housing Conditions

- Housing stock in LMI neighborhoods often lacks modern wind, flood, or energy-resilient construction features.
- Common issues include: Poor roof integrity Lack of elevation above base flood levels Inadequate insulation and cooling systems Aging electrical and HVAC systems prone to failure during extreme weather

- These conditions increase the likelihood of damage, displacement, and health risks during extreme weather events.

3. Limited Resources for Mitigation and Recovery

- LMI homeowners and renters are less likely to have the financial resources, insurance coverage, or access to federal disaster assistance necessary to recover quickly from damage.
- Renters, in particular, face heightened risks of eviction, rent increases, or displacement when landlords choose not to repair or rebuild.
- Many lack emergency savings or access to credit, reducing their ability to evacuate or secure temporary housing.

4. Cumulative Vulnerabilities

- Vulnerability is compounded in households with seniors, individuals with disabilities, children, or limited English proficiency, which can make preparedness and recovery more difficult.
- Data from local emergency management and HUD risk mapping tools (e.g., Climate Risk Exposure Tool, Social Vulnerability Index) highlight that areas of highest climate risk often overlap with high social vulnerability.

5. Digital and Infrastructure Gaps

- In addition to physical housing risk, many LMI areas lack reliable broadband access, cooling centers, or resilient infrastructure, which hinders emergency communication and response.
- Infrastructure improvements such as stormwater upgrades, home retrofitting, and energy resilience have not yet reached many of these neighborhoods.

Conclusion

Based on data from FEMA flood maps, the City's hazard mitigation plan, and HUD's Community Resilience Toolkit, housing occupied by low- and moderate-income households in Texas City faces elevated and increasing risk from climate-related natural hazards. Strategic investments in resilient housing retrofits, infrastructure improvements, and equitable disaster planning are critical to protecting vulnerable populations and ensuring long-term housing stability.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan for the City of Texas City outlines a comprehensive, five-year approach (2025–2029) to addressing priority community development and housing needs using Community Development Block Grant (CDBG) funds. Grounded in data analysis, local stakeholder input, and alignment with HUD goals, the strategy reflects a commitment to improving the quality of life for low- and moderate-income (LMI) residents, preserving affordable housing, supporting economic opportunity, and strengthening neighborhood resilience.

Purpose and Goals

The primary purpose of the Strategic Plan is to guide the allocation of federal CDBG resources in a manner that:

- Benefits LMI residents and areas;
- Addresses documented housing and community development needs;
- Responds to local market and infrastructure conditions;
- Supports equitable access to services and opportunities; and
- Promotes long-term neighborhood stability and resilience.

Priority Needs and Objectives

Based on an assessment of community needs and available resources, Texas City has identified the following **priority areas** for investment:

1. **Affordable Housing Preservation and Rehabilitation** Support minor home repair and housing rehabilitation for LMI homeowners, particularly seniors and persons with disabilities. Preserve the existing affordable housing stock and improve housing safety and sustainability.
2. **Public Services for Vulnerable Populations** Provide limited public services that benefit LMI individuals, including youth, the elderly, and individuals with disabilities.
3. **Infrastructure and Neighborhood Improvements** Improve basic infrastructure such as streets, sidewalks, drainage, and accessibility in LMI neighborhoods. Support improvements that mitigate flood risk and increase climate resilience.
4. **Economic Opportunity and Stability** Support activities that expand access to small business support for low-income residents. Leverage partnerships with local organizations like the Phoenix Business Accelerator to strengthen economic self-sufficiency.
5. **Homelessness Prevention Support** efforts that stabilize households at risk of homelessness, particularly families with children or individuals with special needs.

Geographic Focus

The Strategic Plan prioritizes areas with concentrated LMI populations, documented housing needs, and limited access to quality infrastructure. These areas include parts of the city’s central and southern neighborhoods, where investment can have a meaningful impact on safety, accessibility, and livability.

Performance Measurement and Collaboration

Texas City will monitor progress annually through HUD’s IDIS and will evaluate outcomes against the Consolidated Plan’s established goals and objectives. The City will also coordinate with regional agencies, service providers, and nonprofits to ensure resources are leveraged and duplication is avoided.

The 25–29 Strategic Plan positions Texas City to make data-informed, community-centered investments that promote equity, strengthen neighborhoods, and address long-standing needs. Through targeted use of CDBG funds, the City will continue to improve conditions for its most vulnerable residents and lay the foundation for sustainable, inclusive growth.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

1	Area Name:	1867 Settlement District
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	Area Name:	Greater Chelsea Manor
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	

	Are there barriers to improvement in this target area?	
3	Area Name:	City Wide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City of Texas City has designated the 1867 Settlement Historic District and the Greater Chelsea Manor area as priority target areas for investment under the 2025–2029 Consolidated Plan. These neighborhoods were selected based on a combination of socioeconomic need, physical conditions, and their strategic importance to the City's broader revitalization goals.

Selection Criteria and Rationale

Investment decisions are grounded in the following factors:

- **Low- and Moderate-Income Eligibility**
Both target areas meet HUD’s criteria as areas where at least 51% of residents are low- to moderate-income (LMI), making them eligible for concentrated CDBG-funded investment.
- **Documented Needs and Community-Led Visioning**
The City has partnered with Texas Southern University’s Barbara Jordan–Mickey Leland School of Public Affairs and the University of Houston’s Gerald D. Hines College of Architecture and Design to conduct community-based research, field surveys, and design studies in each area.

These partnerships have produced data-informed recommendations for infrastructure improvements, housing preservation, cultural preservation, and long-term revitalization.

- **Historical Significance and Disinvestment**

The 1867 Settlement District is a culturally and historically significant African American community with deep roots in Texas City's heritage. The area has experienced long-term underinvestment, and targeted improvements are essential for preserving its legacy and ensuring equitable development.

- **Infrastructure and Housing Deficiencies**

The Greater Chelsea Manor area has been identified as having multiple infrastructure deficiencies, aging housing stock, and limited access to amenities. These challenges contribute to declining livability and increased vulnerability to flooding and environmental stressors.

- **Strategic Impact and Opportunity for Revitalization**

Both areas are well-positioned to benefit from coordinated investments in housing, infrastructure, and public spaces. Improvements in these neighborhoods can stimulate further reinvestment, improve quality of life for residents, and serve as models for equitable neighborhood transformation.

Investment Approach

CDBG funds will be used to:

- Preserve and rehabilitate housing for LMI homeowners.
- Upgrade local infrastructure, including drainage, sidewalks, and ADA accessibility.
- Support public facility improvements aligned with the academic design studies.
- Reinforce each area's cultural and community identity through sensitive planning and engagement.

By prioritizing the 1867 Settlement District and the Greater Chelsea Manor area, the City of Texas City is committing to focused, equitable investment in two neighborhoods with clear need and strong community potential. These efforts reflect both a respect for historical legacy and a forward-looking strategy rooted in research, community input, and inter-institutional collaboration.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Housing Rehabilitation and Preservation
	Priority Level	High
	Population	Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	Greater Chelsea Manor 1867 Settlement District
	Associated Goals	Preserve and Improve Affordable Housing Enhance Community Planning and Capacity
	Description	Housing Rehabilitation-Addressing substandard housing conditions is essential to ensuring health, safety, and long-term affordability.
	Basis for Relative Priority	Texas City’s aging housing stock, much of which has not been well maintained, makes housing rehabilitation a high priority. The City aims to ensure all residents have access to decent, safe, and sanitary housing.
	2	Priority Need Name
Priority Level		High
Population		Low Moderate
Geographic Areas Affected		Greater Chelsea Manor City Wide 1867 Settlement District
Associated Goals		Enhance Community Planning and Capacity

	Description	Support activities that expand access to small business support for low-income residents, and leverage partnerships with local organizations.
	Basis for Relative Priority	Supporting activities that expand access to small business resources for low-income residents plays a vital role in promoting economic opportunity and long-term stability. These activities may include offering technical assistance, mentorship programs, and entrepreneurship training specifically tailored to underserved communities.
3	Priority Need Name	Public Infrastructure and Neighborhood Improvement
	Priority Level	High
	Population	Low Moderate
	Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
	Associated Goals	Improve Infrastructure and Neighborhood Conditions Enhance Community Planning and Capacity
	Description	Infrastructure needs are particularly acute in the City's designated target areas, where drainage, sidewalks, and streets require substantial upgrades.
	Basis for Relative Priority	Aging and insufficient infrastructure in LMI areas contributes to safety hazards, limited mobility, and poor living conditions.
4	Priority Need Name	Public Services for Vulnerable Populations
	Priority Level	High
	Population	Low Moderate Large Families Families with Children Elderly Individuals Families with Children Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities

	Geographic Areas Affected	City Wide
	Associated Goals	Support Public Services for Vulnerable Residents Enhance Community Planning and Capacity
	Description	Vulnerable residents, including youth, seniors, and persons with disabilities—benefit from services that promote safety,
	Basis for Relative Priority	While public service activities are capped under CDBG regulations, limited support for nonprofit agencies and community-based programs remains a priority
5	Priority Need Name	Fair Housing Education & Outreach
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families
	Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
	Associated Goals	Enhance Community Planning and Capacity Promote Fair Housing and Housing Access
	Description	There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.
	Basis for Relative Priority	There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.

6	Priority Need Name	Neighborhood Revitalization
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly
	Geographic Areas Affected	Greater Chelsea Manor City Wide 1867 Settlement District
	Associated Goals	Preserve and Improve Affordable Housing Improve Infrastructure and Neighborhood Conditions Enhance Community Planning and Capacity Advance Target Area Revitalization
	Description	Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.
	Basis for Relative Priority	Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.

Narrative (Optional)

The City of Texas City has identified the following priority needs for the 2025–2029 Consolidated Plan period, based on an analysis of local data, stakeholder consultation, and input from community partners. These priorities reflect the most pressing challenges affecting low- and moderate-income (LMI) residents and are aligned with HUD's national objectives to benefit LMI persons, address slum and blight, and meet urgent needs.

1. Housing Rehabilitation and Preservation

There is a significant need for the preservation and repair of existing housing stock, particularly in older LMI neighborhoods. Many homeowners, especially seniors and individuals with disabilities, live in homes that require repairs they cannot afford. Addressing substandard housing conditions is essential to ensuring health, safety, and long-term affordability.

2. Public Infrastructure and Neighborhood Improvements

Aging and insufficient infrastructure in LMI areas contribute to safety hazards, limited mobility, and poor living conditions. Infrastructure needs are particularly acute in the City’s designated target areas, where drainage, sidewalks, and streets require substantial upgrades.

3. Public Services for Vulnerable Populations

While public service activities are capped under CDBG regulations, limited support for nonprofit agencies and community-based programs remains a priority. Vulnerable residents—including youth, seniors, and persons with disabilities—benefit from services that promote safety, wellness, and community stability.

4. Economic Opportunity and Self-Sufficiency

Low-income individuals face barriers to employment, training, and small business development. Expanding access to economic opportunity is a long-term strategy for promoting stability and resilience.

5. Fair Housing Education and Outreach

There is a continued need to ensure all residents have access to fair, affordable, and non-discriminatory housing. Education and outreach efforts are important to promote understanding of housing rights and responsibilities.

6. Neighborhood Revitalization in Target Areas

The 1867 Settlement Historic District and the Greater Chelsea Manor area are designated target areas with clear needs for concentrated investment. Revitalization efforts will support the long-term sustainability of these neighborhoods while preserving their cultural and historical significance.

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
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<p>Tenant Based Rental Assistance (TBRA)</p>	<p>Tenant-Based Rental Assistance (TBRA) is not currently funded through the City’s Community Development Block Grant (CDBG) program; however, market conditions in Texas City continue to highlight a critical need for housing affordability and rental support, particularly for extremely low-income individuals and families.</p> <p>Rental Market Overview</p> <p>Texas City’s rental housing market presents several affordability challenges for low- and moderate-income households:</p> <ul style="list-style-type: none"> • Rising Rent Costs: While rents in Texas City are lower than regional averages, they have increased steadily in recent years, placing additional pressure on renters with fixed or limited incomes. • Low Vacancy Rates: Market data indicates tight rental conditions, with relatively low vacancy rates across the affordable rental stock. This limits options for income-qualified households, especially those with special needs or larger families. • Limited Availability of Subsidized Units: The availability of project-based subsidized rental units remains limited, leading many low-income households to rely on market-rate units that are increasingly out of reach. <p>Household Needs</p> <p>Market characteristics suggest that TBRA, if funded through other sources such as HOME or leveraged partnerships, could be most impactful for:</p> <ul style="list-style-type: none"> • Extremely low-income renters (≤30% AMI) • Single-parent households with children • Seniors or persons with disabilities on fixed incomes • Individuals transitioning out of homelessness or institutional settings <p>These groups often face difficulty securing affordable, stable rental housing in the private market without rental assistance or case management.</p> <p>Housing Instability and Cost Burden</p>
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Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
	<p>According to recent needs assessments, a substantial share of Texas City renters experience:</p> <ul style="list-style-type: none"> • Severe cost burden (paying more than 50% of income toward rent and utilities) • Overcrowding in multi-family units • Increased risk of eviction due to missed payments or unstable income <p>These conditions create a demand for rental supports that allow low-income households to access and maintain housing in safe, stable neighborhoods.</p> <p>While the City does not currently administer TBRA through CDBG funds, the characteristics of the local rental market reinforce the need for rental assistance as a complementary strategy in addressing housing affordability. Should TBRA resources become available through HOME or other federal programs, they would be prioritized for households with the highest barriers to stable housing, especially those in target areas or at risk of homelessness.</p>

<p>TBRA for Non-Homeless Special Needs</p>	<p>Tenant-Based Rental Assistance (TBRA), if utilized in the future through eligible programs such as HOME, could play an important role in addressing the housing needs of non-homeless special needs populations in Texas City. These include individuals who are elderly, disabled, survivors of domestic violence, or living with chronic health conditions.</p> <p>Housing Market Conditions Affecting Special Needs Populations</p> <p>Several characteristics of the Texas City housing market directly impact these groups:</p> <ul style="list-style-type: none"> • Insufficient Supply of Accessible Units: The availability of rental housing that meets accessibility standards is limited. Many older housing units lack features such as zero-step entryways, grab bars, or widened doorways, making them unsuitable for persons with mobility impairments or chronic health conditions. • Affordability Constraints: Non-homeless special needs populations often live on fixed or limited incomes (e.g., Social Security Disability Insurance or Supplemental Security Income), making it difficult to secure rental housing without financial assistance. • Lack of Supportive Services in Housing Settings: Many individuals with special needs require not only affordable housing, but housing located near medical care, public transportation, and supportive services. These needs often go unmet in the private market. • Displacement Pressure and Housing Instability: Rising rents and redevelopment in older neighborhoods can put special needs households at increased risk of displacement, particularly those without lease protections or informal rental arrangements. <p>Demographic Trends and Demand</p> <p>Based on consultation with service providers and analysis of demographic data:</p> <ul style="list-style-type: none"> • The senior population in Texas City is growing, with many older adults preferring to age in place but lacking resources to do so safely. • Persons with mental health conditions or physical disabilities often face long waitlists for supportive or subsidized housing options.
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Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
	<ul style="list-style-type: none"> • Survivors of domestic violence and stalking may require relocation assistance and a private lease structure, both of which TBRA can support. <p>Potential TBRA Uses for Non-Homeless Special Needs</p> <p>Should TBRA funding become available through appropriate programs, it could be targeted to:</p> <ul style="list-style-type: none"> • Provide immediate, flexible rental assistance to special needs households who are cost-burdened or at risk of institutionalization. • Support transition from group homes or care facilities into independent housing. • Allow greater mobility for special needs households to move closer to needed services, family supports, or safer environments. <p>Although TBRA is not currently funded through CDBG, the characteristics of Texas City’s housing market demonstrate a clear need for flexible rental assistance tailored to non-homeless special needs populations. Expanding access to safe, affordable, and accessible housing for these residents is essential to promoting equity, stability, and independence.</p>

New Unit Production

The production of new affordable housing units remains a critical component of Texas City’s long-term strategy to address unmet housing needs, accommodate population growth, and ensure equitable development across neighborhoods. Several market characteristics directly inform the allocation of funds toward new unit production.

Insufficient Supply of Affordable Units

- Texas City has a shortage of affordable units for extremely low- to moderate-income households, especially renters earning less than 50% of Area Median Income (AMI).
- According to recent housing data, demand for affordable rental and ownership opportunities exceeds current supply, particularly for families, single-parent households, and individuals with special needs.
- Long waitlists for public or subsidized housing signal unmet demand that new unit production could help alleviate.

Household Growth and Demographic Shifts

- While population growth in Texas City is modest, shifts in household size and composition—such as aging seniors, single-adult households, and multigenerational families—create demand for a wider variety of housing types.
- New units can be designed to meet evolving needs, including smaller accessible homes, energy-efficient housing, and units suitable for aging in place.

Limited Development in Underserved Areas

- Target areas such as the 1867 Settlement Historic District and Greater Chelsea Manor have experienced underinvestment and may benefit from context-sensitive infill development that aligns with revitalization plans.
- Strategic new construction in these areas can help rebalance housing opportunities, support neighborhood stabilization, and promote economic development.

Cost Barriers and Market Gaps

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
	<ul style="list-style-type: none"> • Rising construction costs, labor shortages, and limited availability of developable land pose barriers to private production of affordable housing. • Public funds, including CDBG and leveraged sources, may be required to fill financing gaps and incentivize nonprofit or mixed-income development that includes deeply affordable units. <p>Opportunities for Mixed-Use and Mixed-Income Housing</p> <ul style="list-style-type: none"> • New unit production offers the opportunity to create mixed-use and mixed-income housing developments that integrate affordable housing with amenities, retail, or services—especially near transit corridors and community anchors. • These projects can contribute to a more inclusive housing market and promote long-term neighborhood vitality. <p>Texas City's housing market conditions support the need for targeted investment in new unit production. Public investment will be prioritized in areas with the greatest unmet housing demand, particularly where it can support broader revitalization goals, promote equitable growth, and expand affordable housing options for underserved populations.</p>

Rehabilitation

The housing stock in Texas City presents a number of challenges that make housing rehabilitation a high-priority and cost-effective strategy for preserving affordable housing, especially for low- and moderate-income (LMI) homeowners. Several market characteristics support continued investment in rehabilitation activities through CDBG and other funding sources.

Aging Housing Stock

- A large portion of Texas City's single-family homes were built before 1980, and many now require significant repair to address issues such as:
Outdated electrical and plumbing systems
Roof deterioration
Foundation damage
Energy inefficiency and inadequate insulation
- These conditions are especially prevalent in LMI neighborhoods such as the Greater Chelsea Manor area and the 1867 Settlement Historic District.

Low Incomes and Limited Access to Capital

- Many low- and moderate-income homeowners—particularly seniors and households on fixed incomes—lack access to private financing for home repairs.
- Without assistance, these homeowners risk deferred maintenance leading to health and safety hazards, structural damage, or eventual displacement.

Disproportionate Impact on Special Populations

- Elderly residents, persons with disabilities, and single-parent households often face unique barriers to maintaining their homes, including physical limitations or caregiving responsibilities.
- Rehabilitation assistance helps these households remain safely housed in familiar communities and supports aging in place.

Prevention of Property Decline and Neighborhood Disinvestment

- Targeted housing rehabilitation helps stabilize neighborhoods by preserving housing stock, preventing vacancy or blight, and reinforcing community pride.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
	<ul style="list-style-type: none"> • In areas with declining property conditions, small-scale rehabilitation can yield large returns in curb appeal, safety, and property value stabilization. <p>Climate and Disaster Vulnerability</p> <ul style="list-style-type: none"> • Given Texas City's vulnerability to flooding, windstorms, and other climate-related hazards, housing rehabilitation also plays a vital role in: <ul style="list-style-type: none"> Improving structural resilience (e.g., roof anchoring, elevation, storm windows) Reducing the likelihood of displacement following natural disasters Ensuring compliance with floodplain and building code requirements <p>Texas City's housing market conditions clearly support continued investment in owner-occupied housing rehabilitation. Strategic use of CDBG funds for rehabilitation helps low-income residents maintain safe and stable housing, prevents neighborhood decline, and strengthens community resilience in the face of aging infrastructure and environmental risks.</p>

<p>Acquisition, including preservation</p>	<p>Preservation of existing affordable housing is a key strategy for maintaining housing stability for low- and moderate-income (LMI) residents in Texas City. Market conditions—including the age of the housing stock, limited production of new affordable units, and pressures from disinvestment or redevelopment—make preservation both necessary and cost-effective.</p> <p>Aging Housing Stock and Deferred Maintenance</p> <ul style="list-style-type: none"> • Much of the City’s single-family and small multifamily housing was constructed prior to 1980 and shows signs of deterioration due to age, lack of modern infrastructure, or deferred maintenance. • Without intervention, these older units may fall into disrepair, resulting in health and safety hazards, vacancy, or loss of affordability through investor-driven turnover. <p>Limited Supply of Affordable Housing</p> <ul style="list-style-type: none"> • The supply of affordable rental and owner-occupied housing in Texas City remains limited, particularly for extremely low-income households. • Preservation efforts protect naturally occurring affordable housing (NOAH) units and prevent displacement of vulnerable households. • New affordable housing production is costly and complex, making preservation of existing stock a more feasible near-term option in many cases. <p>Threat of Displacement from Market Changes</p> <ul style="list-style-type: none"> • In some neighborhoods, aging affordable units are at risk of being acquired and converted into higher-rent housing or left vacant and deteriorating. • Strategic preservation efforts—particularly in historic or culturally significant areas such as the 1867 Settlement District—help maintain affordability and prevent the loss of community assets due to speculative redevelopment. <p>Historic and Cultural Significance</p> <ul style="list-style-type: none"> • Several neighborhoods in Texas City have architectural and cultural significance, particularly those tied to African American heritage and early settlement history.
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Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
	<ul style="list-style-type: none"> • Preservation of these structures supports neighborhood identity, intergenerational housing continuity, and equitable reinvestment without gentrification. <p>Cost-Effectiveness and Community Stability</p> <ul style="list-style-type: none"> • Compared to new construction, preserving existing housing is often more cost-effective and less disruptive to residents. • Investments in preservation also help maintain community cohesion and allow longtime residents to remain in place. <p>Texas City’s housing market conditions clearly underscore the importance of preservation as a core strategy for maintaining long-term housing affordability, especially in historically underserved areas. CDBG funds and other public investments will be directed toward preserving existing affordable housing stock, extending the life of valuable community assets, and preventing displacement of low-income households.</p>

Table 49 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City of Texas City anticipates a total Community Development Block Grant (CDBG) entitlement allocation of **\$432,691** for Program Year 2025. This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Leveraged and Supplementary Resources

In addition to CDBG funds, the City will pursue and coordinate a range of other resources to multiply impact, including:

- Local matching contributions and in-kind project support.
- State and federal grants (e.g., Tx CDBG Disaster Recovery and Mitigation, HOME program).
- Strategic partnerships with academic institutions (TSU & UH), nonprofits, and business stakeholders to access technical assistance and capital.

Resource Allocation Principles

- **Data-Driven Focus:** Resources will be directed toward identified priority needs, including housing preservation, neighborhood infrastructure, and services for vulnerable populations.
- **Strategic Targeting:** The City will concentrate efforts in the designated target areas—the 1867 Settlement Historic District and Greater Chelsea Manor—to maximize equity and revitalization outcomes.
- **Outcome Accountability:** Project selection will be aligned with measurable goals and monitored through HUD’s IDIS system to ensure transparent, efficient, and effective use of funds.

This section provides an overview of the major funding sources expected during the Consolidated Plan period, their eligible uses, and how these funds will be leveraged to advance the City's strategic goals.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	432,691	0	883,508	1,316,199	1,730,764	This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.
General Fund	public - local	Admin and Planning	150,000	0	0	150,000	600,000	The City of Texas City anticipates allocating \$150,000 from the General Fund in 2025 to cover salaries and benefits for the Community Development Department. For the remainder of the Consolidated Plan period, an additional \$600,000 is anticipated to support these personnel costs, ensuring adequate staffing and capacity to carry out the City community development goals.

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the City of Texas City’s Community Development Block Grant (CDBG) allocation for Program Year 2025 does not include formal matching requirements, federal funds are strategically leveraged to enhance the impact of available resources.

Local Leverage:

CDBG activities are supported by local funding, primarily in the form of in-kind support through department salaries and administrative capacity. These local contributions allow the City to implement and manage CDBG-funded projects efficiently without diverting grant funds from direct services or infrastructure improvements.

State and Other Federal Resources:

The City is actively seeking to supplement its CDBG allocation by applying for additional funding, including the HOME Investment Partnerships Program (HOME) through the Texas Department of Housing and Community Affairs (TDHCA). If awarded, HOME funds would be used to expand affordable housing efforts, particularly for rehabilitation and production of housing units.

Although CDBG funds do not require formal match contributions, Texas City maximizes their effectiveness by coordinating local and prospective state resources toward shared goals of equity, revitalization, and housing stability.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

At this time, the City of Texas City does not have publicly owned land that is actively designated for use in addressing the housing or community development needs identified in this Consolidated Plan. However, there are ongoing discussions with the Texas City Economic Development Corporation (TCEDC) regarding the potential use of City-owned properties for future development opportunities.

These discussions are exploratory and have not yet resulted in formal agreements or plans. If such initiatives move forward, they may support affordable housing development, neighborhood revitalization, or economic development projects in alignment with the priorities outlined in this Plan.

Discussion

The City of Texas City continues to take a strategic and resource-conscious approach to implementing its Community Development Block Grant (CDBG) program. With a confirmed allocation of \$432,691 for Program Year 2025, the City will focus its efforts on addressing critical housing needs, improving living conditions for low- and moderate-income residents, and revitalizing historically underserved neighborhoods such as the 1867 Settlement District and Greater Chelsea Manor.

Although there are no formal matching requirements for the CDBG program, the City leverages local resources—primarily in the form of departmental staffing and administrative support—to implement and monitor funded activities. The City is also exploring additional opportunities for financial leverage through prospective HOME funding from the State of Texas, and continues to work with regional academic institutions to inform data-driven decisions.

While no publicly owned land is currently committed to CDBG-related activities, conversations are underway with the Texas City Economic Development Corporation to identify City-owned parcels that could potentially support affordable housing or economic development in the future.

Overall, the City’s approach emphasizes collaboration, fiscal stewardship, and targeted investment in areas with the greatest need and potential for long-term impact.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
TEXAS CITY	Government	Economic Development Homelessness Non-homeless special needs Planning neighborhood improvements public facilities public services	Jurisdiction
Texas City Housing Authority	PHA	Homelessness Planning Public Housing Rental	Jurisdiction
Texas City Public Works Department	Departments and agencies	Planning public facilities	Jurisdiction
City of Texas City, Dept. of Economic Development	Departments and agencies	Economic Development Planning	Jurisdiction
Homeless Network of Texas dba Texas Homeless Network	Non-profit organizations	Homelessness Planning	State
The Gulf Coast Center	Non-profit organizations	Homelessness	Jurisdiction

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

N/A

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy			

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Legal Assistance	X	X	X
Mortgage Assistance			
Rental Assistance			
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement	X		
Mobile Clinics			
Other Street Outreach Services		X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X		
Healthcare	X		
HIV/AIDS		X	
Life Skills			
Mental Health Counseling	X	X	X
Transportation	X		
Other			

Table 52 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The City of Texas City collaborates with local and regional partners to provide essential services to persons experiencing homelessness, with a focus on the following subpopulations:

- **Housing and Case Management:** Services are coordinated through partnerships with organizations such as *The Gulf Coast Center* and *The Jesse Tree*, which offer housing navigation, mental health counseling, and basic needs assistance.
- **Behavioral Health Services:** The Gulf Coast Center provides outpatient mental health and substance use disorder services.
- **Outreach:** Street outreach is limited but coordinated with the Galveston County Homeless Coalition to identify and engage chronically homeless individuals.

- HIV Services: Individuals with HIV/AIDS access care primarily through regional providers such as *Access Care of Coastal Texas (ACCT)* in Galveston, which provides case management, housing assistance (via HOPWA funding), and medical transportation.
- Health Coverage: Texas City residents living with HIV can utilize state and federally funded programs like Ryan White Part A and B services. Referrals are often made through Galveston County Health District.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

- Lack of Emergency Shelter and Transitional Housing Within City Limits
 - Texas City does not have a permanent, year-round emergency shelter or transitional housing program for individuals or families.
 - This forces reliance on neighboring jurisdictions and limits the city’s ability to respond rapidly to local needs.
- Limited Services for Unaccompanied Youth and LGBTQ+ Populations
 - There are few targeted resources within Texas City for homeless youth, particularly LGBTQ+ individuals who may face additional discrimination and trauma.
- Insufficient Street Outreach and Engagement
 - Street outreach is inconsistent and not adequately funded or staffed to provide regular engagement with unsheltered individuals across the city.
- Data and Coordination Gaps
 - There is no centralized intake, referral, or coordinated entry system housed within Texas City.
 - Data sharing and case management coordination between agencies are limited, leading to inefficiencies and duplicated efforts.

- Underfunding of Local Services
 - The city’s resources are constrained, and local nonprofits often operate with limited staff and funding, restricting service capacity.
 - Opportunities to leverage additional state and federal funding (e.g., ESG, CoC) are limited due to competition and administrative capacity.
- Housing Affordability and Permanent Supportive Housing Shortages
 - There is a lack of deeply affordable housing and permanent supportive housing for persons with disabilities or those transitioning out of homelessness.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The City of Texas City addresses the needs of homeless individuals and persons with HIV through coordinated efforts with county-level and regional agencies. While services are available, access and utilization are constrained by geographic, funding, and infrastructure limitations. Enhancing coordination, expanding shelter capacity, and addressing transportation barriers are key to increasing service reach and effectiveness.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Improve Affordable Housing	2025	2029	Affordable Housing	Greater Chelsea Manor City Wide 1867 Settlement District	Housing Rehabilitation and Preservation Neighborhood Revitalization	CDBG: \$1,500,000	Homeowner Housing Rehabilitated: 50 Household Housing Unit
2	Improve Infrastructure and Neighborhood Conditions	2025	2029	Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Public Infrastructure and Neighborhood Improvement Neighborhood Revitalization	CDBG: \$723,508	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1655 Persons Assisted
3	Support Public Services for Vulnerable Residents	2025	2029	Non-Housing Community Development	Greater Chelsea Manor City Wide 1867 Settlement District	Public Services for Vulnerable Populations	CDBG: \$324,515	Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted Other: 25 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Enhance Community Planning and Capacity	2025	2029	Planning & Administration	City Wide	Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization	CDBG: \$432,690	Other: 1 Other
5	Advance Target Area Revitalization	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Neighborhood Revitalization		Other: 1 Other
6	Promote Fair Housing and Housing Access	2025	2029	Affordable Housing	City Wide	Fair Housing Education & Outreach	CDBG: \$66,250	

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve and Improve Affordable Housing
	Goal Description	Texas City will invest in the preservation of existing affordable housing stock through its minor home repair and rehabilitation programs. With a large proportion of aging housing—particularly in low-income neighborhoods—these programs are critical to maintaining safe, livable homes for seniors, persons with disabilities, and extremely low-income families. Housing rehabilitation helps prevent displacement, reduces health and safety hazards, and contributes to long-term neighborhood stability.
2	Goal Name	Improve Infrastructure and Neighborhood Conditions
	Goal Description	The City will address long-standing infrastructure needs in low- and moderate-income areas by funding projects that improve sidewalks, street conditions, drainage, and ADA accessibility. These improvements enhance mobility, safety, and resilience—especially in flood-prone areas—and are concentrated in the Greater Chelsea Manor area and the 1867 Settlement Historic District. Infrastructure upgrades also complement housing investments and support broader revitalization efforts.
3	Goal Name	Support Public Services for Vulnerable Residents
	Goal Description	Through the public services component of the CDBG program, Texas City will support programs that serve the community’s most vulnerable populations. For 2025, this includes youth counseling programs at the Carver and Sanders-Vincent Community Centers, with a focus on mental health, life skills, and behavioral support. These services aim to stabilize families, reduce the risk of youth involvement in the justice system, and improve long-term outcomes for LMI households.

4	Goal Name	Enhance Community Planning and Capacity
	Goal Description	A portion of CDBG funds will be used for planning, program administration, and grant compliance activities. These include preparing HUD-mandated reports, overseeing environmental reviews, conducting internal monitoring, and managing contracts. By investing in administrative capacity, the City ensures the effective implementation, oversight, and sustainability of federally funded programs.
5	Goal Name	Advance Target Area Revitalization
	Goal Description	The City will strategically direct at least 60% of CDBG funds to two high-priority target areas: the Settlement Historic District and the Greater Chelsea Manor area. These historically underserved neighborhoods have been identified for focused investment in housing, infrastructure, and community-based services. This goal supports equitable development and honors the cultural and historical significance of these communities while addressing current needs.
6	Goal Name	Promote Fair Housing and Housing Access
	Goal Description	Informed by the 2024 Analysis of Impediments to Fair Housing Choice, this goal seeks to expand awareness of fair housing rights and reduce barriers to housing choice. Activities may include community outreach events, complaint intake & adjudication, multilingual education campaigns, and coordination with housing counselors and advocacy organizations. The City will work to ensure that all residents—regardless of race, disability, family status, or other protected characteristics—can access safe and affordable housing free from discrimination.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

Over the five-year span of the 2025–2029 Consolidated Plan, the City of Texas City anticipates providing affordable housing assistance primarily through its Community Development Block Grant (CDBG) program. Although the City does not currently receive direct HOME program funding, it plans to seek funding through the Texas Department of Housing and Community Affairs (TDHCA) as a potential state subrecipient.

Based on projected funding levels, past performance, and local housing market conditions, the City estimates it will be able to support affordable housing for approximately:

- **Extremely Low-Income Households ($\leq 30\%$ AMI):** 15 families
- **Low-Income Households (31–50% AMI):** 25 families
- **Moderate-Income Households (51–80% AMI):** 35 families

These figures include households assisted through housing rehabilitation, minor repair programs, and homebuyer assistance if applicable. The actual number served will depend on annual appropriations, market conditions, and success in leveraging outside resources such as HOME or state housing initiatives.

The City will prioritize assistance to extremely low- and low-income households to the extent feasible, particularly those at risk of housing instability or living in substandard conditions.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Texas City Housing Authority (TCHA) does not have Public Housing units.

Activities to Increase Resident Involvements

The Texas City Housing Authority (TCHA) does not have Public Housing units.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the ‘troubled’ designation

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

Texas City recognizes that while existing policies are intended to ensure safety, orderly growth, and neighborhood stability, they can sometimes create **barriers to affordable housing**. As part of its strategic efforts, the City will continue to review and update policies to:

- **Streamline development approvals**
- **Support infill and mixed-income housing**
- **Promote balanced growth and reinvestment**

These actions will help make the local housing market more accessible to families, seniors, and individuals of all income levels.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Collaboration is essential to overcoming housing barriers and ensuring equitable, sustainable development. Texas City will focus on strengthening partnerships across sectors to expand affordable housing opportunities and foster community support.

- **Collaborate with Nonprofits, Community Development Corporations (CDCs), and Housing Authorities:**
These partners bring deep local knowledge, trusted community relationships, and expertise in affordable housing development and management. By working together, the City can support the creation and preservation of affordable units, provide wraparound services for residents, and ensure long-term housing stability. These collaborations can also help with outreach, tenant education, and connecting residents to job training, financial literacy, and social services.
- **Coordinate with Regional Planning Agencies:**
Regional agencies can help align housing efforts with transportation, economic development, and environmental planning goals. Texas City will seek to coordinate zoning updates, infrastructure investments, and housing needs assessments to ensure that local efforts contribute to broader regional priorities and benefit from shared resources and data.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Texas City’s strategic plan supports collaborative outreach and targeted investment to address the needs of individuals and families experiencing homelessness—especially those who are unsheltered or at high risk. These efforts are carried out in coordination with regional service providers, outreach teams, and local partners to ensure a system-wide, person-centered response.

A central partner in these efforts is the Gulf Coast Center’s PATH (Projects for Assistance in Transition from Homelessness) Program, which includes a case manager, team lead, and program manager who conduct direct outreach to unsheltered individuals. These activities are often coordinated with the Texas City Police Department and other community partners. Outreach takes place in public spaces such as libraries, churches, day centers, and known encampments or unsheltered locations throughout the city.

In addition, the Galveston County Food Bank, in collaboration with local nonprofits like Chosen Ones, supports mobile outreach efforts to individuals and families experiencing housing instability. These agencies share real-time updates on emerging outreach locations or increased visibility of homelessness, informing coordinated local responses.

Through the Coordinated Entry (CE) Planning Entity, eligible individuals are assessed and referred to appropriate shelter, transitional housing, or permanent housing options. Local shelters provide updates on bed availability and participate in regular case conferencing, where providers and partners collaborate to match individuals to available resources. Individuals with lived experience are also involved in this process, offering valuable insight into outreach strategies and the effectiveness of available services.

The City of Texas City further supports outreach by:

- **Hosting an annual resource fair** that connects unsheltered individuals with service providers offering housing, mental health support, and basic needs assistance.
- **Serving as the local hub for the annual HUD Point-in-Time (PIT) Count**, coordinating outreach teams to ensure thorough community engagement and data collection.

When gaps in services or resources are identified during case conferencing, these issues are brought to the Galveston County Homeless Coalition, where member agencies collaborate to maximize the use of county-wide resources.

Strategic Plan Alignment

These outreach efforts align with Texas City’s strategic goals:

- **Goal 3: Support Public Services for Vulnerable Residents** by funding services that reduce barriers and promote stability.
- **Goal 4: Enhance Community Planning and Capacity** through coordination with providers and data-informed decision-making.
- **Goal 5: Advance Target Area Revitalization** by addressing chronic homelessness in historically underserved neighborhoods.

By embedding outreach within its broader community development strategy, Texas City ensures that individuals experiencing homelessness are not overlooked and that local resources are aligned to meet both immediate needs and long-term housing stability goals.

Addressing the emergency and transitional housing needs of homeless persons

Texas City’s Strategic Plan supports efforts to meet emergency and transitional housing needs through coordination with regional service providers and the Continuum of Care (CoC). The City does not currently operate its own shelter, but participates in the CoC’s Coordinated Entry (CE) system and supports partners who deliver emergency response and housing stabilization services.

Through Coordinated Entry, individuals and families experiencing literal homelessness can complete an assessment with trained staff from **Gulf Coast Center** or **Endeavors**. Based on their level of need, participants are referred to emergency shelter, transitional housing, or permanent housing options. CE ensures that resources are allocated fairly and that vulnerable households are prioritized appropriately.

Several local partners address these needs:

- **Samaritan Women at the Well** operates transitional housing in Texas City, helping individuals and families build stability through case management and service connections.
- **Endeavors** assists veterans and their families by providing intensive case management and emergency financial support. Veterans are linked to long-term resources such as VA programs and HUD-VASH vouchers.
- **Mainland Community Partnership** offers case management and limited emergency financial assistance to individuals and families. The agency works with clients on housing stability plans tailored to achievable, long-term goals.

In FY2024, Galveston County agencies received over \$2.3 million in CoC funding, some of which is allocated to rapid resolution strategies aimed at shortening episodes of homelessness and avoiding unnecessary shelter stays.

Texas City’s strategic goals support these efforts by investing in programs and partnerships that prevent homelessness, improve access to services, and build long-term stability:

- **Goal 3: Support Public Services** helps fund outreach, youth counseling, and wraparound services.
- **Goal 4: Enhance Community Planning and Capacity** supports coordination with CoC and CE partners.
- **Goal 5: Advance Target Area Revitalization** ensures that investments also benefit areas where transitional housing and outreach activities are concentrated.

These coordinated actions ensure that individuals and families experiencing homelessness in Texas City have access to emergency support, transitional options, and long-term pathways to housing stability.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Texas City’s Strategic Plan supports efforts to help individuals and families experiencing homelessness—especially chronically homeless persons, families with children, veterans, and unaccompanied youth—transition into permanent housing and achieve long-term stability. The City partners with regional providers and the Galveston County Continuum of Care (CoC) to ensure that housing and services are coordinated and equitably delivered through the Coordinated Entry (CE) system.

CE is a critical part of the community’s housing crisis response system. It ensures that individuals at risk of or currently experiencing homelessness can readily access assistance, regardless of where they enter the system. CE uses a standardized assessment process to evaluate a person’s vulnerability and service needs, and then prioritizes referrals to the most appropriate housing intervention—such as emergency shelter, transitional housing, rapid rehousing, or permanent supportive housing.

This process shortens the time individuals and families remain homeless by streamlining access to services and reducing delays in placement. Households with higher needs, such as veterans or chronically homeless individuals, are matched to more intensive supports such as case management or long-term rental assistance. Those with lower service needs may be referred to rapid rehousing or mainstream housing options.

Texas City also coordinates with service providers who assist clients after placement to prevent returns to homelessness. These supports include:

- **Endeavors**, which provides intensive case management and links veterans and their families to long-term supports like VA services and HUD-VASH vouchers
- **Mainland Community Partnership**, which offers post-placement case management and emergency financial assistance to stabilize households and support housing retention
- **Samaritan Women at the Well**, which connects clients in transitional housing to permanent housing options and employment or support resources

These services are reinforced by ongoing case conferencing among CE partners, including individuals with lived experience, who help ensure person-centered service planning and follow-up.

Texas City’s strategic goals contribute to this transition framework by:

- **Goal 1: Preserve and Improve Affordable Housing** – Increasing the supply and quality of affordable units accessible to formerly homeless households
- **Goal 3: Support Public Services for Vulnerable Residents** – Funding outreach and stabilization services that help individuals retain housing
- **Goal 4: Enhance Community Planning and Capacity** – Coordinating with CE and CoC partners to ensure alignment of funding, referrals, and long-term housing goals
- **Goal 5: Advance Target Area Revitalization** – Directing investment into high-need areas where housing access and homelessness prevention efforts are critical

By aligning housing, services, and strategic investment, Texas City is actively supporting a system that reduces the length of time individuals experience homelessness, increases the rate of successful housing placements, and reduces the likelihood of repeated homelessness.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

Texas City’s Strategic Plan prioritizes efforts to help low- and extremely low-income individuals and families—particularly those at risk of housing instability—avoid becoming homeless. Special attention is given to populations being discharged from publicly funded systems of care, such as hospitals, behavioral health facilities, foster care, and corrections, as well as those receiving support from health, education, or social service systems.

A key prevention effort is led by the Gulf Coast Center’s PATH (Projects for Assistance in Transition from Homelessness) team, which collaborates with Sun Behavioral Health to provide diversion services for

individuals exiting psychiatric hospitalization who are at risk of returning to unsheltered homelessness. PATH staff meet regularly to discuss individual cases and coordinate connections to available housing, behavioral health, and community-based supports.

Local partners also play a vital role in identifying and stabilizing households at risk of homelessness. Several agencies in Texas City provide wraparound social services to youth, families, and individuals seeking long-term wellness and stability. These include:

- Case management and support services for youth and families in partnership with local schools
- Parenting workshops, mentorship programs, and health referrals to help families stay connected and supported
- Youth-focused behavioral health and outreach services aimed at improving school engagement and preventing displacement

For individuals in need of employment support, Workforce Solutions provides job readiness resources, vocational training, and placement assistance for both youth and adults. These programs are essential to increasing income and reducing economic pressures that can lead to housing loss. In addition, the Gulf Coast Center offers Supportive Employment case management for adults engaged in behavioral health services, helping clients secure and retain jobs aligned with their individual capabilities and treatment plans.

These coordinated efforts aim to reduce the number of individuals who exit care systems into homelessness and ensure that those receiving public or nonprofit support are also connected to housing stability resources.

Texas City's Strategic Plan supports these goals by:

- **Goal 3: Supporting Public Services for Vulnerable Residents**, including those at risk of homelessness due to system discharge or lack of family support
- **Goal 4: Enhancing Community Planning and Capacity** through partnerships with health, education, and workforce agencies
- **Goal 5: Advancing Target Area Revitalization** to strengthen neighborhoods where many at-risk residents live and seek services

Through collaboration with health care providers, school-based initiatives, and local employment support services, Texas City and its partners work to identify vulnerable households early and provide the tools they need to maintain housing and stability.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City of Texas City recognizes that lead-based paint (LBP) remains a potential health hazard in older housing stock, particularly in units constructed before 1978. Exposure to lead hazards—especially among young children—can result in serious health consequences. In response, the City will implement a series of coordinated actions to reduce and prevent LBP exposure in housing assisted with federal funds.

1. Identification and Assessment of Risk

- The City will ensure that all housing rehabilitation projects involving units built before 1978 undergo lead-based paint inspections or risk assessments, as required under HUD’s Lead Safe Housing Rule (24 CFR Part 35).
- Staff and contractors will continue to be trained in lead hazard identification, interim controls, and safe work practices.

2. Lead Hazard Control in Housing Rehabilitation

- When LBP hazards are identified in eligible units, the City will require interim controls or abatement as part of the scope of work for CDBG-funded rehabilitation.
- All work will be performed by certified contractors and in accordance with HUD’s lead safety regulations and EPA’s Renovation, Repair, and Painting (RRP) Rule.

3. Tenant and Homeowner Education

- Occupants of assisted properties will be provided with HUD’s “Protect Your Family from Lead in Your Home” pamphlet.
- The City will promote public awareness of lead hazards and provide referrals to Galveston County Health District or other resources for blood lead screening and lead hazard prevention.

4. Monitoring and Documentation

- The City will maintain proper documentation of LBP compliance, including inspection reports, clearance testing, and certifications, in project files and within HUD’s IDIS system.
- Files will be regularly reviewed to ensure compliance with all federal regulations and to prepare for potential HUD monitoring.

5. Coordination with Health and Housing Agencies

- The City will coordinate with regional public health agencies and housing authorities to monitor lead-related health risks and respond to any identified cases of lead poisoning.
- Where feasible, referrals will be made to state or county programs offering grant-funded lead hazard control for eligible households.

Through a combination of inspection, mitigation, public education, and interagency coordination, the City of Texas City will work to reduce LBP hazards in federally assisted housing and ensure that residents—particularly children—have access to safe, healthy homes.

How are the actions listed above related to the extent of lead poisoning and hazards?

The City of Texas City’s actions to reduce lead-based paint (LBP) hazards are directly informed by the age and condition of the housing stock, the presence of vulnerable populations, and public health risks associated with lead exposure—particularly for children under the age of six.

Extent of the Problem

- A significant portion of Texas City’s housing stock was built prior to 1978, when the use of lead-based paint in residential construction was banned.
- These older homes are concentrated in low- and moderate-income neighborhoods, including the Greater Chelsea Manor and 1867 Settlement target areas, where many households cannot afford major home repairs.
- Children living in these units are at increased risk of lead poisoning, particularly if deteriorated paint, dust, or soil is present.

Alignment of Actions with Lead Risk

The City’s planned actions are directly tied to reducing these risks in the following ways:

1. Housing Rehabilitation and Lead Mitigation

- Through its CDBG-funded housing rehabilitation and minor repair programs, the City prioritizes assistance to LMI households in pre-1978 homes.
- All rehabilitation projects involving older housing include lead hazard evaluation and compliance with HUD’s Lead Safe Housing Rule (24 CFR Part 35).
- Identified hazards are mitigated using interim controls or abatement, and clearance testing is conducted to ensure safety post-repair.

2. Public Awareness and Education

- Homeowners and tenants participating in City-funded housing programs receive educational materials, including HUD’s “Protect Your Family from Lead in Your Home” brochure.
- Residents are encouraged to report peeling paint or other potential hazards, and are referred to the Galveston County Health District for testing or additional services if necessary.

3. Focus on Vulnerable Populations

- The City's targeting of extremely low-income households, families with young children, and elderly or disabled individuals helps reduce exposure in the populations most at risk for lead-related health effects.
- These actions are concentrated in areas where historical disinvestment and aging infrastructure overlap, ensuring high-impact interventions.

By integrating lead hazard controls into housing rehabilitation programs, prioritizing high-risk populations and neighborhoods, and complying with federal lead safety standards, Texas City’s actions directly contribute to reducing the risk and incidence of lead poisoning in the community. These efforts are essential to improving long-term health outcomes and housing quality for low-income residents.

How are the actions listed above integrated into housing policies and procedures?

The City of Texas City has formally integrated lead-based paint (LBP) hazard reduction requirements into its housing policies and procedures to ensure the protection of low- and moderate-income households—particularly those living in homes constructed before 1978. These procedures are aligned with federal regulations and are consistently applied across all applicable City-funded housing programs.

1. Compliance with Federal Lead Regulations

All housing programs administered through the City—particularly those supported with CDBG funds—are subject to HUD’s Lead Safe Housing Rule (24 CFR Part 35). City policies require:

- Lead risk assessments or paint inspections for any home built before 1978 that receives rehabilitation assistance above regulatory thresholds.
- Interim controls or abatement of identified lead hazards during the rehabilitation process.
- Clearance testing by a certified risk assessor before project closeout.

These requirements are built into project scopes, contractor bid packets, and rehabilitation checklists to ensure uniform compliance.

2. Contractor Training and Certification Requirements

The City only contracts with EPA-certified lead-safe renovation firms for rehabilitation activities in pre-1978 housing. This policy is embedded in contractor qualification standards and procurement procedures.

3. Occupant Notification and Education

Program policies require that homeowners and tenants participating in federally assisted rehabilitation receive:

- HUD's "Protect Your Family from Lead in Your Home" brochure, and
- A copy of any lead hazard evaluation reports or clearance results conducted on their unit.

These materials are included in the intake and closing packets for all CDBG-funded housing projects involving older homes.

4. Documentation and Monitoring

The City maintains a formal checklist to document lead-safe compliance for each applicable project, including:

- Date of construction
- Type of lead evaluation conducted
- Scope of lead hazard work
- Names and certifications of contractors
- Clearance test results

This documentation is reviewed during internal monitoring and is uploaded to HUD's Integrated Disbursement and Information System (IDIS) as required.

5. Coordination with Local Health Authorities

The City's housing program procedures include referral protocols to the Galveston County Health District for households concerned about lead exposure or requesting blood lead level screening, particularly for children under six years old.

Through clearly defined policies, standardized procedures, and regulatory compliance protocols, the City of Texas City ensures that lead hazard reduction is not only implemented but fully institutionalized across its housing programs. This integration protects vulnerable populations and promotes safe, healthy housing throughout the community.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Reducing poverty and improving economic mobility for low-income families is a long-standing goal of the City of Texas City. Through its CDBG program and partnerships with local service providers, the City implements strategies that focus on addressing root causes of poverty, such as lack of access to stable housing, workforce barriers, limited education, and insufficient public infrastructure.

Strategic Goals

The following goals outlined in this Consolidated Plan directly support the City's efforts to reduce the number of families living in poverty:

1. **Expand access to safe, stable, and affordable housing** for low- and moderate-income households.
2. **Support public services and community facilities** that meet the basic needs of vulnerable populations.
3. **Improve infrastructure in underserved neighborhoods** to promote safety, accessibility, and long-term investment.
4. **Encourage economic opportunity and self-sufficiency** through support for workforce development, job readiness, and entrepreneurship.

Key Programs and Activities

1. Housing Stability and Rehabilitation Programs

- The City provides minor home repair and rehabilitation assistance to low-income homeowners, helping them maintain safe housing and reduce housing-related cost burdens.
- Stabilizing housing conditions is a foundational step in preventing deeper poverty and potential homelessness.

2. Public Service Support

- Through CDBG public service funds, the City assists nonprofit partners in delivering services such as after-school programs, youth mentoring, senior outreach, and limited case management—resources that contribute to long-term family well-being and opportunity.

3. Infrastructure and Accessibility Improvements

- Infrastructure projects in low-income neighborhoods—such as sidewalk installation, ADA compliance, and drainage improvements—help eliminate environmental and mobility barriers that disproportionately affect families living in poverty.

4. Economic Mobility and Workforce Support

- The City supports job readiness programs, microenterprise assistance, and employment services in partnership with local nonprofits and workforce agencies.
- These programs focus on helping residents increase their earning potential, access new employment opportunities, and improve long-term financial stability.

Partnerships and Policy Alignment

- Texas City participates in the Texas City Mayor’s Task Force on Homelessness and is an active member of the Galveston County Homeless Coalition, both of which support programs aimed at addressing economic and housing instability.

Ongoing Policy Commitments

- Promote fair housing access to prevent discrimination that may trap families in high-poverty, low-opportunity areas.
- Encourage infill development and housing preservation to protect affordability and prevent displacement.
- Support community organizations that provide wraparound services, including financial literacy, job coaching, and mental health supports.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The City of Texas City recognizes that affordable housing and poverty reduction are deeply interconnected. Without access to stable, affordable housing, low-income families face greater barriers to education, employment, health, and upward mobility. Therefore, the City has intentionally aligned its poverty-reduction strategies with its affordable housing goals to create a coordinated and supportive framework for improving residents' lives.

1. Prioritizing Housing Stability for Low-Income Families

Housing stability is a critical component of economic security. The City’s housing rehabilitation and minor repair programs help low-income homeowners—particularly seniors, persons with disabilities, and families with children—remain safely housed and avoid displacement or homelessness. By

addressing substandard conditions and reducing housing costs, these efforts support the broader goal of poverty reduction.

2. Targeting Investment in High-Need Neighborhoods

CDBG-funded housing and infrastructure investments are focused in the 1867 Settlement District and Greater Chelsea Manor area, which have high concentrations of poverty and limited economic opportunity. Improvements in these areas are designed to:

- Preserve affordable housing
- Improve public infrastructure and accessibility
- Attract reinvestment and support neighborhood revitalization

This geographic coordination ensures that housing activities complement broader anti-poverty strategies and address systemic disparities.

3. Leveraging Housing Programs to Connect Families with Services

While the City's primary role is funding and program administration, its housing programs are implemented in coordination with local service providers who offer:

- Workforce development and job training
- Youth and family support services
- Case management and referrals to health, education, and financial assistance programs

By stabilizing housing and connecting residents to services, the City supports a pathway out of poverty.

4. Supporting Renters and Vulnerable Populations

The City coordinates with the Galveston County Homeless Coalition and the Texas City Mayor's Task Force on Homelessness to help prevent and address housing instability among extremely low-income families and individuals. These efforts, including partnerships with regional nonprofits, contribute to reducing poverty through:

- Homeless prevention
- Rapid rehousing
- Wraparound support services

5. Promoting Equitable Access to Housing and Opportunity

Texas City's affordable housing efforts incorporate fair housing principles, ensuring that residents are not limited to high-poverty areas or excluded from higher-opportunity neighborhoods. This supports poverty reduction by:

- Encouraging mobility
- Reducing segregation
- Broadening access to schools, jobs, and healthcare

The City's affordable housing strategy is not implemented in isolation but is fully integrated with its broader poverty-reduction goals. Through coordinated investments, targeted neighborhood revitalization, and strong partnerships with service providers, Texas City is working to reduce poverty by increasing housing stability, access, and opportunity for its most vulnerable residents.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Texas City has established a comprehensive monitoring framework to ensure that all activities carried out under the Consolidated Plan—particularly those funded through the Community Development Block Grant (CDBG) program—are implemented in full compliance with applicable federal regulations, support HUD program goals, and deliver measurable benefits to low- and moderate-income (LMI) residents.

1. Oversight and Internal Monitoring

The City's Community Development Department is responsible for the administration and oversight of all CDBG-Entitlement funded activities. The department ensures regulatory compliance and program effectiveness through the following procedures:

- Quarterly internal reviews of program progress, expenditure rates, and beneficiary outcomes
- On-site monitoring of projects and partners, as applicable, using HUD-recommended protocols and documentation
- Annual performance evaluations and internal audits of program files, financial records, procurement documents, and IDIS data
- Maintenance of standardized written procedures covering eligibility, environmental review, recordkeeping, and reporting

Monitoring efforts are focused on ensuring:

- Compliance with national objectives and activity eligibility under 24 CFR Part 570
- Timely and appropriate use of funds
- Proper documentation of program beneficiaries
- Adherence to environmental, labor, and civil rights standards

2. Ensuring Long-Term Compliance

For housing rehabilitation and capital projects, the City maintains oversight through:

- Written agreements and scopes of work that include compliance requirements and benefit periods

- Property inspections and project closeout documentation to verify completion and compliance
- Periodic follow-up checks for housing rehabilitation projects to ensure continued code and safety standards are met
- Record retention protocols to ensure availability for future audits or HUD monitoring

If issues of noncompliance are identified, the City issues:

- A written notice describing the deficiency
- A corrective action plan with a deadline for resolution
- Follow-up monitoring to confirm compliance and resolution

3. Comprehensive Planning and Coordination

The City ensures that its Consolidated Plan activities remain aligned with broader community development goals through:

- Ongoing coordination with city planning, public works, housing authorities, and nonprofit partners
- Annual review of the Consolidated Plan's consistency with the City's Comprehensive Plan, capital improvement planning, and hazard mitigation strategies
- Participation in regional coalitions, local housing task forces, and academic partnerships that support strategic planning, data analysis, and technical capacity

Texas City's monitoring framework ensures that all federally funded programs are compliant, transparent, and effective. These efforts help maintain accountability, maximize impact, and align local activities with HUD's overarching program objectives and the City's long-term development goals.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Texas City anticipates a total Community Development Block Grant (CDBG) entitlement allocation of **\$432,691** for Program Year 2025. This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.

Leveraged and Supplementary Resources

In addition to CDBG funds, the City will pursue and coordinate a range of other resources to multiply impact, including:

- **Local matching contributions** and in-kind project support.
- **State and federal grants** (e.g., TxCDBG Disaster Recovery and Mitigation, HOME program).
- **Strategic partnerships** with academic institutions (TSU & UH), nonprofits, and business stakeholders to access technical assistance and capital.

Resource Allocation Principles

- **Data-Driven Focus:** Resources will be directed toward identified priority needs, including housing preservation, neighborhood infrastructure, and services for vulnerable populations.
- **Strategic Targeting:** The City will concentrate efforts in the designated target areas—the 1867 Settlement Historic District and Greater Chelsea Manor—to maximize equity and revitalization outcomes.
- **Outcome Accountability:** Project selection will be aligned with measurable goals and monitored through HUD’s IDIS system to ensure transparent, efficient, and effective use of funds.

This section provides an overview of the major funding sources expected during the Consolidated Plan period, their eligible uses, and how these

funds will be leveraged to advance the City's strategic goals.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	432,691.00	0.00	883,508.00	1,316,199.00	1,730,764.00	This funding will support neighborhood revitalization, housing assistance, public services, and capacity-building activities focused on low- and moderate-income residents and areas.
General Fund	public - local	Admin and Planning	150,000.00	0.00	0.00	150,000.00	600,000.00	The City of Texas City anticipates allocating \$150,000 from the General Fund in 2025 to cover salaries and benefits for the Community Development Department. For the remainder of the Consolidated Plan period, an additional \$600,000 is anticipated to support these personnel costs, ensuring adequate staffing and capacity to carry out the City community development goals.

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

While the City of Texas City’s Community Development Block Grant (CDBG) allocation for Program Year 2025 does not include formal matching requirements, federal funds are strategically leveraged to enhance the impact of available resources.

Local Leverage:

CDBG activities are supported by local funding, primarily in the form of in-kind support through department salaries and administrative capacity. These local contributions allow the City to implement and manage CDBG-funded projects efficiently without diverting grant funds from direct services or infrastructure improvements.

State and Other Federal Resources:

The City is actively seeking to supplement its CDBG allocation by applying for additional funding, including the HOME Investment Partnerships Program (HOME) through the Texas Department of Housing and Community Affairs (TDHCA). If awarded, HOME funds would be used to expand affordable housing efforts, particularly for rehabilitation and production of housing units.

Although CDBG funds do not require formal match contributions, Texas City maximizes their effectiveness by coordinating local and prospective state resources toward shared goals of equity, revitalization, and housing stability.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

At this time, the City of Texas City does not have publicly owned land that is actively designated for use in addressing the housing or community development needs identified in this Consolidated Plan. However, there are ongoing discussions with the Texas City Economic Development Corporation (TCEDC) regarding the potential use of City-owned properties for future development opportunities.

These discussions are exploratory and have not yet resulted in formal agreements or plans. If such initiatives move forward, they may support affordable housing development, neighborhood revitalization, or economic development projects in alignment with the priorities outlined in this Plan.

Discussion

The City of Texas City continues to take a strategic and resource-conscious approach to implementing its Community Development Block Grant (CDBG) program. With a confirmed allocation of \$432,691 for Program Year 2025, the City will focus its efforts on addressing critical housing needs, improving living conditions for low- and moderate-income residents, and revitalizing historically underserved neighborhoods such as the 1867 Settlement District and Greater Chelsea Manor.

Although there are no formal matching requirements for the CDBG program, the City leverages local resources—primarily in the form of departmental staffing and administrative support—to implement and monitor funded activities. The City is also exploring additional opportunities for financial leverage through prospective HOME funding from the State of Texas, and continues to work with regional academic institutions to inform data-driven decisions.

While no publicly owned land is currently committed to CDBG-related activities, conversations are underway with the Texas City Economic Development Corporation to identify City-owned parcels that could potentially support affordable housing or economic development in the future.

Overall, the City’s approach emphasizes collaboration, fiscal stewardship, and targeted investment in areas with the greatest need and potential for long-term impact.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Improve Affordable Housing	2025	2026	Affordable Housing	Greater Chelsea Manor City Wide 1867 Settlement District	Housing Rehabilitation and Preservation	CDBG: \$200,000.00	Homeowner Housing Rehabilitated: 10 Household Housing Unit
2	Improve Infrastructure and Neighborhood Conditions	2025	2029	Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Public Infrastructure and Neighborhood Improvement	CDBG: \$81,250.00	Other: 10 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Support Public Services for Vulnerable Residents	2025	2029	Non-Housing Community Development	Greater Chelsea Manor City Wide 1867 Settlement District	Public Services for Vulnerable Populations	CDBG: \$64,903.00	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted Other: 25 Other
4	Enhance Community Planning and Capacity	2025	2029	Planning & Administration	City Wide	Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization	CDBG: \$86,538.00	Other: 1 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Advance Target Area Revitalization	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Greater Chelsea Manor 1867 Settlement District	Neighborhood Revitalization	CDBG: \$	Other: 2 Other
6	Promote Fair Housing and Housing Access	2025	2029	Affordable Housing	City Wide	Fair Housing Education & Outreach	CDBG: \$	Other: 100 Other

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Preserve and Improve Affordable Housing
	Goal Description	The City will use CDBG funds to support the rehabilitation and repair of housing units occupied by low- and moderate-income (LMI) households. This includes addressing health and safety issues, code violations, accessibility improvements, and other urgent repair needs. For 2025, the City will allocate \$200,000 to assist approximately 10 homeowners with an average of \$20,000 in rehabilitation assistance per household.
2	Goal Name	Improve Infrastructure and Neighborhood Conditions
	Goal Description	Texas City will invest in critical infrastructure improvements in LMI neighborhoods to address aging systems, drainage issues, ADA non-compliance, and general public safety concerns. CDBG funding will be used to support sidewalk improvements, accessibility enhancements, and related public facility upgrades—particularly in the Greater Chelsea Manor and 1867 Settlement District target areas. 10 infrastructure projects completed

3	Goal Name	Support Public Services for Vulnerable Residents
	Goal Description	CDBG public service funds (limited to 15% of the allocation) will be used to implement youth counseling and behavioral support programs at the Carver and Sanders-Vincent Community Centers. These services are designed to promote emotional well-being, academic success, and positive development for at-risk youth in LMI areas. The City anticipates serving over 100 youth in 2025 through this initiative.
4	Goal Name	Enhance Community Planning and Capacity
	Goal Description	Up to 20% of the CDBG allocation will support program administration, planning, monitoring, and compliance activities. This includes preparation of required HUD reports, coordination with subrecipients and contractors, internal audits, public engagement, and staff support to ensure full regulatory compliance and efficient use of resources
5	Goal Name	Advance Target Area Revitalization
	Goal Description	CDBG-funded projects will prioritize the revitalization of the City's two designated target areas: the 1867 Settlement Historic District and the Greater Chelsea Manor area. These neighborhoods face high levels of disinvestment, aging infrastructure, and housing needs. At least 60% of all CDBG funds will benefit residents in these areas through coordinated housing, infrastructure, and public service investments.
6	Goal Name	Promote Fair Housing and Housing Access
	Goal Description	The City will continue to affirmatively further fair housing by providing education and outreach to residents on their housing rights. These efforts will include public workshops, distribution of materials in English and Spanish, and coordination with housing service providers. A portion of administrative funds will support these compliance and outreach efforts. Fair housing outreach, 5 public education events

Projects

AP-35 Projects – 91.220(d)

Introduction

For Program Year 2025, the City of Texas City has identified a set of priority projects to be funded with its **\$432,691** Community Development Block Grant (CDBG) entitlement allocation. These projects were selected based on public input, consultation with stakeholders, data analysis, and alignment with the City’s 2025–2029 Consolidated Plan goals.

Each funded project will address critical needs of low- and moderate-income (LMI) residents and neighborhoods—particularly within the two designated target areas: the **1867 Settlement Historic District** and the **Greater Chelsea Manor area**. Priority was given to activities that preserve affordable housing, improve infrastructure, support youth and vulnerable populations, and enhance the City’s capacity to administer federal programs effectively.

The projects listed in this section represent the City’s continued commitment to equitable development, neighborhood revitalization, and measurable community impact.

Projects

#	Project Name
1	Housing Rehabilitation and Repair
2	Neighborhood Infrastructure Improvements
3	Youth Counseling Services
4	Program Administration and Planning
5	Fair Housing Education and Outreach

Table 56 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of Texas City’s allocation priorities for Program Year 2025 are guided by the needs identified in the 2025–2029 Consolidated Plan, input from community partners, and the City’s long-standing commitment to improving conditions in historically underserved neighborhoods. CDBG funding is prioritized to support housing rehabilitation, neighborhood infrastructure, public services, and fair housing efforts, with a focus on low- and moderate-income (LMI) residents.

Reasons for Allocation Priorities:

1. Housing Rehabilitation (\$200,000):

A substantial portion of CDBG funds is allocated to housing rehabilitation and repair for LMI homeowners to address substandard conditions, health and safety issues, and accessibility

needs. This aligns with the community’s aging housing stock and rising maintenance burdens among seniors and low-income families.

2. **Neighborhood Infrastructure Improvements (\$81,250,000):**

Infrastructure investments are prioritized in the 1867 Settlement Historic District and the Greater Chelsea Manor area—two CDBG target areas with long-standing needs related to sidewalks, drainage, accessibility, and neighborhood safety. These projects also support the City’s goal to revitalize historically disinvested communities.

3. **Public Services – Youth Counseling (\$64,903):**

Public service funding is directed to youth counseling programs at Carver and Sanders-Vincent Community Centers, in response to identified gaps in mental health support and youth-focused services. These programs aim to promote wellness, stability, and long-term outcomes for LMI youth.

4. **Planning & Administration (\$86,538):**

A portion of funds is reserved for administrative functions, including grant management, compliance, planning, and Fair Housing Education and Outreach. These activities are essential to ensuring proper program delivery and HUD compliance.

Obstacles to Addressing Underserved Needs:

- **Limited Funding:**

The City receives a modest CDBG entitlement allocation relative to community need. The demand for affordable housing, infrastructure upgrades, and public services consistently exceeds available federal resources.

- **Lack of Shelter Capacity:**

Texas City does not currently have an emergency shelter, which limits immediate options for individuals and families experiencing homelessness or displacement.

- **Aging Infrastructure and Housing Stock:**

Many neighborhoods require comprehensive infrastructure investment, and the aging housing stock creates ongoing needs for repair and rehabilitation among LMI homeowners.

- **Resource Gaps in Mental Health and Youth Services:**

Local partners report a need for expanded behavioral health services, especially for youth and families experiencing trauma, housing instability, or economic hardship.

- **Capacity Constraints:**

Smaller nonprofit and grassroots organizations may lack administrative capacity to pursue or manage CDBG funding, limiting the pipeline of eligible service partners.

Despite these challenges, the City continues to coordinate with regional agencies, academic institutions, and nonprofit organizations to maximize impact, improve outreach, and pursue additional funding sources to meet community needs.

AP-38 Project Summary
Project Summary Information

1	Project Name	Housing Rehabilitation and Repair
	Target Area	Greater Chelsea Manor City Wide 1867 Settlement District
	Goals Supported	Preserve and Improve Affordable Housing
	Needs Addressed	Housing Rehabilitation and Preservation Neighborhood Revitalization
	Funding	CDBG: \$200,000.00
	Description	Provide critical home repairs and rehabilitation for approximately 10 low- and moderate-income (LMI) homeowners. Work may include roofing, plumbing, electrical, and accessibility upgrades.
	Target Date	9/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
2	Project Name	Neighborhood Infrastructure Improvements
	Target Area	Greater Chelsea Manor 1867 Settlement District
	Goals Supported	Improve Infrastructure and Neighborhood Conditions
	Needs Addressed	Public Infrastructure and Neighborhood Improvement Neighborhood Revitalization
	Funding	CDBG: \$81,250.00
	Description	Implement sidewalk repairs, ADA curb ramps, and drainage improvements in eligible LMI census tracts, focused in the Greater Chelsea Manor area.
	Target Date	9/30/2026

<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>Estimated Number of Beneficiaries: Approximately 250 low- and moderate-income (LMI) households</p> <p>Type of Families Benefiting:</p> <ul style="list-style-type: none"> • Primarily low- and moderate-income families residing in the Greater Chelsea Manor area and the 1867 Settlement Historic District, which are designated CDBG target areas • Multi-generational households, senior residents, individuals with disabilities, and families with children • Households affected by inadequate sidewalk connectivity, poor drainage, or inaccessible public infrastructure <p>Explanation: The Neighborhood Infrastructure Improvements project will fund upgrades such as sidewalk repairs, ADA-compliant curb ramps, and drainage improvements in eligible LMI neighborhoods. These improvements will enhance public safety, walkability, and accessibility, particularly for households that rely on pedestrian routes to access schools, parks, transit stops, and community facilities. Improvements will also help mitigate flooding and environmental hazards in historically underserved areas.</p> <p>While infrastructure activities benefit entire neighborhoods rather than individual households, the estimated 250 families reflect those living within the directly impacted project area boundaries.</p>
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<p>Location Description</p>	<p>Neighborhood Infrastructure Improvements will be carried out in designated low- and moderate-income areas of Texas City, with a focus on two priority target areas identified in the City’s Consolidated Plan:</p> <ul style="list-style-type: none"> • Greater Chelsea Manor Area: Bounded by Bay Street to 14th Street (east to west) and Texas Avenue to 9th Avenue North (south to north). • 1867 Settlement Historic District: Bounded by Highway 3 to Westward Avenue (east to west) and FM 1765 to Anderson Street (south to north). <p>These neighborhoods were selected due to their aging and substandard infrastructure, drainage concerns, and high concentrations of low- and moderate-income households. Planned improvements may include sidewalk construction or repairs, ADA-compliant curb ramps, and stormwater drainage enhancements designed to improve accessibility, safety, and environmental conditions in these historically underserved areas.</p>
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<p>Planned Activities</p>	<p>This project will fund critical and aesthetic infrastructure improvements in low- and moderate-income neighborhoods of Texas City, specifically within the Greater Chelsea Manor Area and the 1867 Settlement Historic District—two CDBG-designated target areas.</p> <p>Planned activities may include:</p> <ul style="list-style-type: none"> • Sidewalk construction and repair to improve pedestrian safety and mobility • Installation of ADA-compliant curb ramps to increase accessibility for seniors and persons with disabilities • Stormwater drainage improvements to mitigate flooding and protect public health • Street lighting enhancements to improve safety and visibility • Installation of wayfinding signage to support neighborhood identity and navigation • Beautification features, including flower beds, trees, fountains, and decorative curb numbers • Street line striping to improve traffic safety and organization <p>These improvements will serve approximately 250 low- and moderate-income households and are designed to promote safety, accessibility, and neighborhood pride. The general service areas are defined as follows:</p> <ul style="list-style-type: none"> • Greater Chelsea Manor Area: Bay Street to 14th Street and Texas Avenue to 9th Avenue North • 1867 Settlement Historic District: Highway 3 to Westward Avenue and FM 1765 to Anderson Street <p>This activity supports:</p> <ul style="list-style-type: none"> • Strategic Goal 2: Improve Infrastructure and Neighborhood Conditions, by addressing aging or inadequate public infrastructure in underserved neighborhoods • Strategic Goal 5: Advance Target Area Revitalization, by enhancing the physical environment and quality of life in historically underinvested areas <p>All improvements will be conducted in compliance with HUD CDBG regulations and will qualify as area benefit activities serving low- and moderate-income populations.</p>
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3	Project Name	Youth Counseling Services
	Target Area	Greater Chelsea Manor 1867 Settlement District
	Goals Supported	Support Public Services for Vulnerable Residents
	Needs Addressed	Public Services for Vulnerable Populations
	Funding	CDBG: \$64,903.00
	Description	Support mental health counseling and youth development programming at Carver and Sanders-Vincent Community Centers for approximately 100 LMI youth.
	Target Date	9/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	<p>Estimated Number of Beneficiaries: Approximately 100 youth from low- and moderate-income (LMI) households</p> <p>Type of Families:</p> <ul style="list-style-type: none"> • Primarily single-parent or multigenerational households residing in underserved areas • Households with school-aged children (ages 10–18) who may be experiencing emotional, behavioral, or academic challenges • Families residing in or near the 1867 Settlement Historic District and Greater Chelsea Manor area, where public services and mental health resources are limited <p>Explanation: This project will provide free, community-based youth counseling and support services at the Carver and Sanders-Vincent Community Centers. Services will include one-on-one counseling, group sessions, life skills coaching, and behavioral intervention—all designed to improve long-term outcomes for youth living in LMI households.</p>

<p>Location Description</p>	<p>Youth counseling services will be provided at two City-operated community centers located in neighborhoods with high concentrations of low- and moderate-income (LMI) households:</p> <ul style="list-style-type: none"> <p>Carver Community Center 900 5th Avenue North Texas City, TX 77590 <i>(Located near the 1867 Settlement Historic District)</i></p> <p>Sanders-Vincent Community Center 501 4th Avenue North Texas City, TX 77590 <i>(Serving the Greater Chelsea Manor area and adjacent LMI neighborhoods)</i></p> <p>These locations were selected based on accessibility, community need, and proximity to underserved populations. Services will be available to youth citywide, with targeted outreach in the designated CDBG target areas.</p>												
<p>Planned Activities</p>	<p>This project will fund the implementation of structured youth counseling programs at the Carver Community Center and the Sanders-Vincent Community Center, targeting low- and moderate-income (LMI) youth in Texas City. Activities will focus on improving emotional well-being, behavioral health, academic engagement, and life skills development.</p>												
<p>4</p>	<table border="1"> <tr> <td data-bbox="235 1297 516 1352"> <p>Project Name</p> </td> <td data-bbox="516 1297 1432 1352"> <p>Program Administration and Planning</p> </td> </tr> <tr> <td data-bbox="235 1352 516 1407"> <p>Target Area</p> </td> <td data-bbox="516 1352 1432 1407"> <p>City Wide</p> </td> </tr> <tr> <td data-bbox="235 1407 516 1461"> <p>Goals Supported</p> </td> <td data-bbox="516 1407 1432 1461"> <p>Enhance Community Planning and Capacity</p> </td> </tr> <tr> <td data-bbox="235 1461 516 1726"> <p>Needs Addressed</p> </td> <td data-bbox="516 1461 1432 1726"> <p>Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization</p> </td> </tr> <tr> <td data-bbox="235 1726 516 1780"> <p>Funding</p> </td> <td data-bbox="516 1726 1432 1780"> <p>CDBG: \$86,538.00</p> </td> </tr> <tr> <td data-bbox="235 1780 516 1875"> <p>Description</p> </td> <td data-bbox="516 1780 1432 1875"> <p>Cover administrative and planning costs, including staffing, reporting, compliance, and monitoring of CDBG activities.</p> </td> </tr> </table>	<p>Project Name</p>	<p>Program Administration and Planning</p>	<p>Target Area</p>	<p>City Wide</p>	<p>Goals Supported</p>	<p>Enhance Community Planning and Capacity</p>	<p>Needs Addressed</p>	<p>Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization</p>	<p>Funding</p>	<p>CDBG: \$86,538.00</p>	<p>Description</p>	<p>Cover administrative and planning costs, including staffing, reporting, compliance, and monitoring of CDBG activities.</p>
<p>Project Name</p>	<p>Program Administration and Planning</p>												
<p>Target Area</p>	<p>City Wide</p>												
<p>Goals Supported</p>	<p>Enhance Community Planning and Capacity</p>												
<p>Needs Addressed</p>	<p>Housing Rehabilitation and Preservation Economic Opportunity and Stability Public Infrastructure and Neighborhood Improvement Public Services for Vulnerable Populations Fair Housing Education & Outreach Neighborhood Revitalization</p>												
<p>Funding</p>	<p>CDBG: \$86,538.00</p>												
<p>Description</p>	<p>Cover administrative and planning costs, including staffing, reporting, compliance, and monitoring of CDBG activities.</p>												

	Target Date	9/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	This activity will not directly serve individuals or families but will support the effective delivery, oversight, and reporting of all CDBG-funded projects in Program Year 2025. It enables compliance with federal regulations, monitoring of subrecipients and contractors, planning for future housing and community development needs, and transparent public administration.
	Location Description	This activity supports the administration and oversight of CDBG-funded projects citywide. While no direct services are provided from this activity, it enables implementation of programs that benefit low- and moderate-income residents across all eligible areas of Texas City, including targeted neighborhoods such as the 1867 Settlement Historic District and the Greater Chelsea Manor area .
	Planned Activities	<p>This project will fund the implementation of structured youth counseling programs at the Carver Community Center and the Sanders-Vincent Community Center, targeting low- and moderate-income (LMI) youth in Texas City. Activities will focus on improving emotional well-being, behavioral health, academic engagement, and life skills development.</p> <p>Planned services include:</p> <ul style="list-style-type: none"> • Individual and group counseling sessions led by trained mental health professionals • Workshops on conflict resolution, decision-making, and goal setting • Referrals to additional social or educational services as needed • Engagement with families to support youth development at home • Culturally responsive and age-appropriate materials and delivery <p>The program is designed to serve approximately 100 youth ages 10–18, with priority given to residents of the 1867 Settlement Historic District and Greater Chelsea Manor area. Services will be free of charge and delivered on-site in neighborhoods where access to mental health services is limited.</p>
5	Project Name	Fair Housing Education and Outreach
	Target Area	City Wide
	Goals Supported	Promote Fair Housing and Housing Access
	Needs Addressed	Fair Housing Education & Outreach

Funding	:
Description	Conduct public education on fair housing rights and protections, distribute bilingual materials, and provide referrals for complaints or assistance.
Target Date	9/30/2026
Estimate the number and type of families that will benefit from the proposed activities	<p><i>(Funded under Planning & Administration)</i></p> <p>Estimated Number of Beneficiaries: Approximately 100 low- and moderate-income (LMI) individuals and families</p> <p>Type of Families Benefiting:</p> <ul style="list-style-type: none"> • Renters and homeowners in low- and moderate-income neighborhoods • Families from protected classes under the Fair Housing Act • Persons with disabilities, seniors, and limited English proficiency (LEP) households • Residents of target areas such as the 1867 Settlement District and Greater Chelsea Manor <p>Explanation: The City will carry out modest but meaningful Fair Housing outreach in Program Year 2025, focusing on education, awareness, and early intervention. Activities may include distributing printed materials, hosting a small number of community info sessions, and partnering with local organizations to share fair housing resources. Outreach will be tailored to populations most at risk for housing discrimination and concentrated in areas with known disparities. While the scope is limited due to staffing and funding constraints, the effort will lay a foundation for expanded outreach in future years.</p>
Location Description	<p>Fair Housing Education and Outreach activities will be conducted throughout the City of Texas City, with an emphasis on low- and moderate-income neighborhoods, including the Greater Chelsea Manor area and the 1867 Settlement Historic District.</p> <p>Educational materials will be distributed at public facilities such as community centers, libraries, and City Hall, and outreach events may be held at locations accessible to residents of target areas. Some outreach may also take place virtually or through community-based partners that serve protected classes and households at risk of housing discrimination.</p>

<p>Planned Activities</p>	<p><i>(Funded under Planning & Administration)</i></p> <p>The City of Texas City will implement a modest Fair Housing Education and Outreach initiative in 2025 to increase awareness of fair housing rights and responsibilities among residents, particularly those in low- and moderate-income areas. Activities may include:</p> <ul style="list-style-type: none"> • Distributing printed and digital educational materials in English and Spanish • Hosting or participating in community information sessions or workshops • Collaborating with local partners such as community centers, housing agencies, and nonprofits to reach underserved populations • Providing referrals and information for residents who believe they have experienced housing discrimination <p>Outreach will be focused in target neighborhoods such as the 1867 Settlement District and the Greater Chelsea Manor area, where access to housing resources and education may be limited. The effort will aim to reach approximately 100 individuals or families, helping ensure that vulnerable residents are informed about their rights and how to seek assistance if those rights are violated.</p> <p>This activity supports Strategic Goal 6: Promote Fair Housing and Housing Access and aligns with the City’s responsibilities under the Fair Housing Act and CDBG program requirements.</p>
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Texas City will target Community Development Block Grant (CDBG) investments in neighborhoods with high concentrations of low- to moderate-income and minority residents. These areas are primarily located in Southeast and West Texas City, where infrastructure needs, housing quality issues, and poverty rates are most severe. Texas City has identified two primary geographic areas where Community Development Block Grant (CDBG) and related entitlement program resources will be concentrated: the **1867 Settlement Historic District** and the **Chelsea Manor area**. These areas were selected based on their concentration of low- to moderate-income (LMI) households and the presence of historically underserved minority populations, in alignment with HUD guidelines.

According to HUD’s latest LMI Summary Data, the following **Census Block Groups** fall within or overlap this area:

- **7223.01** – 87.44% LMI
- **7222.04** – 92.31% LMI
- **7222.02** – 70.19% LMI
- **7222.03** – 81.18% LMI

Chelsea Manor contains a significant number of Texas City’s scattered-site public housing units and includes some of the most socioeconomically disadvantaged residents in the jurisdiction. This area also presents multiple challenges such as aging housing stock, infrastructure disinvestment, and a higher incidence of cost-burdened households.

Geographic Distribution

Target Area	Percentage of Funds
Greater Chelsea Manor	30
1867 Settlement District	30

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The decision to prioritize investments in the 1867 Settlement Historic District and the Chelsea Manor area is grounded in a combination of demographic need, historical inequity, and alignment with HUD’s goals of directing resources toward areas with the highest concentrations of low- to moderate-income

(LMI) households.

1. Concentration of LMI Populations

Both the 1867 Settlement and Chelsea Manor contain census block groups where the proportion of LMI households significantly exceeds HUD's 51% threshold, with some block groups reaching **over 90%**. These figures, derived from HUD's most recent LMI data, confirm that these neighborhoods are among the most economically disadvantaged in Texas City. As such, they qualify for targeted investment under CDBG and other federal programs.

2. Presence of Minority and Historically Underserved Communities

The 1867 Settlement District is a historically African American community with deep cultural roots and generational ties to Texas City. The area has experienced decades of underinvestment and exclusion from broader economic growth. Similarly, Chelsea Manor serves a racially and ethnically diverse population, many of whom rely on public or subsidized housing and face systemic barriers to opportunity.

3. Public Housing and Infrastructure Needs

Chelsea Manor includes the majority of the city's scattered-site public housing, many of which are aging and require upgrades. Both areas also face significant infrastructure needs, including stormwater management, sidewalk and street improvements, and utility system modernization. Concentrating resources in these neighborhoods allows for a more coordinated and impactful use of funds.

4. Equity and Compliance with HUD's Affirmatively Furthering Fair Housing (AFFH)

Focusing investments in these geographies supports Texas City's commitment to AFFH by addressing historic patterns of segregation and disinvestment. These investments aim to enhance housing choice, improve neighborhood conditions, and expand access to opportunity in areas that have been traditionally marginalized.

5. Community Input and Planning

These priorities reflect direct input from residents, community stakeholders, and service providers collected through public meetings, surveys, and engagement efforts during the consolidated planning process. Community members consistently identified these neighborhoods as being most in need of housing and infrastructure improvements.

Discussion

Texas City is prioritizing investment in two key geographic areas: the **1867 Settlement Historic District** and the **Chelsea Manor area**, based on data-driven need and historical context. These

neighborhoods have some of the highest concentrations of low- to moderate-income (LMI) households in the city, with HUD-reported LMI levels ranging from over 70% to more than 90% in several census block groups.

The 1867 Settlement is a culturally significant, historically African American community with deep roots but longstanding underinvestment. It remains a high-priority area due to its vulnerable infrastructure and the need to preserve both its housing and heritage. Similarly, the Chelsea Manor area includes most of the city's scattered-site public housing units and is home to diverse, predominantly low-income households facing housing quality and access challenges.

Investing in these areas reflects not only statistical need but also a commitment to equity and inclusion. This approach aligns with HUD's mandate to affirmatively further fair housing by addressing systemic disparities and improving living conditions in historically underserved communities.

Community feedback has strongly supported these priorities, reinforcing that targeted investments here will have the greatest impact in improving quality of life and access to opportunity for Texas City residents.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Texas City recognizes the critical importance of maintaining and expanding access to safe, decent, and affordable housing—particularly for low- and moderate-income (LMI) residents, seniors, persons with disabilities, and households at risk of homelessness. While the City does not administer a local HOME program, it leverages its Community Development Block Grant (CDBG) allocation to support affordable housing primarily through housing rehabilitation and repair for existing homeowners.

For Program Year 2025, the City will focus on preserving existing affordable housing units through minor home repairs and rehabilitation services targeting LMI homeowners. These investments will prevent displacement, address health and safety concerns, and allow aging residents and families to remain stably housed in their communities.

The affordable housing strategy for the year prioritizes maintaining the current housing stock rather than new unit production, given funding constraints and the absence of direct federal rental assistance or development subsidies. However, the City continues to support partnerships with regional housing organizations and participates in local coordination efforts to advocate for future affordable housing development opportunities.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	10
Special-Needs	0
Total	10

Table 58 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	10

Table 59 - One Year Goals for Affordable Housing by Support Type

Discussion

In Program Year 2025, the City of Texas City will continue its focus on preserving affordable housing by assisting low- and moderate-income (LMI) homeowners through housing rehabilitation and repair. The City anticipates serving approximately **10 non-homeless households** with critical repairs that address safety, code violations, and accessibility needs. This approach reflects both the high demand for home repair assistance and the City's limited annual CDBG entitlement, which is insufficient to fund large-scale new construction or rental subsidy programs.

Although no affordable housing units will be directly provided to homeless or special-needs populations through CDBG-funded housing activities in 2025, the City remains actively involved in local and regional homelessness response systems. Public service funds are being allocated to youth counseling services, and the City participates in the Mayor's Task Force on Homelessness and collaborates with the Galveston County Homeless Coalition to support coordinated entry and resource navigation for unhoused individuals and families.

Special-needs populations may benefit indirectly from infrastructure improvements, outreach, and partnerships with organizations that provide case management, employment support, and mental health services. However, those impacts are not captured in the AP-55 housing unit totals, which focus specifically on direct housing assistance.

The City will continue to explore partnerships and advocate for additional state or federal resources to expand its ability to address the affordable housing needs of a broader range of residents, including homeless and special-needs populations.

AP-60 Public Housing – 91.220(h)

Introduction

The Texas City Housing Authority currently does not operate a Public Housing Program. As a result, there are no public housing units or related activities under the Authority's management within the jurisdiction. The Housing Authority has transitioned its focus toward other affordable housing initiatives and rental assistance programs, such as the Housing Choice Voucher Program (Section 8), to meet the community's housing needs.

Because no public housing stock exists, this plan does not include public housing capital improvements, modernization, or management activities typically associated with a Public Housing Program. Instead, efforts are concentrated on supporting affordable housing development and community revitalization through alternative housing strategies and partnerships.

Actions planned during the next year to address the needs to public housing

As the Texas City Housing Authority no longer operates a Public Housing Program, there are no planned actions specifically targeting public housing units or public housing residents. However, the Authority remains committed to addressing affordable housing needs through alternative programs and strategies, including:

- Supporting the Housing Choice Voucher Program to provide rental assistance to low-income families.
- Partnering with local developers and organizations to encourage the development and preservation of affordable rental housing.
- Assisting households experiencing homelessness or housing instability through supportive services and coordination with community agencies.
- Facilitating programs that promote homeownership and housing stability for low- and moderate-income residents.

These efforts aim to fill the gap left by the absence of traditional public housing, ensuring that affordable, safe, and decent housing options remain accessible to Texas City residents in need.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Although Texas City Housing Authority currently does not operate a Public Housing Program and therefore has no public housing residents, the Authority is committed to fostering resident engagement and promoting pathways to homeownership for low- and moderate-income households through other programs. Planned actions include:

- Encouraging participation in the Housing Choice Voucher Program's resident advisory councils

and workshops to increase tenant involvement in program decisions and community building.

- Partnering with local nonprofit agencies and financial institutions to provide homebuyer education, counseling, and down payment assistance for voucher holders and other eligible residents.
- Supporting initiatives that build residents' capacity for homeownership through financial literacy classes and credit counseling.
- Facilitating community meetings and outreach to gather resident input on housing policies and programs, ensuring voices of all residents are heard and considered.

These efforts aim to empower residents beyond public housing to achieve greater housing stability and economic independence through active involvement and homeownership opportunities.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The TCHA is not designated as troubled.

Discussion

The Texas City Housing Authority's transition away from traditional public housing reflects broader shifts in affordable housing policy and program delivery. Without a public housing stock, the focus has shifted to leveraging other housing assistance programs such as the Housing Choice Voucher Program and community partnerships to meet the needs of low-income residents.

This shift presents both challenges and opportunities. On one hand, the absence of public housing units limits direct engagement with residents in that specific housing context. On the other hand, it encourages more flexible, individualized approaches to housing assistance that can better accommodate diverse household needs.

Encouraging resident involvement and promoting homeownership remain important goals. Although there are no public housing residents to engage directly, efforts continue to foster tenant participation through voucher program activities and to expand access to homeownership through education and financial support programs. These initiatives are essential to building stronger, more self-sufficient communities and increasing housing stability.

Moving forward, the Authority will continue to explore innovative strategies and collaborations that enhance resident empowerment and expand affordable housing opportunities in Texas City.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Texas City actively collaborates with a network of community organizations to address the needs of homeless individuals and persons with special needs. Key partnerships include service providers such as the Salvation Army, Our Daily Bread, UTMB's Street Medicine Team, St. Vincent's House, local Independent School Districts, the Resource and Crisis Center for Domestic Violence in Galveston County, and Samaritan Women at the Well, which operates domestic violence shelters.

The City is also an engaged participant in regional homeless response initiatives, including the Gulf Coast Homeless Coalition and Galveston County's Coordinated Entry Planning Entity. Through these collaborations, Texas City coordinates resources and strategies aimed at preventing homelessness, providing emergency shelter, and supporting transitional and permanent housing solutions.

Efforts focus on enhancing outreach, improving access to health and social services, and addressing the unique challenges faced by vulnerable populations such as victims of domestic violence, individuals experiencing chronic homelessness, and families with children. The City continues to support and expand these partnerships to strengthen the safety net for residents experiencing housing instability and to promote pathways to self-sufficiency.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Texas City collaborates closely with multiple agencies and community partners to conduct comprehensive outreach to homeless individuals, particularly those who are unsheltered. Central to these efforts is the Mayor's Task Force on Homelessness, which organizes the annual Navigation Day event. This event connects homeless individuals with service providers and serves as a key outreach and engagement initiative.

The Mayor's Task Force also works in coordination with community partners, including the Gulf Coast Center's PATH (Projects for Assistance in Transition from Homelessness) Program. PATH staff—including case managers, team leads, and program managers—conduct direct outreach in partnership with the Texas City Police Department and other agencies. Outreach locations include local libraries, day centers,

churches, and unsheltered sites to assess individual needs comprehensively.

The Galveston County Food Bank supports these efforts by partnering with local organizations like Chosen Ones and other outreach groups to provide dispersed assistance throughout the city. These agencies regularly inform local coordinating bodies about new outreach locations and areas experiencing increased housing instability.

Through participation in the Coordinated Entry Planning Entity, local shelters provide real-time updates on emergency shelter bed availability. Case conferences involving service providers, the Task Force, and individuals with lived experience examine each client's needs-resource ratio to optimize support and identify any gaps in services. When gaps are found, the homeless coalition partners collaborate to seek all eligible resources within Galveston County for individuals and families.

The City, through the Mayor's Task Force, ensures a coordinated and comprehensive outreach approach to ending homelessness, emphasizing collaboration, data-sharing, and community engagement.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Texas City is committed to ensuring that homeless individuals and families have timely access to emergency shelter and transitional housing that supports their movement toward stable, permanent housing. Over the next year, the City will work closely with local shelters, service providers, and regional coalitions to meet these critical housing needs through the following actions:

- Collaborate with emergency shelters such as St. Vincent's House, the Salvation Army, and domestic violence shelters including the Resource and Crisis Center for Domestic Violence and Samaritan Women at the Well to maintain and expand shelter capacity, particularly during periods of increased demand or inclement weather.
- Participate actively in the Coordinated Entry Planning Entity to facilitate efficient use of shelter beds through real-time data sharing on bed availability and coordinated referrals, reducing barriers to access for individuals and families in crisis.
- Support transitional housing programs that provide temporary, supportive environments for homeless persons as they work toward permanent housing solutions, including programs that offer case management, life skills training, and connections to employment and health services.
- Engage in outreach and assessment efforts to identify unsheltered homeless persons and connect them promptly to emergency shelter or transitional housing options that fit their specific needs.
- Seek funding opportunities and partnerships to enhance the quality, capacity, and diversity of shelter and transitional housing options available within the community.
- Work through the Mayor's Task Force on Homelessness to coordinate resources and advocate

for the expansion of shelter and transitional housing services to better meet local demand.

By focusing on these goals, Texas City aims to reduce the length of time individuals and families spend without housing and to provide pathways that support sustained housing stability.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Texas City prioritizes assisting homeless individuals and families—especially those who are chronically homeless, families with children, veterans and their families, and unaccompanied youth—in their transition to permanent housing and independent living. Central to this effort is the utilization of Coordinated Entry (CE), a vital component of the community’s housing crisis response system.

Coordinated Entry ensures that individuals and families at risk of or experiencing homelessness have streamlined access to housing assistance, regardless of where they first seek help. The system standardizes access, assessment, prioritization, and referrals across all community providers to quickly connect households with interventions that best meet their needs based on vulnerability and severity.

Within Texas City, CE assessors from the Gulf Coast Center and Endeavors conduct assessments for literally homeless individuals and families. Following assessment, households are informed of the resources available and matched to appropriate emergency shelter, transitional housing, or permanent housing options. This coordinated approach minimizes the time persons spend homeless and improves the efficiency and effectiveness of housing placement.

In Fiscal Year 2024, Galveston County agencies were awarded over \$2.3 million through the Continuum of Care Notice of Funding Opportunity to support rapid resolution of homelessness. This funding addresses critical gaps in the local system and enhances programs aimed at shortening homelessness duration, facilitating access to affordable housing, and preventing recidivism into homelessness.

Through continued collaboration and the strategic use of CE, the City of Texas City seeks to improve housing stability, reduce homelessness duration, and support individuals and families in achieving long-term housing independence.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving

assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The City of Texas City, through the Mayor’s Task Force on Homelessness and the Community Development Department, is dedicated to preventing homelessness among low-income individuals and families, particularly those who are extremely low-income or face increased risk due to discharge from publicly funded institutions and systems of care. These institutions include health care facilities, mental health treatment centers, foster care and other youth facilities, as well as corrections programs and institutions.

To address this, the City strengthens partnerships with public and private agencies that provide housing, health, social services, employment, education, and youth support to ensure a coordinated and comprehensive approach. Key actions planned for the coming year include:

- Collaborating with hospitals, mental health facilities, foster care agencies, and correctional institutions to improve discharge planning and ensure individuals leaving these systems have access to stable housing and supportive services.
- Enhancing coordination among service providers to connect at-risk households with rental assistance, utility support, case management, and employment resources that mitigate housing instability.
- Supporting community-based prevention programs that identify individuals and families at imminent risk of homelessness and provide rapid interventions to maintain housing.
- Leveraging data sharing and referral systems within Coordinated Entry to proactively identify households vulnerable to homelessness and connect them to tailored prevention services.
- Working with local schools, workforce development agencies, and social service organizations to address the multifaceted needs of families and individuals before housing loss occurs.

By leading these efforts, the Mayor’s Task Force on Homelessness and the Community Development Department aim to reduce new incidences of homelessness and foster long-term housing stability for Texas City’s most vulnerable residents.

Discussion

Preventing homelessness requires a proactive, coordinated approach that addresses the complex factors contributing to housing instability. In Texas City, the Mayor’s Task Force on Homelessness and the Community Development Department play pivotal roles in leading these prevention efforts, working collaboratively with healthcare providers, social service agencies, correctional institutions, and community organizations.

By focusing on populations at heightened risk—such as individuals being discharged from hospitals,

mental health facilities, foster care, and correctional systems—the City seeks to close critical gaps where people might otherwise fall into homelessness. Effective discharge planning and seamless coordination across agencies are essential to ensure that these vulnerable individuals transition into stable housing with the support services they need to maintain it.

Additionally, the integration of prevention efforts within the Coordinated Entry system enhances the City’s ability to identify and assist households before they lose housing. Through data sharing, case conferencing, and targeted outreach, resources can be deployed efficiently to those who need them most, reducing new entries into homelessness and shortening the duration of housing crises.

These comprehensive prevention strategies reflect Texas City’s commitment to building resilient communities where all residents have access to safe, stable, and affordable housing. Ongoing collaboration, resource development, and community engagement will be vital to sustaining progress in reducing homelessness and supporting long-term housing stability.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City of Texas City recognizes that barriers to affordable housing persist and pose significant challenges to ensuring all residents have access to safe, decent, and affordable homes. These barriers include a combination of economic factors, such as rising housing costs and stagnant wages, as well as structural and regulatory challenges like zoning restrictions, limited land availability, and infrastructure constraints.

Additional obstacles include the shortage of affordable rental units, difficulties in securing financing for both developers and prospective homeowners, and a lack of supportive services for special populations, including seniors, persons with disabilities, and low-income families. Furthermore, systemic issues such as discrimination and lack of awareness about housing programs also hinder equitable access to affordable housing.

This Action Plan seeks to identify and address these barriers through targeted strategies that promote housing development, preservation, and accessibility. By engaging community stakeholders, streamlining regulations, and leveraging public and private resources, Texas City aims to remove impediments and foster a housing environment that supports economic diversity and community stability.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City of Texas City's 2024 Analysis of Impediments to Fair Housing identified several key barriers impacting affordable housing access, including:

- **Discrimination in Housing** based on race, disability, and familial status, limiting fair access to housing opportunities.
- **Limited Awareness of Fair Housing Rights** among residents and housing providers, which contributes to inequities.
- **Insufficient Temporary and Transitional Housing** options for individuals and families in crisis or transition.
- **Financial Constraints** that limit both access to affordable housing and funding for housing services.
- **Lack of Affordable Housing Units and Diverse Housing Options** to meet the needs of different

household types.

- **Inadequate Resources and Services** to support fair housing enforcement and affordable housing development.
- **Neglect of Historic Communities**, leading to deterioration and reduced housing quality in certain neighborhoods.

To address these barriers, the City plans to implement the following actions over the next year:

- **Review and Update Zoning Ordinances:** Examine existing zoning regulations to identify and revise provisions that restrict affordable housing development, including increasing density allowances and permitting mixed-use developments.
- **Streamline Development Processes:** Simplify permitting and approval procedures to reduce delays and costs for affordable housing projects, including fast-track options for qualifying developments.
- **Assess and Adjust Fees and Charges:** Evaluate development fees and impact charges to prevent disproportionate financial burdens on affordable housing projects, offering fee reductions or waivers where appropriate.
- **Promote Flexible Land Use Policies:** Encourage adaptive reuse of underutilized properties and flexible land use that supports affordable housing development.
- **Collaborate with Tax Authorities:** Work with county and state officials to explore tax incentives or abatements that encourage investment in affordable housing.
- **Balance Building Code Requirements:** Ensure building codes maintain safety and quality without imposing unnecessary costs that hinder affordable housing construction.
- **Foster Public-Private Partnerships:** Support collaboration among the City, developers, nonprofits, and financial institutions to leverage resources and overcome policy-related barriers.

These targeted actions aim to create a more supportive and equitable policy environment, facilitating the development and preservation of affordable housing and expanding housing opportunities for all Texas City residents.

Discussion:

The 2024 Analysis of Impediments to Fair Housing clearly highlights persistent barriers that limit access to affordable housing within Texas City. These barriers range from discriminatory practices and lack of fair housing awareness to structural issues embedded in land use policies, zoning ordinances, and development processes. Addressing these challenges requires a multifaceted strategy that balances regulatory oversight with flexibility to encourage the creation and preservation of affordable housing.

Texas City recognizes that zoning and land use controls, while necessary for orderly development, can inadvertently restrict affordable housing opportunities if they impose overly restrictive density limits, minimum lot sizes, or prohibit certain housing types. Likewise, development fees and building codes, if

not carefully calibrated, can increase costs and deter investment in affordable housing projects.

The City's commitment to reviewing and revising these policies, streamlining permitting processes, and exploring incentives reflects a proactive stance toward removing unnecessary hurdles. Furthermore, collaboration with tax authorities and fostering public-private partnerships will help maximize resources and expertise to better serve residents' housing needs.

Equally important is addressing social barriers such as housing discrimination and limited community awareness of fair housing rights. Texas City plans to enhance education and enforcement efforts to promote equitable access.

Through these comprehensive efforts, Texas City aims to create a housing environment that supports diversity, affordability, and long-term community stability. Continued evaluation and stakeholder engagement will be critical to sustaining progress and ensuring that housing barriers are effectively reduced over time.

AP-85 Other Actions – 91.220(k)

Introduction:

The City of Texas City recognizes that addressing housing and community development needs requires more than providing affordable housing alone. In addition to its core programs, the City implements a range of complementary actions to overcome barriers to underserved needs, enhance coordination among service providers, improve institutional capacity, and support the most vulnerable populations.

Through the Community Development Department and in collaboration with local agencies, nonprofits, and regional partners, the City focuses on strengthening the delivery of services, expanding economic opportunities, and promoting long-term housing stability. These efforts are guided by local data, stakeholder input, and the priorities identified in the Consolidated Plan and Annual Action Plan.

The following section outlines the City's strategies to address obstacles to underserved needs, reduce poverty, improve affordable housing access, enhance coordination, and support public housing and institutional structures.

Actions planned to address obstacles to meeting underserved needs

The City of Texas City recognizes that underserved populations—including low-income households, individuals experiencing homelessness, persons with disabilities, seniors, and at-risk youth—face multiple barriers to accessing stable housing and essential services. To help address these challenges, the City will implement the following actions:

- **Strengthen Partnerships with Community Organizations:** The City will continue to collaborate with local nonprofits, faith-based groups, and regional coalitions to coordinate services and improve access for underserved residents. These partnerships help ensure that services such as housing support, health care navigation, and emergency shelter remain available to those most in need.
- **Enhance Community Engagement and Outreach:** The City will focus on improving communication with underserved populations, especially those who may not be aware of available programs. Outreach strategies will include targeted engagement through public events, social media, printed materials, and direct contact with trusted local partners.
- **Utilize Coordinated Entry and Local Data to Guide Response:** Through participation in the Coordinated Entry system and other regional planning efforts, the City will identify service gaps, prioritize needs, and support a coordinated community response to housing instability and homelessness.
- **Provide Technical Assistance to Local Partners:** While the City does not currently allocate CDBG funds directly to services like food, transportation, or job readiness, it supports the efforts of community-based organizations working in these areas by offering guidance, planning support, and access to relevant data and training opportunities.
- **Explore Future Funding and Resource Alignment:** The City will continue to assess community

needs and evaluate opportunities to align future resources—whether through CDBG or other local, state, or federal funding streams—with areas of highest unmet need.

By focusing on outreach, coordination, and capacity-building, Texas City aims to address the root causes of service gaps and expand equitable access to housing and supportive services across all populations.

Actions planned to foster and maintain affordable housing

The City of Texas City is committed to fostering the development of new affordable housing and preserving existing units to ensure long-term housing stability for low- and moderate-income households. The following actions will be undertaken in the next program year to support that goal:

- **Support Affordable Housing Development and Rehabilitation:** The City will encourage the development of new affordable housing units through partnerships with non-profit and private developers. Rehabilitation of existing housing stock, particularly in older neighborhoods, will be supported to prevent deterioration and displacement of current residents.
- **Promote Use of Housing Choice Vouchers:** The City will continue to collaborate with the Texas City Housing Authority to expand access to affordable rental units through the Housing Choice Voucher Program. This includes outreach to landlords to encourage participation and increase the supply of voucher-accepting units.
- **Leverage Public Land and Local Incentives:** The City will explore opportunities to use publicly owned land or properties for affordable housing development and evaluate potential local incentives (e.g., fee reductions, density bonuses) to encourage private-sector participation.
- **Support Housing Preservation in Historic Areas:** In alignment with the needs identified in the 2024 Analysis of Impediments to Fair Housing, the City will support efforts to preserve housing in historically underserved communities, including the 1867 Settlement Historic District and Greater Chelsea Manor Area.
- **Coordinate with Regional Housing Partners:** Texas City will remain actively involved in regional planning efforts, including those led by the Gulf Coast Homeless Coalition and Galveston County Coordinated Entry system, to align local affordable housing strategies with broader efforts to reduce housing instability.
- **Monitor and Evaluate Affordability Trends:** The City will monitor local housing market data to assess trends in affordability and availability and use that information to guide policy and funding decisions.

By implementing these strategies, the City aims to expand and sustain a range of affordable housing options for individuals and families at various income levels, while preserving neighborhood character

and preventing displacement.

Actions planned to reduce lead-based paint hazards

The City of Texas City recognizes the serious health risks associated with lead-based paint, particularly for children and pregnant women. In compliance with federal regulations and public health standards, the City will implement the following actions during the upcoming program year to reduce and eliminate lead-based paint hazards in housing:

- **Enforce Lead-Safe Housing Rules:** The City will continue to comply with HUD's Lead Safe Housing Rule (24 CFR Part 35) in all CDBG-assisted rehabilitation activities. This includes lead hazard evaluation, risk assessments, safe work practices, clearance testing, and required disclosures to tenants and homeowners.
- **Prioritize Rehabilitation of Pre-1978 Housing Units:** Because lead-based paint is most commonly found in homes built before 1978, the City will target rehabilitation efforts in these units, especially those occupied by low-income families with young children.
- **Support Lead Testing and Abatement:** For eligible properties undergoing repair or rehabilitation, the City will coordinate lead-based paint inspections and clearance testing by certified professionals. When hazards are identified, the City will ensure abatement or interim controls are carried out in accordance with EPA and HUD standards.
- **Educate Residents and Contractors:** The City will continue to provide information to residents about the dangers of lead exposure and distribute EPA-approved materials on lead-safe practices. Contractors involved in federally funded projects will be required to have current lead-safe work practice certifications.
- **Collaborate with Public Health Agencies:** The City will maintain communication with Galveston County Health District and other local health entities to track cases of lead poisoning and identify areas with elevated risk. This information helps prioritize interventions in high-risk housing.
- **Monitor Compliance and Maintain Records:** The City's Community Development Department will document all lead-based paint compliance activities in federally funded projects and conduct internal reviews to ensure proper procedures are followed.

Through these combined actions, Texas City aims to protect the health of its residents and reduce the presence and impact of lead hazards in its housing stock.

Actions planned to reduce the number of poverty-level families

Reducing poverty aligns closely with increasing residents' access to sustainable incomes, economic

opportunity, and comprehensive supportive services. Texas City advances this goal through a multifaceted approach involving workforce, housing, and economic development initiatives:

- **Support Workforce Development & Certification:**
Partner with local colleges, Workforce Solutions, and community providers to offer job readiness, vocational training, and employment placement—helping families secure living-wage employment.
- **Empower Through Financial Education & Entrepreneurship:**
Collaborate with nonprofit partners to deliver financial literacy, credit-building services, and business-startup assistance—all vital tools for economic growth.
- **Engage the Phoenix Business Accelerator:**
The Texas City Economic Development Corporation (TCEDC) supports entrepreneurship through the **Phoenix Business Accelerator**, a hub that offers low-cost office space, digital platforms, in-person coaching, and access to educational tracks for startups and small businesses in their first 1–3 years. By providing mentors, workspaces, mixer events, and skill-building programs, Phoenix cultivates new business growth and job creation in the local economy .
- **Support Small Business via Incentives:**
The TCEDC administers local incentives—including Chapter 380/381 economic grants, Chapter 312 tax abatements, Foreign-Trade Zone opportunities, and support for awnings, signage, and Chamber dues—to help small businesses and startups offset costs and expand operations.
- **Enhance Access to Supportive Services:**
Coordinate with local nonprofits to help families access childcare, healthcare, and transportation—reducing barriers to employment and economic mobility.
- **Preserve & Expand Affordable Housing:**
Continue to develop and maintain affordable units, allowing families to stabilize and retain income for long-term financial health.
- **Build Strong Public-Private Partnerships:**
Leverage relationships between the City, TCEDC, nonprofits, and private funders to drive inclusive economic development and ensure families benefit directly from local growth.

These efforts, anchored by business incubation and local incentive programs, aim to empower families with tools and opportunities to lift themselves out of poverty sustainably.

Actions planned to develop institutional structure

The City of Texas City recognizes that an effective institutional structure is critical for the successful delivery of housing, community development, and public service programs. Strengthening the capacity of internal departments, external partners, and coordination systems is essential to improving service delivery, reducing duplication, and addressing community needs comprehensively.

Over the next program year, the City will take the following actions to enhance its institutional

framework:

- **Strengthen Coordination Across Departments and Agencies:**
The City’s Community Development Department will continue to serve as the hub for coordination between internal municipal departments and external stakeholders, including housing providers, social service agencies, and regional coalitions.
- **Support the Mayor’s Task Force on Homelessness:**
Through continued investment in the Mayor’s Task Force on Homelessness, the City will promote inter-agency collaboration, data sharing, and service alignment to more effectively respond to homelessness and housing instability in Texas City.
- **Enhance Capacity of Nonprofit and Community-Based Organizations:**
The City will provide technical assistance, training, and support to nonprofit partners to improve their capacity to manage grants, report outcomes, and implement federally funded programs, particularly those addressing housing, fair housing education, and supportive services.
- **Leverage Regional Partnerships:**
Texas City will continue participating in regional entities such as the Gulf Coast Homeless Coalition and the Galveston County Coordinated Entry Planning Entity to promote cross-jurisdictional coordination and resource alignment.
- **Improve Internal Systems for Program Management:**
The Community Development Department will assess internal systems and procedures to improve efficiency in program delivery, including compliance monitoring, procurement processes, and documentation protocols for HUD-funded activities.
- **Promote Equity and Transparency in Program Delivery:**
The City will incorporate equity principles into program planning and evaluation, ensuring that programs are accessible and responsive to historically underserved populations.

Through these efforts, the City aims to maintain a responsive, accountable, and well-coordinated institutional structure that supports the long-term success of its community development objectives.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Texas City understands that strong coordination between public institutions, private housing developers, and social service agencies is essential to delivering effective, comprehensive support to low- and moderate-income residents. To that end, the City will take the following steps to strengthen partnerships, align resources, and improve communication among key stakeholders:

- **Convene Regular Stakeholder Meetings:**
The City, through its Community Development Department and the Mayor’s Task Force on Homelessness, will facilitate regular meetings with affordable housing providers, supportive service agencies, nonprofit partners, and regional coalitions to share information, align services,

and address gaps in care.

- **Collaborate Through Coordinated Entry Systems:**

Continued participation in the Galveston County Coordinated Entry Planning Entity ensures real-time coordination among shelters, mental health providers, domestic violence agencies, and other partners to prioritize and match clients to housing and supportive services based on need.

- **Partner with the Texas City Housing Authority (TCHA):**

While the TCHA no longer operates a public housing program, the City will continue to coordinate with the agency on voucher programs and rental assistance strategies, particularly to increase landlord participation and maintain stable housing options.

- **Strengthen Public-Private Housing Partnerships:**

The City will engage with for-profit and nonprofit housing developers to support affordable housing projects, including through zoning support, infrastructure coordination, and access to funding opportunities such as CDBG or state-level housing credits.

- **Coordinate with Health and Behavioral Health Providers:**

The City will maintain strong relationships with providers like Gulf Coast Center, UTMB's Street Medicine Team, and St. Vincent's House to connect residents with mental health, addiction recovery, and medical care services that support housing stability.

- **Align Economic Development and Social Services:**

Through collaboration with the Texas City Economic Development Corporation and initiatives like the Phoenix Business Accelerator, the City will bridge the gap between workforce development, housing, and supportive services to promote long-term economic mobility.

- **Improve Communication and Resource Sharing:**

The City will continue to use shared referral platforms, public meetings, community events, and outreach materials to improve public awareness and ensure residents can navigate available housing and service resources more effectively.

By fostering a collaborative network of housing and service agencies, Texas City aims to deliver more integrated, efficient, and client-centered responses to the community's most pressing needs.

Discussion:

The City of Texas City recognizes that addressing complex housing and community development needs requires a coordinated, well-functioning institutional structure supported by engaged partners across public entities and the nonprofit sector. Through the leadership of the Community Development Department and the Mayor's Task Force on Homelessness, the City continues to enhance collaboration with local service providers, housing agencies, and regional coalitions to streamline efforts and expand impact.

Strengthening institutional capacity includes technical assistance for nonprofit partners, improved internal systems for managing federal funds, and data-driven approaches to identify gaps and deploy resources efficiently. The Texas City Economic Development Corporation (TCEDC), as a city-affiliated

entity, plays a critical role in economic growth initiatives such as the Phoenix Business Accelerator. This program exemplifies the City's commitment to fostering entrepreneurship, job creation, and sustainable economic opportunities for residents.

Coordination through platforms like the Galveston County Coordinated Entry system and ongoing partnerships with organizations such as Gulf Coast Center, St. Vincent's House, and local housing developers ensures that residents in need are connected to timely support. By aligning housing, economic development, and social service initiatives, Texas City is better equipped to serve vulnerable populations and advance equity across the community.

These institutional enhancements reflect the City's broader commitment to building a responsive, inclusive, and forward-thinking network that can meet both current and future community needs.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Texas City does not anticipate receiving any program income during this program year. There are no urgent need activities planned for funding. The City will ensure that at least 80% of the CDBG funds benefit low- and moderate-income persons, in accordance with HUD requirements.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
<small><TYPE=[text] REPORT_GUID=[A698417B4C924AE0218B42865313DACF] DELETE_TABLE_IF_EMPTY=[YES]></small>	
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%

1. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)). <TYPE=[text] REPORT_GUID=[A0BBB986408D8C25582AC4BE59FA99C5]>

Texas City continues to prioritize the use of CDBG funds to benefit low- and moderate-income residents, focusing on activities that promote stable and sustainable community development. The lack of anticipated program income reflects the City's current program structure and funding sources. No urgent need activities are planned, as the City's ongoing projects and priorities address long-term community needs. The City remains committed to meeting the 80% low- and moderate-income benefit threshold to maximize the positive impact on vulnerable populations.

Appendix - Alternate/Local Data Sources

1	Data Source Name HUD Point in Time Report
	List the name of the organization or individual who originated the data set. Texas Balance of State
	Provide a brief summary of the data set.
	What was the purpose for developing this data set?
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? Texas Balance of State 2025 PIT Count on 06/04/2025 generated report from the regional Command Center for
	What is the status of the data set (complete, in progress, or planned)? Complete

RESOLUTION NO. 2025-080

A RESOLUTION ADOPTING THE CITY OF TEXAS CITY'S 2025-2029 CONSOLIDATED PLAN AND FY' 2025 CDBG ANNUAL ACTION PLAN AND APPROVING THE COMMUNITY DEVELOPMENT DEPARTMENT'S SUBMISSION OF THE CITY OF TEXAS CITY'S FY' 25 CDBG ACTION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD); AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Texas City Community Development Department (CDD) is the administrative agency for the U.S. Department of Housing and Urban Development (HUD)'s Community Development Block Grant (CDBG) Program. This program is intended to support the goals of providing a suitable living environment, decent affordable housing, and expanding economic opportunities for low- to moderate-income persons; and

WHEREAS, each year the City of Texas City must submit an annual Action Plan to HUD at least 45 days before the start of the new program year, reporting on how that year's funding allocation for the CDBG Entitlement grant will be able to achieve the goals outlined in the Five-Year Consolidated Plan. Community Development staff gathered input from citizens and conducted consultations to prepare the FY'25 CDBG Action Plan. There were two public hearings to receive citizen input on the community's needs, including funding allocations. The draft Action Plan was available for 30 days for public comment from June 4, 2025, to July 20, 2025; and

WHEREAS, the objectives and outcomes of the FY'25 Annual Action Plan are to make as much progress as possible toward creating suitable living environments for the residents of the LMI neighborhoods. We want to ensure that any hazards that may affect Texas City residents are mitigated as much as possible. That includes improving the condition of their homes, assisting the unsheltered, and working with them to have suitable living environments. And improving the external environments of the neighborhoods so that they are not only inviting to the residents but also attract economic development.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby adopts and approves the submission of the Community Development Department's 2025-2029 Consolidated Plan and FY' 25 CDBG Annual Action Plan to the U.S. Department of Housing and Urban Development.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of August 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (f)

Meeting Date: 08/06/2025

Commissioners' Community Grant :Texas City Foursquare Church

Submitted For: Patricia Mata, Community Development/ Grant Admin

Submitted By: Patricia Mata, Community Development/ Grant Admin

Department: Community Development/ Grant Admin

Information

ACTION REQUEST

Consider and approve the award of the Texas City Commission Community Grant to the Texas City Foursquare Church. The request is sponsored by Commissioner Knoxson for \$1,500.00 to assist veterans in the community with groceries.

BACKGROUND (Brief Summary)

The Texas City Foursquare Church partners with various veteran support organizations and the Galveston County Food Bank to help ensure veterans have access to nutritious, quality food. The church operates under the International Church of the Foursquare Gospel, a recognized 501(c)(3) nonprofit religious organization.

RECOMMENDATION

It is the recommendation of the Community Development and Grant Administration Department to award the Commission Community Grant to Texas City Foursquare Church.

Fiscal Impact

Attachments

Commission Community Grant TC4S
Resolution



COMMISSION COMMUNITY GRANT GUIDELINES

- 1.) Each member of the Commission can sponsor up to \$5,000 (MAXIMUM) in CITY COMMISSION COMMUNITY GRANT FUNDS in a fiscal year (October 1st to September 30th), provided the budget is approved with those grant funds available. Unawarded funds do not “roll over” to the next fiscal year.
- 2.) Grant requests must be submitted to the Director of Community Development and Grants Administration (GA) or the Mayor’s Office, from the member of the Commission who represents the district most impacted by the grant, or the district where the requesting organization is based. GA will ensure all required documents are included in the Commission member’s request and that the funds are available. GA will then submit it to the Mayor for approval. If approved, GA will then advance the request to the City Commission for final approval.
- 3.) The organization requesting funds from the Commission must do so with a letter or an email. (This should be included in the sponsoring Commission member’s request.)
- 4.) The organization requesting funds should be a local nonprofit, 501c3 / tax exempt organization whose services will directly benefit citizens of Texas City, Texas.
- 5.) An organization may only receive funds from this funding mechanism once in a three-year period. This ensures fair opportunity and equitable distribution of funds to others who may need assistance and make requests.
- 6.) A majority vote of the City Commission is required for final approval.
- 7.) Twelve months after the award the grantee is responsible for submitting a close-out report to Grants Administration. The form may be downloaded from the City’s website at www.texascitytx.gov.
- 8.) Commission members should be conservative with the allocation of such funds as they will be requested often by all those aware of the program. We can’t solve every financial crisis, but the PURPOSE of these Commission Community Grants is to help those organizations who help our citizens by enhancing the quality of life here in Texas City.

Required Documents:

- A.) A letter requesting funds that also outlines what the funds will be used for.
- B.) A completed Commission Grant Fund Application (from the sponsoring Commission member).
- C.) Valid Documentation of Tax Exempt / Non-Profit Status.

*(*This document may be updated periodically to ensure proper administration guidelines are in place, as this is a new fund. See date below.)*



Texas City Commission Community Grant Fund Application

**This grant application is to be completed and submitted to the Mayor by a member of the Texas City Commission.*

DeAndre' Knoxson 1
Name of Sponsoring Commission Member District

Texas City Foursquare Church
Name of Benefitting Organization

95-1684062
Tax Exempt / 501c3 Nonprofit Status Number

Amount Requested: \$1,500 Date: 7/15/25

Statement of Purpose and benefit to the Citizens of Texas City: _____

The Texas City Foursquare Church, in partnership with a veteran
support organization and the Galveston County Food Bank, is
dedicated to tackling the issue of food scarcity in the community.
Their efforts ensure that those who have courageously served our country
receive the quality food they deserve.

Other Sources of Funding This Organization is Currently Receiving: Community Donations

**Please note that the submission of this application does not guarantee an allocation of funds. The awarding of this grant is contingent upon several factors, including, but not limited to those it being a qualifying organization, funds availability, purpose of funds requested, and final commission approval.*

Dedrick Johnson
Dedrick Johnson (Jul 25, 2025 08:22:52 CDT)

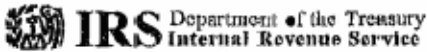
07/25/2025

Dear Commissioner Knoxson,

The Four Square Church in cooperation with two veteran support organizations, Southeast Resource Veteran's Effort and Combined Arms, along with the Galveston County Food Bank, work together to provide groceries to those in the veteran's community. The latest information tells us that 23.9 percent of veterans are dealing with food insecurity. In the years 2022 and 2023 we provided groceries to over 7,000 individuals.

We appreciate your interest and consideration in providing funding to our efforts to support the veterans who are struggling to have sufficient food on their tables. Any funds provided will be 100% allocated to meet the needs of veterans.

Pastor Tim Franklin
9300 E.F. Lowry Expressway #222
Texas City, TX 77591



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0752255943
Jan. 12, 2023 LTR 4167C 0
95-1684062 000000 00

00044283
BODC: TE

INTERNATIONAL CHURCH OF THE
FOURSQUARE GOSPEL
PO BOX 26902
LOS ANGELES CA 90026

Employer identification number: 95-1684062
Group exemption number: 1061

Dear Taxpayer:

This is in response to your request dated Jan. 03, 2023, for information about your tax-exempt status.

We issued a determination letter to you on Oct 1949, and you're currently exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also recognize the subordinates on the list you submitted as Exempt from federal income tax under IRC Section 501(c)(03).

For federal income tax purposes, donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106 and 2522.

Because IRC Section 170(c) describes your subordinate organizations, donors can deduct contributions they make to them.

For information about filing requirements visit www.irs.gov/charities. Specifically, IRC Section 6033(j) provides that if you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

In addition, each subordinate organization is subject to automatic revocation if it doesn't file a required return or notice for three consecutive years. Subordinate organizations can file required returns or notices individually or as part of a group return.

If you have questions, you can call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

034996

0752255943
Jan. 12, 2023 LTR 4167C 0
95-1684062 000000 00
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INTERNATIONAL CHURCH OF THE
FOURSQUARE GOSPEL
PO BOX 26902
LOS ANGELES CA 90026

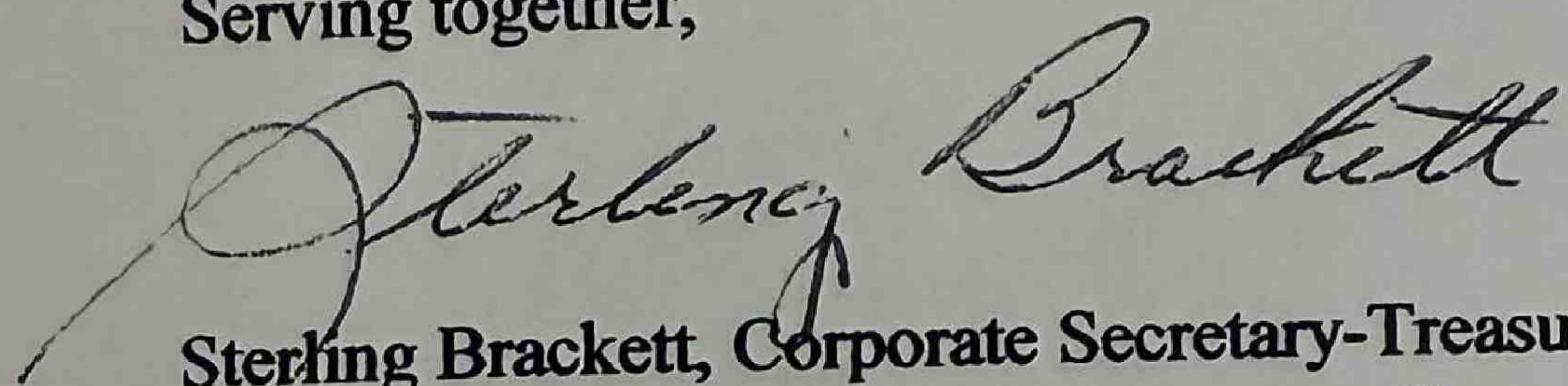
Sincerely yours,

Sheralyn C. Hanks

Sheralyn C. Hanks
Ops. Manager, AM Ops. 3005

Please retain this letter in your permanent files as record of the official registration of Texas City Foursquare Church with the International Church of the Foursquare Gospel. Again, *welcome to the Foursquare Family*. If our staff can help you in any way, please feel free to contact us.

Serving together,

A handwritten signature in black ink that reads "Sterling Brackett". The signature is written in a cursive style with a large, prominent initial "S".

Sterling Brackett, Corporate Secretary-Treasurer
International Church of the Foursquare Gospel

SB/att

c: Rev. Herbert E. Schneidau, Jr.

March 17, 2005

Dr. Sterling Brackett
Vice President
Corporate Secretary-Treasurer

Pastor Timothy A. Franklin
Texas City Foursquare Church
3452 Palmer Hwy PMB #410
Texas City, TX 77590

Dear Pastor Franklin:

On behalf of Dr. Jack W. Hayford, president of the International Church of the Foursquare Gospel (ICFG), and on behalf of the board or directors, I want to welcome you to the Foursquare Family. It is a pleasure to partner with you as you pursue fulfilling the call of God on your life. At a meeting held on March 3, 2005, the board of directors recognized the establishment of your church as a Foursquare Gospel Church, in accordance with Article III, Section 3.3 of the Amended and Restated Bylaws of International Church of the Foursquare Gospel.

Your church registration information follows:

LEGAL NAME: Texas City Foursquare Church
CHURCH CODE: 32633
EIN: Confirmation Letter sent from IRS directly to the church

We have registered the church with the IRS under the Group Exemption Number 1061 as a subordinate unit of the International Church of the Foursquare Gospel, a religious corporation, organized to satisfy those requirements of Section 501 (c) 3 of the Internal Revenue Code relative to non-profit corporations established for religious purposes. We have assigned an internal ICFG church code identifying number. We have applied to the IRS, for your federal employer identification number (EIN), to be used in banking and filing employment tax reports. When it arrives, please notify your regional administrative center.

Please use your legal name and EIN on all correspondences when interacting with the IRS, banks or any public service facilities and in establishing business relationships with other entities. Please use your legal name and church code on all reports and correspondences with the headquarters offices.

At our March 3, 2005 meeting, the board of directors also confirmed that you have been authorized to use "The Crossing", along with Foursquare Gospel Church as a way to identify the church in your community. Please do not use this slogan name in any communication with the IRS. Since your church is a member of the Foursquare Family, the words "Church of the Foursquare Gospel", "Foursquare Church" or "Foursquare Gospel Church" should be prominently displayed every time the name of your local church is displayed or published. Our bylaws require this of all Foursquare churches (Article XIII, Section 13.3).

Office of the Corporate Secretary-Treasurer
Offices of the International Church of the Foursquare Gospel
PO Box 26902 • Los Angeles, CA 90026-0176 • 213.989.4504 • 213.989.4541 fax • sbrackett@foursquare.org • www.Foursquare.org

Commission Grant app TFC

Final Audit Report

2025-07-25

Created:	2025-07-24
By:	Patricia Mata (pmata@texascitytx.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAI7LYox4Vb921ahVQvoi3qCH90xLflgKd

"Commission Grant app TFC" History

-  Document created by Patricia Mata (pmata@texascitytx.gov)
2025-07-24 - 2:42:00 PM GMT
-  Document emailed to Dedrick Johnson (djohnson@texascitytx.gov) for signature
2025-07-24 - 2:44:46 PM GMT
-  Email viewed by Dedrick Johnson (djohnson@texascitytx.gov)
2025-07-25 - 1:21:58 PM GMT
-  Document e-signed by Dedrick Johnson (djohnson@texascitytx.gov)
Signature Date: 2025-07-25 - 1:22:52 PM GMT - Time Source: server
-  Agreement completed.
2025-07-25 - 1:22:52 PM GMT

RESOLUTION NO. 2025-081

A RESOLUTION APPROVING THE RELEASE OF COMMISSION GRANT FUNDS AVAILABLE ON BEHALF OF COMMISSIONER DEANDRE KNOXSON, IN THE AMOUNT OF \$1,500.00 TO TEXAS CITY FOURSQUARE CHURCH; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, Commissioner DeAndre Knoxson has requested that \$1,500.00 of his Fiscal Year 2025 grant funds be awarded to a local nonprofit, Texas City Foursquare Church. The funds will be used to assist veterans in the community with groceries.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission of the City of Texas City, Texas, approves the release of Commission Grant funds in the amount of \$1,500.00 to be awarded to Texas City Foursquare Church.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of August 2025.

Dedrick D. Johnson, Sr. Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(9) (a)

Meeting Date: 08/06/2025

Consider and take action on the third reading and final adoption of Ordinance 2025-06, amending the Texas City Code of Ordinances by creating Chapter 162 entitled "Battery Energy Storage Systems" and Amending Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on the THIRD READING AND FINAL ADOPTION of Ordinance 2025-06, amending the Texas City Code of Ordinances by creating Chapter 162 entitled "Battery Energy Storage Systems" and amending the Code of Ordinances Title XV entitled "Land Usage", Chapter 160 entitled "Zoning" to designate Section 160.051 District S-P (Site Plan) as the zoning designation for Battery Energy Storage Systems and similar projects.

BACKGROUND (Brief Summary)

Battery Electrical Storage Systems (BESS) are installations of large containers of batteries which are usually located close to an electrical power substation. The batteries charge during periods of low demand and then supplement the electric grid during periods of high demand. Locations close to an existing substation are essential for most of the projects. Texas City has two existing BESS installations at 505 34th Street N and 430 SH 146 N, and two approved sites on SH 146 (410 Hwy 146 N and 701 SH 146). All four locations are south of Palmer Hwy and in or near areas of existing industrial uses.

In 2020 and 2021, respectively, these installations were found to be most comparable to the District F-1 Outdoor Industrial zoning classification. Since 2022 and 2023 the applications have been processed for rezoning to District S-P as specific uses which are not normally found in zoning districts. Numerous pre-development inquiries have been received for sites located in various other zoning districts throughout the city, including several in close proximity to existing residential uses or zoning districts. Some of the proposed projects include energy generation as a component of the projects. During reviews of the various applications and presentations to the Planning Board and Zoning Commission, concerns have been expressed regarding risk of battery fire, contamination from site runoff, contamination of air and water byproducts of fire suppression in the event of catastrophic failure, and the ultimate cost of decommissioning.

The BESS installations are characterized by their developers as temporary installations. The review procedures of the District SP - Site Plan process were found to be the most thorough for evaluating the proposed projects in the various locations and zoning districts when presented. To provide for consistency and uniformity of review, the Zoning Commission is recommending District SP as the exclusive zoning classification for the BESS and similar

projects.

Staff are also recommending the adoption of Chapter 162 Battery Energy Storage Systems to establish criteria for review of applications as well as requirements and limitations for screening, setbacks, landscaping, maximum impervious area, and other provisions etc. Adoption of Chapter 162 will provide guidance for potential applicants and developers and assist the Planning Board members, Zoning Commissioners and staff with standards for the consistent administration and application of the zoning and land use regulations to BESS and similar projects.

RECOMMENDATION

On March 25, 2025, the Zoning Commission voted to recommend the amendment to Section 160.051 to designate District SP Site Plan as the zoning district for Battery Energy Storage Systems and similar projects.

Staff recommends approval of Ordinance 2025-06 to create Chapter 162 entitled "Battery Energy Storage Systems" and to amend the Zoning Ordinance Section 160.051 to designate District S-P Site Plan as the zoning district for Battery Energy Storage Systems and similar projects. The Texas City Fire Marshal, Emergency Manager, Chief Building Official and City Attorney have assisted with the drafting and review of Chapter 162 Battery Energy Storage Systems and offer no objection to its adoption.

Fiscal Impact

Attachments

Final Draft Ordinance - 6.25-2025

Minutes

ORDINANCE NO. 2025-06

AN ORDINANCE BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS, AMENDING THE TEXAS CITY CODE OF ORDINANCES BY CREATING CHAPTER 162 ENTITLED “BATTERY ENERGY STORAGE SYSTEMS” AND AMENDING THE CODE OF ORDINANCES TITLE XV ENTITLED “LAND USAGE”, CHAPTER 160 ENTITLED “ZONING” AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, the City of Texas City, Texas, is authorized to regulate ordinances pursuant to the Texas Local Government Code;

WHEREAS, the City Commission of the city of Texas City, Texas, needs to amend the Texas City Code of Ordinance Title XV Entitled “Land Usage,” to CREATE Chapter 162 entitled “Battery Energy Storage Systems” and to AMEND Chapter 160 – Zoning to add Battery Energy Storage Systems (BESS) and similar uses as a Use restricted to the District S-P Site Plan zoning classification;;

WHEREAS, pursuant to TEX. LOCAL GOV'T. CODE § 211.001 *et seq.*, the city of Texas City, Texas, is authorized to adopt zoning regulations for the purpose of promoting the public health, safety, morals, or general welfare and protecting and preserving places and areas of historical, cultural, or architectural importance and significance; and

WHEREAS, the City’s Zoning Commission have reviewed and recommended the amendment to Chapter 160 – Zoning to add Battery Energy Storage Systems (BESS) and similar uses as a Use restricted to the District S-P Site Plan zoning classification at a meeting held on March 25, 2025; and

WHEREAS, the City Commission determines that creating Title XV, Chapter 162 entitled “Battery Energy Storage Systems” and amending Title XV, Chapter 160, “Zoning” to restrict Battery Energy Storage Systems and similar uses to the District S-P Site Plan zoning classification will promote the health, safety and welfare of the City;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS, THAT:

Section 1. The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact. The City Commission hereby further finds and determines that this ordinance's rules, regulations, terms, conditions, provisions, and requirements are reasonable and necessary to protect public health, safety, and quality of life.

Section 2. That City of Texas City’s Code of Ordinances Chapter 162 – Entitled “ Battery Energy Storage Systems” is hereby created and established in Title XV Land Usage as indicated in Exhibit A, which is attached and incorporated into this ordinance.

Section 3. The City of Texas City’s Code of Ordinances, Chapter 160 - Entitled “Zoning,”

Sec. 160.051. District S-P, Site Plan is amended to add the following:

Sec. 160.051 District S-P, Site Plan

(C) Uses.

(1) Uses and reasons for classification. The following uses are included under District S-P due to the following reasons:

(b) Uses restricted to District S-P

(14) Battery energy storage systems (BESS) and similar projects.

a. Basic zoning district most closely comparable to this requested principal use is District F – Light Industrial. However, due to the unique characteristics of these projects, potential hazards, environmental concerns, changing technologies and long-term impacts, the site-specific review required for District SP is warranted and required in all districts, including District F. Planning Board and Zoning Commission and City Commission shall each have broad discretion to consider any and all aspects of the development and its intended use and operation in the interest of promoting the public health, safety, order, convenience, prosperity and general welfare; to protect and conserve the value of land and buildings in the area; and, to minimize conflicts among the uses of land and buildings.

b. Location in, near, or adjacent to existing residential uses or districts is not favored and shall be avoided.

c. BESS projects shall be located at least one half mile from any existing or planned use for vulnerable populations such as schools, daycare centers, assisted living and nursing homes, hospitals, elderly or supportive housing. This distance may be increased or reduced by the City Commission upon recommendation from the Planning Board and Zoning Commission.

d. Site Plans shall comply with the requirements of Chapter 162 Battery Energy Storage Systems.

Section 4. This ordinance shall be cumulative of all provisions of the City of Texas City, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event the more restrictive provision shall apply.

Section 5. It is hereby declared to be the intention of the City Commission of the City of Texas City that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction,

such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance, since the same would have been enacted by the City Commission without incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. All rights and privileges of the City of Texas City are expressly saved as to any and all violations of the provisions of any Ordinances affecting land use or development, which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

Section 7. That this Ordinance shall be read on three (3) separate days and shall become effective upon its final reading, passage, and adoption.

Section 8. That this Ordinance shall be finally passed upon the date of its introduction and shall become effective from and after its passage and adoption and publication by caption only in the official newspaper of the City of Texas City, Texas.

PASSED ON FIRST READING this 2nd day of July, 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

Rhomari D. Leigh
City Secretary

PASSED ON SECOND READING this 16th day of July 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

Rhomari D. Leigh
City Secretary

PASSED AND FINALLY ADOPTED this 6^h day of August 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

Exhibit A to Ordinance 2025-XX
Texas City Code of Ordinances
Title XV Land Usage
Chapter 162 Battery Energy Storage Systems
Final Draft 6.25.2025

Battery Energy Storage Systems

a. Purpose. The purpose of this Chapter is to establish regulations for Battery Energy Storage System (BESS) and similar project sites with the following objectives:

1. Ensure the health, safety, and welfare of the community.
2. Provide a regulatory scheme for the designation of properties suitable for the location, construction, and operation of BESS sites.
3. Mitigate any negative impacts of BESS sites.
4. Provide regulations for proposed, current and existing BESS sites.

b. Definitions.

1. **Battery Energy Storage System (BESS)** means one or more devices (i.e. group of batteries), assembled together capable of storing energy in order to supply electrical energy at a future time. BESS facilities charge from the electrical grid or other generating source, typically when there is excess low cost electrical power available, store it in a series of batteries and then discharge when demand is high or supply is low. The rate paid for providing the power back to the grid during the periods of high demand/low supply will typically be more than the rate paid for the power used to charge the batteries.
2. **Energy Management System (EMS)** means a software solution designed to interact with the grid and manage the actions and performance of the BESS. EMS also provides remote oversight via SCADA of the project, including monitoring and status of alarms and provides analytics on the state of health and condition of the battery systems. The EMS includes a Battery Management System (BMS).
3. **Battery Analytics Software** means a cloud-based software solution using energy storage system (ESS) raw data collected by the Battery Management System (BMS) and applies

physics-based algorithms to offer immediate and some predictive detection, of thermal runaway and its associated root causes.

4. ***Similar projects*** means data centers and similar high energy demand installations which may or may not return energy to the grid. Applicability of this Chapter shall be determined by the Director of Engineering & Planning at the time of application.

c. Use Classification

1. BESS facilities and similar uses shall be restricted to locations zoned in accordance with Chapter 160 – “Zoning,” Sec. 160.051, District S-P – Site Plan.
2. Installations shall be unmanned – to avoid the mixing of incompatible uses onsite office or shop facilities shall be prohibited. This prohibition is not intended to limit necessary ancillary uses such as equipment storage and maintenance or service related facilities which are not permanently attended or the occasional intermittent temporary access by personnel with knowledge and training about the hazards as necessary for the maintenance of the installations.

d. BESS Development Plan Application Requirements.

1. *Application Fee:* A \$5,000 fee is due at time of application submittal in addition to any other fees for zoning change, platting, building permits, or certificates of occupancy.
2. *BESS Development Plan requirements.* An application for a BESS site shall be submitted to the Engineering & Planning Department in the form of a BESS Development Plan. The regulations required for a BESS Development Plan are in addition to and are not in lieu of, permits required by any other provision of the Texas City Code of Ordinances or other governmental agency.
 - a. The BESS Development Plan application for a BESS site shall include the following information:
 1. Site Plan indicating the distance between battery containers and distance from all adjacent property lines and structures.
 2. Landscaping and Screening Plan
 3. Elevations and Renderings/Illustrations
 4. Preliminary plume study based upon general design standards and prevailing winds if requested by the Planning Board, Zoning Commission or City Commission as necessary to evaluate a site plan due to particular conditions of the site or surrounding areas. A final plume study based upon the actual design of the BESS may be required during the permitting process.
 6. Reimbursement Agreement for the payment of the City’s third party expert and deposit in amount determined by the Director of Engineering &

Planning.

7. Applicants shall provide contact information and the operational experience for each of the following: the developer/operator, equipment manufacturer, Engineer, system operator, insurance, and on-site operations and maintenance. Operational experience shall include any record of fire incidents with installations similar in type or kind to the project being proposed in the application.

8. Such other information as the City deems reasonably necessary to administer this Chapter.

e. Setbacks and Location and Area Regulations

1. BESS Systems shall meet the minimum setback requirements established in their respective zoning district.
2. A BESS site shall be no closer than 1,500 feet perpendicular in any direction from another BESS site measured at the perimeter fence. This distance may be increased or reduced by the City Commission upon recommendation from the Planning Board and Zoning Commission.
3. The setback requirement for a BESS site perimeter fence shall be the greater of either:
 - a. A minimum of 200 feet from the nearest property zoned for single-family uses or school; or
 - b. A setback distance required based on Plume modeling and testing data.
 - c. A distance set by the City Commission upon recommendation from the Planning Board and Zoning Commission.
4. Additional setbacks may be considered based on proximity to underground pipelines, railroad tracks, and overhead utilities.
5. Increased setbacks may be recommended by the Planning Board or Zoning Commission to the City Commission on a case-by-case or site-by-site basis.
6. Spacing of on-site containers shall be a minimum of 15ft when submitted for the Development Plan approval and/or any zoning change. At the time of building permitting, on-site container spacing may be determined by a Hazard Mitigation Analysis relying on data produced by the UL 9540A Fire Testing upon recommendation of the City's third party expert with the approval of the Fire Marshal and Chief Building Official.

7. All driveways, driving areas, and any area subject to vehicle movement shall be paved. Parking areas and laydown yards shall be paved as necessary to provide access, avoid rutting, and prevent noxious dust from affecting adjacent and nearby areas. Consideration shall be given to maintaining the quality and value of the area for future development of adjacent and nearby properties.
8. Containment of runoff shall be in accordance with state and local regulations and shall protect the public surface water supply and drainage system from the runoff of any contaminants into the water supply or drainage system.
9. Preference will be given to sites that are not adjacent to or within 300 feet of a roadway classified as an arterial or higher.
10. ***Flood Risks.*** BESS shall not be installed in a FEMA designated Special Flood Hazard Area or other site with known history of flooding or drainage issues.
11. For sites located in remote currently undeveloped areas which do not have direct access to a paved public street but can provide paved access satisfactory to the Fire Marshal by recorded easement in form satisfactory to the City Engineer and City Attorney, the platting requirements of Section 159.050(D)(Street Frontage), Section 159.053 (Water System) and 159.054 (Sanitary Sewer) may be deferred by the City Commission, upon recommendation from the Planning Board and Zoning Commission until such time as other development commences in the area. This deferral shall not operate as a precedent for the waiver of these requirements for the BESS project or for any other purpose except the sole installation of an unmanned BESS. The deferral period may be ended by the City Commission based upon subsequent development and platting in the area. Upon such ending of the deferral period, the BESS owner shall satisfy the deferred requirements in a timely manner as determined by the City Commission upon no less than six (6) months written notice. Failure to satisfy the deferred requirements in an acceptable timeframe may result in revocation or non-renewal of the Certificate of Occupancy for the site.

f. Fire and life safety. BESS sites are required to meet, but are not limited to, the following applicable codes and standards as adopted by Texas City, including amendments and updates:

1. IFC and the listed NFPA references within the IFC including any and all local amendments.
2. NFPA 855 Standard for the Installation of Stationary Energy Storage Systems. The most current version adopted by the City shall apply.
3. Provide a environmental site plan that includes significant environmental features such as floodplain and watercourses and general description of proposed protective and firefighting water containment measures.

4. There shall be an enclosure-level air monitoring system for vapor detection to the satisfaction of the Fire Chief and Fire Marshal.
5. Make provision for fire protection and fire fighting water satisfactory to the Fire Marshal and TCFD Fire Chief. When connecting to public water supply, provide a water fire flow analysis at the permitting phase to ensure the existing water infrastructure including any improvements required to be made by Applicant can support the anticipated firefighting demands.
6. Provide the Fire Department with any requested or recommended equipment needed to monitor and test the air and water for any hazards at these sites during emergencies. All monitoring equipment satisfactory to the Fire Marshal and TCFD Fire Chief shall be provided to the Fire Department by the BESS owner prior to the delivery of the first BESS unit to the site and at any time thereafter when a need is reasonably identified by the Fire Department.
7. Provide annual training to the Fire Department and mutual aid agencies for hazards and responses related to the BESS systems.
8. Furnish all necessary firefighting equipment, related to the proposed BESS site, as requested by the Fire Marshal to the City's Fire Department prior to the delivery of the first BESS unit to the site and at any time thereafter when a need is reasonably identified by the Fire Department.
9. The fire command center and water supply should be situated at a safe distance from the closest BESS enclosure, based on deflagration data and satisfactory to the Fire Marshal.. At minimum, the distance should be 100 feet, as per NFPA requirements, unless approved otherwise by the Fire Marshal.
10. The fire service command center shall be sheltered from the weather and have an overhang to reduce glare on the command center and allow emergency personnel to work under and review all emergency response plans and information needed to bring the incident under control.

11. All BESS sites shall adhere to any additional requirements and/or safety items set forth by the most current version of NFPA and IFC, specifically addressing ESS sites if 25% or more batteries are replaced or added to the site/containers.
12. Any incidents that exceed a 12-hour working period shall require a third-party hazardous materials team to respond to help control/monitor them for the duration of the event.
13. The City's Public Works approved water meters shall be installed on-site to monitor how much water is used during emergency responses to BESS sites.
14. A documented plan if an exhaust fan fails to work during an emergency.

g. Landscaping and Screening. The BESS site shall comply with the following landscaping and screening requirements. Additional requirements may be imposed by the City Commission upon recommendation from the Planning Board and Zoning Commission.

1. The BESS installations shall be fully screened from visibility on any and all gateway or thoroughfare and/or adjacent streets and shall have and maintain substantial landscaping of at least 15% or more as recommended by the Planning Board.
2. A masonry wall, at least the height of the containers, shall be installed around the perimeter of the facility. Where adjacent to surrounding communities, the screening wall shall match existing walls in style and material to the greatest extent possible.
3. The masonry wall shall be designed to withstand a blast door from a BESS container striking it unless the containers are shown to be compliant with the blast containment requirements of applicable codes and satisfactory to the Fire Marshal.
4. For projects visible from any public right of way which is not gateway, thoroughfare or public street, a continuous hedge shall be installed adjacent to the masonry wall. Planning Board may consider the minimum landscaping requirement to be at least one large shrub capable of reaching a minimum height of four feet for each eight linear feet of required screening fence and one street tree for each 50 feet of required screening fence, provided that, not less than one street tree and three large shrubs are provided for each site. The Planning Board may apply a greater standard as it finds appropriate based on the location and characteristics of

the particular site.

5. At least 50% of the site shall be pervious. All pervious areas shall be landscaped and maintained in accordance with Section 160.088 of this chapter. The Planning Board may recommend approval conditioned upon a site-specific higher standard.
6. For sites located in currently undeveloped areas which are not visible from a gateway, thoroughfare, public street or public right of way, the City Commission, upon recommendation from the Planning Board and Zoning Commission may defer implementation of the requirement for landscaping until such time as development commences in the area. This deferral shall not operate as a precedent for the waiver of the landscaping requirements which may otherwise be applicable to development in the area. The deferral period may be ended by the Planning Board based upon development and platting in the area. Upon such ending of the deferral period, the BESS owner shall have six (6) months upon written notice to install the requisite landscaping. Failure to install the required landscaping may result in revocation or non-renewal of the Certificate of Occupancy for the site.

h. BESS Building Permit Application Requiremes:

1. *Building Permit Application Fee:* Building permit fee to be assessed as Commercial Electric based upon valuation in accordance with fee schedule approved by City Commission.

2. *Building Permit Application Requirements:* The Chief Building Official with consultation from the Fire Marshall shall establish forms and guidelines for the BESS Building Permit Application. The Building Permit Application for a BESS site shall include the following information at minimum:
 - i. Final Site Plan Drawing
 - ii. Hazard Mitigation Analysis based on specific BESS equipment to be installed
 - iii. Emergency Response Plan
 - iv. Sound modeling, if required: (1) by the Planning Board, Zoning Commission or City Commission as a condition for approval of a Development Plan approval; or (2) by the Chief Building Official for a BESS site located within 500 feet of a property zoned or used for single-family use
 - v. Plume Study, if required: (1) by the Planning Board, Zoning Commission or City Commission as a condition for approval of a Development Plan approval; or (2) by the Chief Building Official for a BESS site located within 500 feet of a property zoned or used for single-family use
 - vi. Contact information and the operational experience for each of the following: the developer/operator, equipment manufacturer, Engineer of record, system operator, insurance, and operations and maintenance.

i. Emergency Response Plan. A copy of the approved Emergency Response Plan shall be given to the system owner, the Fire Department, mutual aid agencies, and the Emergency Management Department. The Emergency Response Plan shall be approved by the TCFD, TCPD, Fire Marshal and Emergency Manager any others as may be required by the City prior to the BESS being installed on the site. The Emergency Response Plan shall at a minimum include the following:

1. Procedures for safe shutdown, de-energizing, or isolation of equipment and systems under emergency conditions to reduce the risk of fire, electric shock, and personal injuries, and for safe start-up following cessation of emergency conditions.
2. Procedures for inspection and testing of smoke, heat, gas and other alarms, interlocks, and controls.
3. Procedures to be followed in response to notifications from the Battery Energy Storage Management System, when provided, that could signify potentially dangerous conditions, including shutting down equipment, summoning service and repair personnel, and providing agreed upon notification to fire department personnel for potentially hazardous conditions in the event of a system failure.
4. Emergency procedures to be followed in case of fire, explosion, release of liquids or vapors, damage to critical moving parts, or other potentially dangerous conditions. Procedures can include sounding the alarm, notifying the fire department, evacuating personnel, de-energizing equipment, and controlling and extinguishing the fire.
5. Response considerations similar to a safety data sheet (SDS) that will address response safety concerns and extinguishment.
6. Identify a process to manage BESS equipment damaged in a fire or other emergency event, including maintaining contact information for personnel qualified to safely remove damaged battery energy storage system equipment from the facility.

7. Other procedures as determined necessary by the Fire Chief and Fire Marshal to ensure the safety of occupants, neighboring properties, and emergency responders.
8. Procedures and schedules for conducting drills of these procedures and for training local first responders on the contents of the plan and appropriate response procedures.
9. A mitigation plan indicating actions for post-event response and clean-up. Should an event occur, preventative action must be completed (with corrective action report) to prevent reoccurrence.
10. Provide a list of emergency contacts that shall be updated annually or when significant changes are made, whichever is earlier.
11. A documented plan for natural disasters and/or extreme environmental conditions such as high ambient temperatures and/or humidity, including how flooding or brackish water would affect the BESS devices if compromised and emergency procedures for mitigating the negative effects of such scenarios. How does the site ensure in the event of an emergency that the BESS site is not contaminating the ground or source water?

j. Noise. If a BESS site is located within 500 feet of a property zoned for single-family use, a noise study indicating that noise level shall not exceed an ambient level measured at the single-family property line may be required by the Planning Board, Zoning Commission or City Commission.

k. Plume Modeling. To determine the potential toxic risk to those in proximity to the BESS, including responding firefighters, a plume analysis may be required during the permitting process by the City based upon existing conditions at the site or surrounding area. When required by the City, the plume analysis shall utilize appropriate modeling to evaluate worst-case scenarios with varying weather conditions and toxic gas release rates. The plume study shall address toxicity hazards based on toxic gases expected to be released based on gas composition measurements from the cell and module level testing pursuant to UL9540A or other testing. The plume analysis shall include battery failures with both flaming and non-flaming scenarios. These scenarios should be based on results from relevant tests such as UL 9540A tests and include modeling of a full

propagation event involving an entire BESS enclosure. The modeling of multiple BESS enclosure failures shall not be required except where testing or analysis indicates that this is to be reasonably expected. Model assumptions, techniques, results, and a summary document shall be provided in a report. The plume study shall be conducted by a qualified firm with experience in plume modeling for battery energy storage systems. The city shall commission the plume model and all costs incurred by the City shall be fully reimbursed by the BESS applicant. The City may in its discretion allow the BESS owner to commission the plume study required by this section.

l. Remote Monitoring. All BESS sites shall have a redundant 24/7 site monitoring system (approved supervising station) to detect and prevent thermal runaway. The system shall be subject to the following requirements:

1. The system shall have detectors for temperature, gases, and smoke installed.
2. System alerts and detection warnings of a potential thermal runaway, smoke detector activation, or gas detector activation or any other critical nature shall be sent to local emergency services (Fire and Police Departments), site and remote operators, and owners.
3. Alerts and detections of a potential thermal runaway, smoke detector activation, or gas detector activation shall trigger BESS unit shutdown and exhaust fan initiation at a minimum.
4. All critical safety systems and remote monitoring systems shall have a secondary source of power in the event of a power failure.
5. A plan shall be provided showing the capability of providing battery backup power for as long as it takes for a permanent (generator) power source to be put in place. The company shall send its backup power plan to the Fire Marshal's office at time of permitting for review. The plan shall explain how they will sustain emergency backup power until normal power is restored, especially during a natural disaster.
6. For additional safety and redundancy of a commercial energy storage system (ESS) installation, a Battery Analytics software system shall be required to monitor the data produced by the Battery Management System (BMS). Indications of a

potential failure shall be immediately transmitted to the energy storage system operator and to the fire department.

m. Listing and Testing of Site. The following standards are applicable to the listing and full-scale testing of stationary energy storage systems. The City may accept battery systems listed and tested to later editions of these standards when necessary to address evolving standards applicable to a rapidly developing technology.

1. Listing. All stationary energy storage systems shall be tested and listed by a nationally recognized testing laboratory to the following standards:
 - a. Underwriters Laboratories (UL) Standard 1741, entitled "Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources;"
 - b. Underwriters Laboratories (UL) Standard 1973, entitled "Batteries for Use in Light Electric Rail (LER) Applications and Stationary Applications," and
 - c. Underwriters Laboratories (UL) Standard 9540, entitled "Energy Storage Systems and Equipment."
 - d. Underwriters Laboratories (UL) Standard 1642, entitled "Standard for Lithium Batteries."
2. Full-scale testing. Stationary energy storage systems shall be tested to Underwriters Laboratories (UL) Test Method 9540A, entitled "Safety Test Method for Evaluating Thermal Runaway Fire Propagation in Battery Energy Storage Systems," or other approved standard or test data; and shall be subjected to a large-scale destructive fire test of a complete BESS.

n. Supervision of Site. A stationary energy storage system shall be operated and maintained under the general supervision of a technical expert held to the following standards:

1. Be trained and knowledgeable in the installation, maintenance, and operation of the battery system, such as a person engaged in the design or installation of such systems;
2. Possess the manufacturer's installation, specifications, ratings, listing, and operating specifications for each battery system and any associated fire protection systems;
3. Immediately report any emergency condition affecting a battery system to the Fire Department; and
3. Provide technical assistance about the stationary energy storage system installation to the Fire Department and, in coordination with the BESS owner and/or energy storage management system monitoring facility, identify a subject matter expert (such as a representative of the manufacturer) who can provide technical assistance about the battery's design and performance in the event of an emergency condition affecting the battery system.

o Site Reviews and Inspections

1. The City will contract with a qualified 3rd party expert with relevant knowledge and experience to review all BESS sites for compliance with applicable life/safety requirements. The 3rd party expert shall provide the following deliverables for each site:
 - a. General Safety Analysis of the proposed site.
 - b. Review to confirm compliance with IFC and NFPA regulations.
 - c. Review of building permit.
 - d. Inspections are conducted during construction, and a final inspection is performed prior to operations commencing.
 - e. Any other matters requested by the City.
2. The Applicant proposing the BESS site shall execute a reimbursement agreement with the City at the time of Development Plan application for all costs incurred by the third-party expert for reviews and consultation with the City regarding the application. The Applicant shall provide a deposit in an amount determined by the Director of Engineering & Planning. The Applicant shall maintain a positive

balance of funds on deposit for the reimbursement of the third-party expert fees. Any unexpended funds remaining on deposit six (6) months after the site receives an unconditional Certificate of Occupancy shall be refunded to the Applicant. Any funds expended for reimbursement to the City for third party services may be applied as a credit or pre-payment against the building permit fee when the permit fee is collected by the Building Official.

3. The City's Fire Marshal's office will be involved in all plan reviews, construction, and inspections to ensure compliance with Fire Department requirements.

p. Event Response. If City employees respond to an incident at the site; the operator of the BESS site shall adhere to the following requirements:

1. A technical expert with knowledge of the BESS operations must be on-site within one hour of any remote monitoring alert of a critical nature.
2. All City costs associated with the incident must be reimbursed at a rate specified by the City.
3. Any third-party response requested by the City or TCFD to provide for the health, safety and protection of the public will be at the cost of the BESS owner or and/or operator and/or property owner. (Hazardous materials company, Specialized fire equipment, encapsulating agent, air monitoring, or other city assets).

. Insurance. The operator of the BESS site shall provide and maintain, as current, a certificate of liability insurance in form and content satisfactory to the City Engineer and City Attorney. The City shall be named as an Additional Insured.

r. On-site Signage. The operator of the BESS site shall post in a conspicuous location at the entrance to the facility a sign subject to the following regulations:

1. The sign shall be reflective and weatherproof and shall be placed at all entrance gates to the facility, as well as on the entrance to any buildings that may house any components of the BESS.
2. Lettering shall be a minimum letter height of 3/8" permanently affixed.
3. The sign shall display the following information:

- a. 24/7 Contact Information.
 - b. Types of technology associated with the BESS.
 - c. Any special hazards associated with the BESS.
 - d. Type of suppression system installed.
 - e. Disconnect and other emergency shutoff information.
 - f. Command Center location.
4. The sign shall be inspected annually by the BESS operator and by the City to ensure its structural integrity and legible to the satisfaction of the City and to determine if any additional information is required by the City.

s. *Decommissioning.*

1. Upon the ceasing of operations or the end of life of the facility, whichever comes first, the site shall be decommissioned based on the following criteria:
 - a. The owner shall notify the city, the Fire Chief, and the Fire Marshal before any work is started.
 - b. All above and below ground features (i.e. containers, underground utilities, foundations, gravel, etc.) shall be removed from the site with the exception of the drainage improvements and access road. The site shall be returned to its natural pre-construction ground state.
 - c. All material removed from the site shall be disposed, reused, and recycled in accordance with state and federal requirements.

- d. Any adverse substances that may have entered the ground during the course of operations shall be removed from the property and properly disposed of.
2. Prior to issuance of the Certificate of Occupancy or any authorization to operate the facility, the Applicant shall:
 - a. Provide a Decommissioning Bond, with the Applicant as the Principal and the instrument shall run to the City, as obligee, and shall become effective on or before the beginning of operations at the site and shall remain in force until the property is fully decommissioned. The amount shall be based on a Professional Engineer's signed and sealed estimate of current costs to decommission the site, at build-out, with an adjusted inflation rate based on the average CPI over the last 10 years from the U.S. Bureau of Labor Statistics.
 - b. If approved by the Mayor on a case by case basis, a bond, letter of credit or other financial security in the amount specified hereinabove in a form acceptable to the City Attorney and the City Engineer may be provided in lieu of a Decommissioning Bond.
 - c. The bond or other security shall remain fully enforceable and in effect so long as the BESS system exists at the site, without regard to whether it is operating or operational.

t. Agreement for Payment in Lieu of Taxes. Prior to the issuance of a building permit, the applicant shall enter into a Payment in Lieu of Taxes Agreement or similar agreement with the City to compensate the local taxing authorities for the loss in tax revenue attributable to depreciation and/or other factors. The agreement shall provide that if the value per square foot of the BESS project site set by the Galveston County Appraisal District is less than the average per square foot value of all commercial property located in Texas City, the BESS owner will make a payment in lieu of taxes to Texas City equal to the amount necessary to equal the ad valorem tax due to Texas City based upon a value equal to a fixed factor set by the Mayor multiplied by the average value per square foot of all commercial property located in Texas City multiplied by the square footage of the BESS project. The fixed factor set by the Mayor shall be stated in the PILOT Agreement and shall not be more than 1.25 or less than 1.0.

u. Transfer of Ownership. The Applicant shall provide written notification to the Engineering & Planning Department at least thirty (30) days prior to any change in ownership of a BESS. A change in ownership includes any kind of assignment, sale, lease, transfer, or other conveyance of 20% or more of ownership or operating control of the applicant, the BESS owner or the BESS operator, or any portion thereof. The Applicant or successors-in-interest or assignees shall remain liable for compliance with all conditions, restrictions and obligations contained in the approved Development Plan, the provisions of this Ordinance, and applicable City, state, and federal laws.

EXCERPT FROM ZONING COMMISSION MEETING HELD ON MARCH 25, 2025

The Zoning Commission of the City of Texas City met in a regular meeting on Tuesday, March 25, 2025, at 5:00 p.m. Zoning Commission members present were: Chairman Perry O'Brien, Co-Chairman Aric Owens, Commissioner Thelma Bowie, Alternate Lisa Salinas and Alternate David Zacherl. Staff members present were: Kim Golden (Secretary), Casey Bennett (Chief Building Official), David Kinchen (Deputy Building Official), Curt Kelly (Engineering & Planning Administrator), Veronica Carreon (Planning & Zoning Technician), Jason Brown (Fire Marshal). Guests were: Ron Stone, Jr., Patrick Tarpey, Bobbie Tarpey, Don Tarpey, Dennis Irby and Henry Gomez.

Chairman Perry O'Brien indicated a quorum was present and called the meeting to order.

(6) REGULAR ITEMS

- a. Consider and make recommendation regarding an amendment to the zoning ordinance to designate Battery Energy Storage Systems (BESS) and similar projects as a use restricted to Section 160.051 District "S-P" (Site Plan) and further providing therewith.

Ms. Golden stated this matter is being presented again because the City Commission meeting held on January 8th, 2025 was null and void. The actions that occurred there were held to be null and void which included the appointment of Alternate Member David Zacherl. Zacherl attended the February 18, 2025 Zoning Commission meeting as an alternate member and was a vote in favor. To avoid any issue with the validity of the Zoning Commission action, the matter is being brought back to the Zoning Commission again. No changes have been made to the proposed amendment to the Zoning Ordinance. Ms. Golden reiterated this was exactly the same thing that was presented at the meeting in February.

She stated they are talking with the representatives of projects that have presented concerns to the Commission and with BESS industry officials for additional input and tweaking to Chapter 162. There have been not objections made to the amendment to the Zoning Ordinance to make it a requirement for the BESS projects to be in District "S-P".

The Zoning Commission is required to make a recommendation about the proposed change to the zoning ordinance. Staff's recommendation is that the Zoning Commission recommend this change in the zoning ordinance to the City Commission to make the BESS and similar projects, exclusive to the District "S-P" (Site Plan).

This change will make it necessary for all of the BESS projects to go through the full process of review by the Planning Board, the Zoning Commission, and the City Commission, which will include at least two public hearings for opportunity to get site specific input from the public about each project as it is considered.

This change in the zoning ordinance would apply to any applications for BESS projects that are presented to the City after the ordinance is changed. This change to the ordinance is basically codifying the practice has been used for BESS projects for the last two years because under District "S-P", we have discretion when there are unique projects or new types of projects to handle them through District "S-P".

The Zoning Commission has in its agenda packets the minutes from the February 18th meeting which included the comments that were received at that previous public hearing from the projects and the industry representatives. Ms. Golden stated that if the Commission wanted her

to respond to any of those comments she would, but basically none of the comments were directed toward the change in the zoning ordinance.

Ms. Golden advised that in conversations with the project representatives after the February meeting, none of them had any issues with the proposed change to the zoning ordinance. There is some edits to consider in Chapter 162, for some clarification. Some provisions that are going to make it clear the City Commission has discretion to consider a number of factors when deciding about the zoning change, which is what the BESS projects have requested.

Ms. Golden stated one thing that she forgot to mention last time, when she was telling you all the folks they had talked to and who had helped them prepare this ordinance, staff consulted with TNMP about BESS projects in general. Staff confirmed directly from TNMP the benefit of these projects to the grid and now have a better understanding about how a project here in Texas City is of some benefit to Texas City. It does, in fact, support the entire system, but because of the way things are laid out, there is an enhancement and benefit to Texas City for the projects to be located in Texas City.

Co-Chairman Aric Owens stated that he sat in on the Community Action Committee. He understands the Spearmint project on Attwater Avenue is currently zoned heavy industrial. He asked to help him understand how they go from heavy industrial to site plan. He asked if this is still the same zoning change process?

Ms. Golden responded yes and again, it affords you the visibility about the project. Every project will be looked at like that.

Chairman O'Brien added that District "S-P" has been used for a variety of different things

Co-Chairman Owens replied this one is just very specific and when he looked at this, he just wants to make sure that these guys aren't spending as much money doing a site review for trying to find a place that they can't confirm to their desired use. He just wants to make sure he understood that was the process in using site plan.

Chairman O'Brien asked if that facility should go away what does that revert back to?

Ms. Golden responded the zoning designation would remain "S-P" but if the next person wanted to do anything different from the exact same project, they would have to come in and go through the process to rezone the site to whatever designation fit the next proposed use.

Co-Chairman Owens then stated he had another question. So, we have these decommissioned bonds that were required in this step - how do those work? Is it in the sense that they pre-fund that and it sits in an escrow account, or do they pay that annually? He doesn't know enough about these. For example, if he has a life insurance policy and he stops paying on it, does that policy go away? If these developers run into a situation where they're not making money and they become insolvent, but we've still got these assets on the ground, and they had a decommissioning bond at one point, do they keep funding that or do they fund that up front and then it is held in escrow? After that period when they get ready to vacate, either the city will have to cash that bond in to clean up the site, or they clean up and the city refunds or that bond goes away. How is that handled?

Ms. Golden responded there are ordinances which require similar conditions of surety. Pipeline permits require it. Oil and gas drilling permits require it. So, the fact that we're requiring a surety bond is not new. We're doing it already. Some other site plan development agreements, such as for sandpits have a requirement for surety. They can do it with a bond, but the city has also accepted cash deposits and letters of credit. The type of surety can be right sized to the situation.

Co-Chairman Owens asked what would the BESS ordinance require. Ms. Golden replied as

written the type of security would be worked out on a case-by-case basis. It will be worked out similar to the way the provisions in a development agreement are worked out. We currently do that with subdivisions. It's not an unusual process for cities to do that. And again, what the Zoning Commission is doing is balancing the interest of supporting the project with being sure that the interest of the city is protected, too. And you're wanting to right-size that rather than set in place, hard and fast one size fits all rule. As proposed, the ordinance will allow the City the flexibility to right-size these requirements to each project.

Spearmint in particular is pushing back on having to provide all the required submittals all at once at the beginning before they know if they can use the site. The intent and purpose of the ordinance is to align the submittal requirements with the pace of the project development so that as the applicants are developing their project, the information they have to develop to go to the next step aligns with what the city is requiring. So there will be the development plan stage, the building permit stage, and the certificate of occupancy stage. There will be submittal requirements at each one of those stages which the projects will already have based on the progression of the project.

Commissioner Bowie stated when the motion is read there are actually two recommendations. Can they be combined or do we need to make separate recommendations to vote on?

Ms. Golden referred to the staff report and clarified that the Zoning Commission is recommending approval of the specific text to be included as an amendment to the Zoning Ordinance which is the text that will be advertised in the newspaper.

As she mentioned last time, and as a reminder, because Mr. Owens wasn't in attendance - the only thing the Zoning Commission is voting on is the amendment to the zoning ordinance which is printed in the staff report. It will read that this will be handled as a District "S-P". It gives a few criteria in there. The Chapter 162 information, which has all the other requirements, the decommissioning and all that, is for the City Commission to consider. Chapter 162 is not a part of the Zoning Ordinance.

Chairman O'Brien asked if there were any other questions.

Ms. Golden wanted to note that the ordinance is coming to the Zoning Commission as a recommendation from her and from the city attorney, the Fire Marshal, the Building Officials and Emergency Management. The City's our third-party subject matter experts and outside legal counsel also participated in writing and recommending the ordinance. There was a lot of input obtained from industry including TNMP.

Chairman O'Brien added it is a tool that staff are recommending with a lot of effort and study going into its development. He asked what would be the other option without the tool.

Ms. Golden replied they would keep use the optional District SP process, but it would be on an ad-hoc basis and might not be as consistent from one administration to the next or as personnel changed. As volunteers on these boards they have asked for clarity from the City Commission about some of these things. This ordinance is the way the City Commission clear communicates to the boards and to staff that it wants the BESS projects to be handled as District "S-P". And then there's no question for the boards about how to proceed.

Co-Chairman Owens stated he had one more question. Do we look at them as size? As he recalled, the first BESS project approved was maybe four or five containers and now we've got this large project by the water plant. Does the city or the ordinance have a maximum of megawatts? Are they tiered? Are there some criteria to use as a guide?

Ms. Golden replied that staff have looked at ordinances that have been adopted by other cities in other states. There haven't been a lot, but there have been some. Some of the other places

that have been doing this for a while do have separate criteria based on the size. Texas City doesn't really have a need to parse it out like that at this time. Because it's in District "S-P" you have the flexibility to right-size it to whatever size project. So, if you've got 10 megawatts coming in then you can handle the requirements for that. If you've got 200 or 300 megawatts, then we can all look at it.

Co-Chairman Owens asked if it would be restricted based on the size of the property because they have to be spaced so far apart.

Ms. Golden replied that it would be looked at through the review process.

Chairman O'Brien asked what everyone thought. There were not further questions or comments.

A motion was made by Commissioner Thelma Bowie/Alternate David Zacherl to recommend an amendment to the zoning ordinance to designate Battery Energy Storage Systems (BESS) and similar projects as a use restricted to Section 160.051 District "S-P" (Site Plan) and further providing therewith. All other members present voted aye.

Chairman O'Brien asked if this recommendation to the City Commission would come in the form of a letter.

Ms. Golden replied that it would be presented in the minutes from this meeting and referenced in the staff report to the City Commission.

CITY COMMISSION REGULAR MTG

(9) (b)

Meeting Date: 08/06/2025

Second Reading of Ordinance 2025-14 establishing the Commission Rules of Procedure/Order of Business

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Consideration and possible action on the second reading regarding adoption by ordinance, the Commission Rules of Procedure/Order of Business.

BACKGROUND (Brief Summary)

In accordance with the Texas City Charter, Article III, titled PROCEDURES OF THE COMMISSION; Legislation, Sec.1., Meeting of the Commission, the Commission shall, by Ordinance, determine its own rules of procedure.

Currently, there are no known rules and order of business that have been adopted by this or any previous Commission. Therefore, at the direction of Mayor Johnson, a workshop of the Commission was conducted on April 21, 2025, to begin the dialogue of developing the Commission Rules of Procedure/Order of Business to comply with the City Charter.

Prior to the workshop, staff gathered rules of procedure from other cities in the area to develop a framework for the Commission to begin the discussion. At the workshop, the Commission discussed and debated a draft set of rules of procedure.

Following the workshop, Mayor Johnson emailed the Commission on May 30, 2025, requesting them to individually provide any additional input or suggestions beyond what was shared at the workshop and submit them to him by Friday, June 27th for consideration by the Commission on July 16, 2025.

As a result of the comments provided and consultation with staff, please note the attached Commission Rules of Procedure/Order of Business for consideration.

RECOMMENDATION

Staff recommends the City Commission consider the attached Commission Rules of Procedure/Order of Business.

Fiscal Impact

Attachments

Commission Rules of Procedures

CITY OF TEXAS CITY
COMMISSION RULES OF PROCEDURE / ORDER OF BUSINESS

1. ORGANIZATION

The governing body of the City shall consist of the Mayor and six (6) Commissioners.

The Mayor is elected in the City at large, and four (4) Commissioners of the Commission are elected by District. District 1, District 2, District 3 and District 4. The other remaining two (2) Commissioners are elected At-Large.

The Mayor shall be the presiding officer for all Commission meetings and pursuant the City's Charter, may vote on all matters of the City. These Commission Rules of Procedure and Order of Business serve as guidelines for the organization and conduct of the Commission to ensure that the City is governed in an orderly and consistent manner.

2. REGULAR MEETINGS

The Commission shall schedule no less than two regular meetings per month in accordance with the City Charter. Regular meetings shall be held at dates and times adopted by City Commission Resolution and shall generally be on the first (1st) and third (3rd) Wednesday of each month at 5:00 P.M. unless designated otherwise, meetings of the Commission shall take place in the Commission Chambers of City Hall, and the public is invited to attend the meetings. If the Commission meets at a place or time other than its regular meeting place, then public notice to such effect shall be posted in accordance with the Texas Open Meetings Act.

3. SPECIAL MEETINGS

The Charter allows Special Meetings to be called by a majority of the Commission. The procedure to present such a call is as follows:

- 1) The call shall be presented as separate written requests from at least four (4) Commissioners filed with the City Secretary.
- 2) As required by the Charter, the written requests shall state the subjects to be considered at the Special Meeting. Each subject to be considered must be requested by at least four (4) Commissioners.
- 3) The Mayor is not precluded from placing additional items on the Agenda for a Special Meeting.
- 4) Special meetings shall be set for regular business days to commence no later than 6:00pm.
- 5) Special meeting requests must be fully submitted by noon at least one calendar week prior to the date stated for the meeting.
- 6) Agendas for the Special Meeting must be prepared and posted by the City Secretary in accordance with the Texas Open Meetings Act and all applicable policies or procedures of the regularly scheduled meetings of the Commission.

4. JOINT MEETINGS/WORKSHOPS

The Commission may, for specific reasons to be stated in the notice posted for the meetings hold Joint Meetings or joint workshops with various Boards, Commissions, and/or various governmental entities that share a community interest with the City. Such meetings shall be scheduled for a specific purpose or goal, agreed to by the City and the other board or entity prior to the meeting and posted in accordance with the Texas Open Meetings Act.

5. EXECUTIVE SESSIONS

Pursuant to the Texas Open Meetings Act, the Commission may conduct closed meetings that are not open to the public when the following matters are considered:

- A. Consultation with an attorney regarding pending or contemplated litigation; a settlement offers; or to receive advice on legal matters not associated with litigation.
- B. Deliberations associated with the sale, purchase or exchange of real property.

C. Personnel matters.

D. Deliberations regarding security matters.

E. Deliberations regarding economic development negotiations.

The purpose of an executive session shall be stated in the motion to call the closed session. Any action taken on a matter discussed in executive session shall occur in an open meeting following the deliberation in closed session.

6. AGENDA

An agenda is a document that informs the public about the specific topics to be discussed and acted upon during a meeting which shall include a resolution or ordinance.

The City Secretary, with consultation and approval of the Mayor, shall prepare an agenda for business to be considered at each Regular Commission Meeting. It shall be the practice of the City to include on any Regular Commission Meeting agendas, all items that are deemed appropriate by the Mayor.

Two (2) Commissioners may submit proposed items for inclusion on the meeting agenda. In accordance with the Mayor's role as the City's chief executive officer, all proposed items shall be subject to mayoral review and approval to ensure consistency with operational priorities, legal compliance, and effective coordination of municipal affairs. The request shall be in writing separately by two (2) Commissioners and shall be filed with the City Secretary no later than Noon on the Monday before the week of the regular meeting at which it is requested for consideration. Agenda items requested by the Commissioners shall be placed in the Regular Agenda Items section of the agenda. If the filing is later than noon on the Monday before the week of the regular meeting, the item shall be placed on the next regular meeting agenda or a later date.

The Agenda for the City Commission Regular Meetings shall be developed by the City Secretary and published by the City Secretary in the manner generally prescribed as follows:

- (1) Roll Call
- (2) Invocation
- (3) Pledge of Allegiance
- (4) Proclamations and Presentations
- (5) Reports
- (6) Public Hearing if needed
- (7) Public Comments
- (8) Consent Agenda*
- (9) Regular Items
- (10) Executive Session if needed
- (11) Commissioners' Comments
- (12) Mayor's comments
- (13) Staff Updates
- (14) Adjournment

*Budgeted expenditures equal to, or less than, \$400,000.00 may be placed on the Consent Agenda

7. PUBLIC COMMENT RULES

- A. All members of the audience addressing the Commission ("Speaker") shall direct their remarks to the Commission.
- B. No Speaker shall address the Commission unless recognized by the Mayor/Chair for that purpose.
- C. Remarks are to be limited to those pertaining to matters for action before the City Commission according to Texas Local Government Code (551.007).
- D. Profane, vulgar or abusive language or personal attacks will not be tolerated.
- E. No Speaker shall continue to address the Commission after being informed by the Mayor/Chair that the Speaker's time for addressing the Commission has expired.

- F. The Speaker shall be limited to 3 minutes to address the Commission. The Mayor/Chair has the authority to grant additional time, if requested by a Speaker, for just cause.
- G. Commissioners shall not respond to Speakers; however, the Mayor/Chair may respond to a matter of fact.
- H. Those wishing to speak must present official identification to designated staff for identification purposes and shall thoroughly fill out the Request to Address the Commission Form (answering all questions) and identify which item(s) they wish to speak on from the agenda.

8. QUORUM

Unless otherwise provided by law, four (4) qualified members of the Commission shall constitute a quorum for conducting business, provided at least one of the members present is the Mayor or Mayor Pro Tem.

9. VOTING

- A. The vote on all ordinances and resolutions shall be taken by the Commission's verbal response and entered into the City's official record to reflect each Commissioner's vote. When voting on the adoption of the Tax Rate and/or Budget, the Commission must take a Record Vote.
- B. It is the duty of each Commissioner who has an opinion on an item presented for consideration to express it by a vote to approve or deny the item. Any Commission Member may express related opinions during the discussion portion before the vote is taken. A Commission Member may abstain from voting in accordance with City Charter guidelines (Article III, Section 5).

10. DEBATE AND DECORUM

Robert's Rules of Order Newly Revised shall, to the extent feasible, govern the proceedings of the Commission. The City Attorney shall act as Parliamentarian for Commission meetings.

11. ETHICAL STANDARDS It is the official policy of the City that:

- A. City officials shall be independent, impartial, and responsible to the citizens of the City;
- B. City officials shall not have a financial interest, and shall not engage in any business, transaction, or professional activity, or incur any obligation that conflicts with the proper discharge of their duties for the city in the public interest;
- C. The principles of personal conduct and ethical behavior that should guide the behavior of City officials include: (1) A commitment to public welfare; (2) Respect for the value and dignity of all individuals; (3) Accountability to the citizens of the City; (4) Truthfulness; and (5) Fairness.
- D. Under such principles of conduct and ethical behavior, City officials should: (1) Conduct business with integrity and in a manner that merits the trust and support of the public; (2) Be responsible stewards of the taxpayers' resources; and (3) Take no official actions that would result in personal benefit in conflict with the best interests of the city.
- E. To implement the purpose and principles described herein, the Commission will adopt a policy of ethical conduct to govern City officials by City Ordinance. It is the purpose and intent of City Commission to ensure a fair opportunity for the public to participate in government, to follow standards of disclosure and transparency in government, and to promote public trust in government (To be developed at a later date).

12. COMMISSION REQUESTS FOR INFORMATION

Commissioners may direct questions to the appropriate department head. Routine requests for information or reports that can be completed within 15 minutes may be submitted to a member of the Executive Committee, who will respond at their earliest convenience. For non-routine requests or those requiring significant time or effort, the request should be directed to the Mayor.

**(Routine requests: information or new research that can be answered in under 15 minutes)*

13. NEW COMMISSION MEMBER ORIENTATION

Each new Commission member shall, upon taking the oath of office, be provided with various forms of vital information which shall include, but not be limited to, the following:

- A. City Charter
- B. Comprehensive Plan
- C. Current Budget
- D. Comprehensive Annual Financial Report for the last Fiscal Year
- E. Commission Rules of Procedure
- F. Public Information Act and Open Meetings Act Training
- G. Conflicts of Interest Training

Each new member of Commission shall be offered an opportunity by the Mayor or his/her designee, to tour various City facilities (i.e., City Hall, Police/Fire stations, Park facilities, Public works facilities, etc.).

CITY COMMISSION REGULAR MTG

(9) (c)

Meeting Date: 08/06/2025

Consider and take action on proposed ad valorem tax rate (Fiscal Year 2026 – October 1, 2025 to September 30, 2026) by record vote and schedule public hearings, if necessary.

Submitted For: Finance Department, Finance **Submitted By:** Finance Department, Finance

Department: Finance

Information

ACTION REQUEST

Vote to propose a tax rate for 2025 and set a public hearing date for September 3, 2025, at 5:00 p.m, if necessary.

BACKGROUND (Brief Summary)

The Galveston County Appraisal District (GCAD) is responsible for appraising property values within Galveston County. The City of Texas City partners with the Galveston County Tax Office—an entity separate from GCAD—for Tax Assessor/Collector services, including the calculation of property tax rates in accordance with the Texas Tax Code.

Based on the certified calculations provided by the Tax Assessor/Collector, the following rates have been submitted to the City of Texas City:

- **No-New-Revenue Tax Rate:** \$0.460443/\$100 of taxable valuation
- **Voter-Approval Tax Rate:** \$0.621323/\$100 of taxable valuation

The recommended tax rate for the 2025 fiscal year is **\$0.479651 per \$100 of taxable valuation**, or **47.9651 cents**, which is lower than the 2024 Property Tax Rate of \$0.488635

During this meeting, the City Commission will:

- Review and discuss the proposed tax rate
- Take a record vote on the proposed rate
- If the proposed rate exceeds the No-New-Revenue Tax Rate, direct staff to publish a notice and set the date and time for a public hearing in accordance with statutory requirements.

RECOMMENDATION

Consider and take action on the proposed tax rate for 2025 by record vote and set a public hearing date for September 3, 2025, at 5:00 p.m., if necessary.

Fiscal Impact

Attachments

Notice of Tax Rate

TNT Calculation

Staff Report Updated

Notice About 2025 Tax Rates
Property tax rates in City of Texas City

This notice concerns the 2025 property tax rates for City of Texas City. This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate	\$0.478433/\$100
This year's voter-approval tax rate	\$0.645627/\$100

To see the full calculations, please visit 722 21st Street/Moody Avenue, Galveston, Texas 77550 for a copy of the Tax Rate Calculation Worksheet.

Unencumbered Fund Balance

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
General Fund	18,100,000

Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues *(or additional sales tax revenues, if applicable)*.

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
2025 CO	1,230,000	4,141,822	750	5,372,572
2020 Refunding Bonds	360,000	68,200	750	428,950
Total required for 2025 debt service			\$5,801,522	
- Amount (if any) paid from funds listed in unencumbered funds			\$0	
- Amount (if any) paid from other resources			\$0	
- Excess collections last year			\$397,369	
= Total to be paid from taxes in 2025			\$5,404,153	
+ Amount added in anticipation that the unit will collect only 99.51% of its taxes in 2025			\$26,610	
= Total debt levy			\$5,430,763	

This notice contains a summary of actual no-new-revenue and voter-approval calculations as certified by Galveston County Tax Assessor Collector on 08/01/2025.

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property. The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Texas City

409-643-5907

Taxing Unit Name

Phone (area code and number)

1801 9th Avenue North, Texas City, Texas 77590

www.texascitytx.gov

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	§ 8,131,116,145
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	§ 584,416,390
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	§ 7,546,699,755
4.	Prior year total adopted tax rate.	§ 0.488635 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.	
	A. Original prior year ARB values: § 362,872,436	
	B. Prior year values resulting from final court decisions: - § 311,272,002	
	C. Prior year value loss. Subtract B from A. ³	§ 51,600,434
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. Prior year ARB certified value: § 0	
	B. Prior year disputed value: - § 0	
	C. Prior year undisputed value. Subtract B from A. ⁴	§ 0
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	§ 51,600,434

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 7,598,300,189
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 19,309
10.	<p>Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value.</p> <p>A. Absolute exemptions. Use prior year market value: \$ 50,290,470</p> <p>B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 42,189,471</p> <p>C. Value loss. Add A and B.⁶</p>	\$ 92,479,941
11.	<p>Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year.</p> <p>A. Prior year market value: \$ 517,510</p> <p>B. Current year productivity or special appraised value: - \$ 4,890</p> <p>C. Value loss. Subtract B from A.⁷</p>	\$ 512,620
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 93,011,870
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 983,038,266
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 6,522,250,053
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 31,869,996
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 140,467
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 32,010,463
18.	<p>Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.¹¹</p> <p>A. Certified values: \$ 8,261,243,837</p> <p>B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ _____</p> <p>C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0</p> <p>D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below.¹² - \$ 1,006,514,043</p> <p>E. Total current year value. Add A and B, then subtract C and D.</p>	\$ 7,254,729,794

⁵ Tex. Tax Code §26.012(15)

⁶ Tex. Tax Code §26.012(15)

⁷ Tex. Tax Code §26.012(15)

⁸ Tex. Tax Code §26.03(c)

⁹ Tex. Tax Code §26.012(13)

¹⁰ Tex. Tax Code §26.012(13)

¹¹ Tex. Tax Code §26.012, 26.04(c-2)

¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<p>Total value of properties under protest or not included on certified appraisal roll. ¹³</p> <p>A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$ <u>240,871,832</u></p> <p>B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ + \$ <u>0</u></p> <p>C. Total value under protest or not certified. Add A and B. \$ <u>240,871,832</u></p>	
20.	<p>Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶</p>	\$ <u>594,704,277</u>
21.	<p>Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁷ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁸ If completing this section, the taxing unit must include supporting documentation in Section 9. ¹⁹ Taxing units that are not affected, enter 0.</p>	\$ <u>0</u>
22.	<p>Current year total taxable value. Add Lines 18E and 19C, then subtract Lines 20 and 21. ²⁰</p>	\$ <u>6,900,897,349</u>
23.	<p>Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ²¹</p>	\$ <u>0</u>
24.	<p>Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ²²</p>	\$ <u>210,213,598</u>
25.	<p>Total adjustments to the current year taxable value. Add Lines 23 and 24.</p>	\$ <u>210,213,598</u>
26.	<p>Adjusted current year taxable value. Subtract Line 25 from Line 22.</p>	\$ <u>6,690,683,751</u>
27.	<p>Current year NNR tax rate. Divide Line 17 by Line 26 and multiply by \$100. ²³</p>	\$ <u>0.478433</u> /\$100
28.	<p>COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²⁴</p>	\$ _____ /\$100

SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

¹³ Tex. Tax Code §26.01(c) and (d)
¹⁴ Tex. Tax Code §26.01(c)
¹⁵ Tex. Tax Code §26.01(d)
¹⁶ Tex. Tax Code §26.012(6)(B)
¹⁷ Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
¹⁸ Tex. Tax Code §26.012(1-a)
¹⁹ Tex. Tax Code §26.04(d-3)
²⁰ Tex. Tax Code §26.012(6)
²¹ Tex. Tax Code §26.012(17)
²² Tex. Tax Code §26.012(17)
²³ Tex. Tax Code §26.04(c)
²⁴ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
29.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.444272 /\$100
30.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 7,598,300,189
31.	Total prior year M&O levy. Multiply Line 29 by Line 30 and divide by \$100.	\$ 33,757,120
32.	Adjusted prior year levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + \$ 112,517 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. - \$ 2,356,934 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ -2,244,417 E. Add Line 31 to 32D.	\$ 31,512,703
33.	Adjusted current year taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,690,683,751
34.	Current year NNR M&O rate (unadjusted). Divide Line 32E by Line 33 and multiply by \$100.	\$ 0.470993 /\$100
35.	Rate adjustment for state criminal justice mandate. ²⁶ A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
36.	Rate adjustment for indigent health care expenditures. ²⁷ A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²⁵ [Reserved for expansion]
²⁶ Tex. Tax Code §26.044
²⁷ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
37.	Rate adjustment for county indigent defense compensation. ²⁸	
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender’s office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose.	\$ 0 _____
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender’s office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose.	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	D. Multiply B by 0.05 and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 _____/\$100
38.	Rate adjustment for county hospital expenditures. ²⁹	
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	\$ 0 _____
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024.	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	D. Multiply B by 0.08 and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 _____/\$100
39.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
	A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year.	\$ 0 _____
	B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100	\$ 0.000000 _____/\$100
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 _____/\$100
40.	Adjusted current year NNR M&O rate. Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	\$ 0.470993 _____/\$100
41.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	\$ 7,691,861 _____
	B. Divide Line 41A by Line 33 and multiply by \$100	\$ 0.114963 _____/\$100
	C. Add Line 41B to Line 40.	\$ 0.585956 _____/\$100
42.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	\$ 0.606464 _____/\$100

²⁸ Tex. Tax Code §26.0442
²⁹ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D42.	<p>Disaster Line 42 (D42): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of:</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or</p> <p>2) the third tax year after the tax year in which the disaster occurred.</p> <p>If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08.³⁰ If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).</p>	\$ 0.000000 /\$100
43.	<p>Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes;</p> <p>(2) are secured by property taxes;</p> <p>(3) are scheduled for payment over a period longer than one year; and</p> <p>(4) are not classified in the taxing unit's budget as M&O expenses.</p> <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.³¹</p> <p>Enter debt amount \$ 5,801,522</p> <p>B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0</p> <p>D. Subtract amount paid from other resources - \$ 0</p> <p>E. Adjusted debt. Subtract B, C and D from A. \$ 5,801,522</p>	\$ 5,801,522
44.	Certified prior year excess debt collections. Enter the amount certified by the collector. ³²	\$ 397,369
45.	Adjusted current year debt. Subtract Line 44 from Line 43E.	\$ 5,404,153
46.	<p>Current year anticipated collection rate.</p> <p>A. Enter the current year anticipated collection rate certified by the collector.³³ 99.51 %</p> <p>B. Enter the prior year actual collection rate..... 99.51 %</p> <p>C. Enter the 2023 actual collection rate. 99.54 %</p> <p>D. Enter the 2022 actual collection rate. 99.64 %</p> <p>E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.³⁴</p>	99.51 %
47.	Current year debt adjusted for collections. Divide Line 45 by Line 46E.	\$ 5,430,763
48.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,900,897,349
49.	Current year debt rate. Divide Line 47 by Line 48 and multiply by \$100.	\$ 0.078696 /\$100
50.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 42 and 49.	\$ 0.685160 /\$100
D50.	<p>Disaster Line 50 (D50): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42. Add Line D42 and 49.</p>	\$ 0.000000 /\$100

³⁰ Tex. Tax Code §26.042(a)

³¹ Tex. Tax Code §26.012(7)

³² Tex. Tax Code §26.012(10) and 26.04(b)

³³ Tex. Tax Code §26.04(b)

³⁴ Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
51.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³⁵ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
53.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³⁶ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁷ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 8,811,538
54.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,900,897,349
55.	Sales tax adjustment rate. Divide Line 53 by Line 54 and multiply by \$100.	\$ 0.127686 /\$100
56.	Current year NNR tax rate, unadjusted for sales tax. ³⁸ Enter the rate from Line 27 or 28, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.478433 /\$100
57.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.478433 /\$100
58.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁹ Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.685160 /\$100
59.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 55 from Line 58.	\$ 0.557474 /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ⁴⁰ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ⁴¹	\$ 0
61.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,900,897,349
62.	Additional rate for pollution control. Divide Line 60 by Line 61 and multiply by \$100.	\$ 0.000000 /\$100

³⁵ Tex. Tax Code §26.041(d)
³⁶ Tex. Tax Code §26.041(i)
³⁷ Tex. Tax Code §26.041(d)
³⁸ Tex. Tax Code §26.04(c)
³⁹ Tex. Tax Code §26.04(c)
⁴⁰ Tex. Tax Code §26.045(d)
⁴¹ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
63.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	\$ 0.557474 /\$100

SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.⁴² The Foregone Revenue Amount for each year is equal to that year’s adopted tax rate subtracted from that year’s voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year’s current total value.⁴³

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴⁴
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴⁵ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴⁶

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁷

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68) B. Unused increment rate (Line 67) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2024 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.602350 /\$100 \$ 0.132406 /\$100 \$ 0.469944 /\$100 \$ 0.488635 /\$100 \$ -0.018691 /\$100 \$ 6,854,153,976 \$ 0
65.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2023 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.636316 /\$100 \$ 0.051232 /\$100 \$ 0.585084 /\$100 \$ 0.490000 /\$100 \$ 0.095084 /\$100 \$ 6,397,924,538 \$ 6,083,402
66.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2022 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.555639 /\$100 \$ 0.083896 /\$100 \$ 0.471743 /\$100 \$ 0.490000 /\$100 \$ -0.018257 /\$100 \$ 6,277,842,665 \$ 0
67.	Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G	\$ 6,083,402 /\$100
68.	2025 Unused Increment Rate. Divide Line 67 by Line 22 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.088153 /\$100
69.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	\$ 0.645627 /\$100

⁴² Tex. Tax Code §26.013(b)
⁴³ Tex. Tax Code §§26.013(a)(1-a), (1-b), and (2)
⁴⁴ Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
⁴⁵ Tex. Tax Code §26.0501(a) and (c)
⁴⁶ Tex. Local Gov’t Code §120.007(d)
⁴⁷ Tex. Local Gov’t Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁸ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁹

Line	De Minimis Rate Worksheet	Amount/Rate
70.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 40 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.470993 /\$100
71.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,900,897,349
72.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 71 and multiply by \$100.	\$ 0.007245 /\$100
73.	Current year debt rate. Enter the rate from Line 49 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.078696 /\$100
74.	De minimis rate. Add Lines 70, 72 and 73.	\$ 0.000000 /\$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁵⁰

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁵¹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.488635 /\$100
76.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁵² If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵³ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
77.	Increase in 2024 tax rate due to disaster. Subtract Line 76 from Line 75.	\$ 0.000000 /\$100
78.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,522,250,053
79.	Emergency revenue. Multiply Line 77 by Line 78 and divide by \$100.	\$ 0
80.	Adjusted 2024 taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 6,690,683,751
81.	Emergency revenue rate. Divide Line 79 by Line 80 and multiply by \$100. ⁵³	\$ 0.000000 /\$100

⁴⁸ Tex. Tax Code §26.012(8-a)
⁴⁹ Tex. Tax Code §26.063(a)(1)
⁵⁰ Tex. Tax Code §26.042(b)
⁵¹ Tex. Tax Code §26.042(f)
⁵² Tex. Tax Code §26.042(c)
⁵³ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
82.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	\$ 0.645627 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.478433 /\$100
 As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).
 Indicate the line number used: 27

Voter-approval tax rate. \$ 0.645627 /\$100
 As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).
 Indicate the line number used: 69

De minimis rate. \$ 0.000000 /\$100
 If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit’s certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵⁴

print here ➔ Cheryl E. Johnson, PCC, CTOP
 Printed Name of Taxing Unit Representative

sign here ➔ *Cheryl E. Johnson*
 Taxing Unit Representative

August 1, 2025
 Date

⁵⁴ Tex. Tax Code §§26.04(c-2) and (d-2)



City of Texas City Tax Rate

For the 2025 Tax Year

Truth-In-Taxation (TNT): Tax Rate Adoption

- Designed to provide more transparency in the property tax adoption process and invite greater taxpayer participation
- Adopts a tax rate that will support the operations budget for the City
- Galveston County Tax Office calculates the tax rates and sends the tax rates to the Taxing Units in Galveston County

No-New-Revenue Tax Rate (NNR)

Tax rate that would produce the same revenue from the same property base as the prior year and serves as an offset to the increasing property appraised values.

Voter Approval Tax Rate (VAR)

Highest tax rate that the Taxing Unit may adopt without holding an election to seek voter approval of the rate.

Adopted Tax Rate

Tax rate that was previously voted and adopted by the Taxing Unit

Tax Increment Financing (TIF) – redirect property tax in an area designated as a Tax Increment Reinvestment Zone (TIRZ)

STAFF RECOMMENDATION



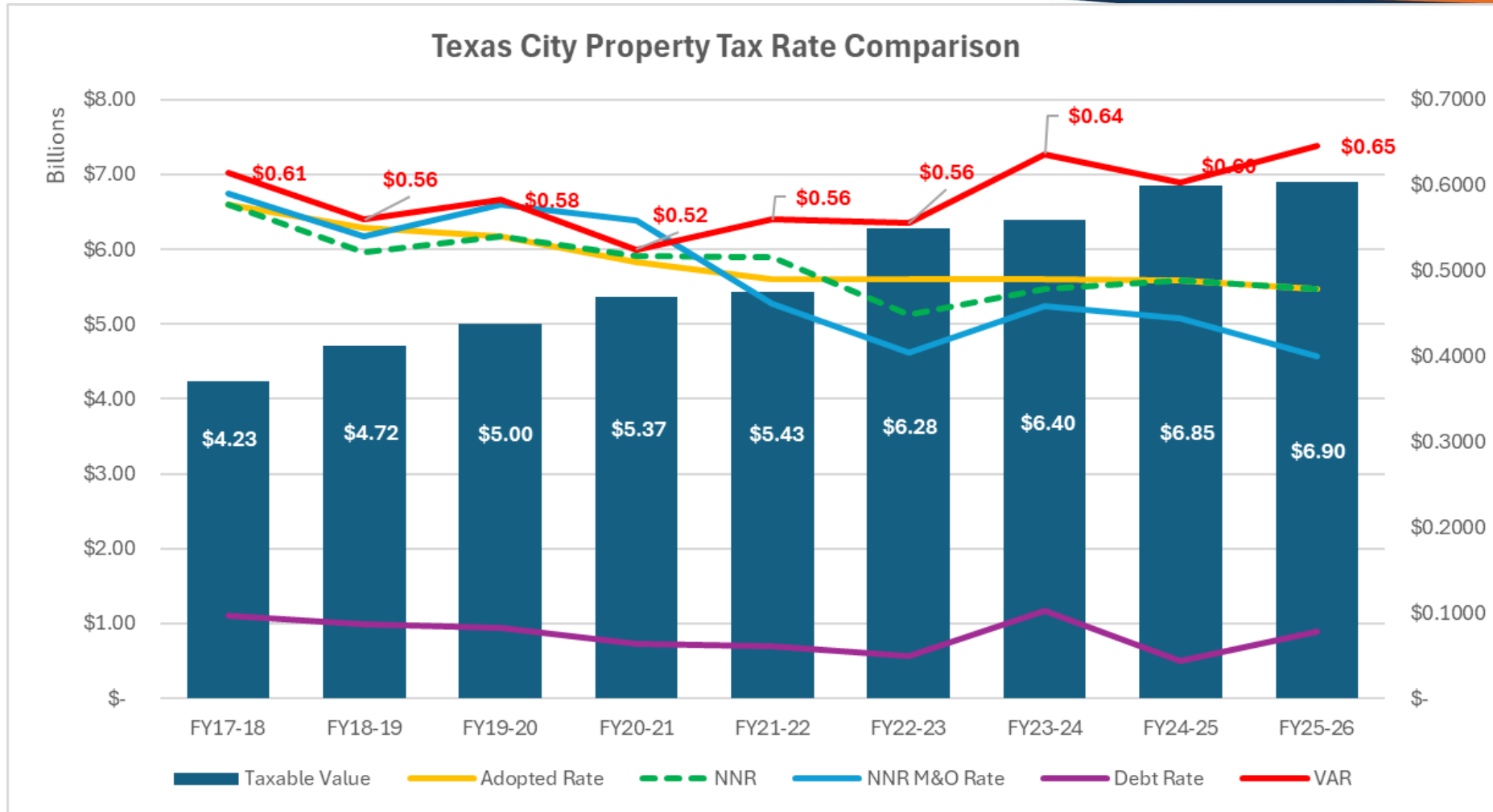
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Taxable Value	\$ 5,431,858,681	\$ 6,277,842,665	\$ 6,397,924,538	\$ 6,854,153,976	\$ 6,900,897,349
PROPOSED RATE	0.490000	0.490000	0.490000	0.488635	0.478433
NNR	0.516302	0.448432	0.479020	0.488635	0.478433
NNR M&O Rate	0.461960	0.403735	0.458423	0.444272	0.399737
NNR I&S (Interest & Sinking)	0.060496	0.049936	0.102650	0.044363	0.078696
VAR	0.559489	0.555639	0.636316	0.602350	0.645627
Proposed Tax Revenue	\$ 26,616,108	\$ 30,761,429	\$ 31,349,830	\$ 33,491,795	\$ 33,016,170
M&O LEVY				\$ 30,451,087	\$ 27,585,440
DEBT LEVY				\$ 3,040,708	\$ 5,430,730

Staff Recommends NO NEW REVENUE Tax Rate - \$.478433/\$100

REDUCED Property Tax

* M&O – Maintenance and Operations

STAFF RECOMMENDATION



* M&O – Maintenance and Operations

Staff Recommends **NO NEW REVENUE** Tax Rate
 REDUCED Property Tax Rate

FY25 PROPERTY TAX REVENUE PROJECTIONS



FY25-26	
Taxable Value	\$ 6,900,897,349
PROPOSED RATE	0.478433
NNR	0.478433
NNR M&O Rate	0.399737
NNR I&S (Interest & Sinking)	0.078696
VAR	0.645627
Proposed Tax Revenue	\$ 33,016,170
M&O LEVY	\$ 27,585,440
DEBT LEVY	\$ 5,430,730

* M&O – Maintenance and Operations



**THANK
YOU**

CITY COMMISSION REGULAR MTG

(9) (d)

Meeting Date: 08/06/2025

Ordinance Amending Fire Department Classifications of Positions

Submitted For: Dennis Harris, Fire Department

Submitted By: Dennis Harris, Fire Department

Department: Fire Department

Information

ACTION REQUEST

Consider and take action on an Ordinance amending the Fire Department Classification Plan to reflect one (1) fewer position in the classification of Captain and one (1) additional position in the classification of Firefighter; the total number of authorized Fire Department personnel will remain unchanged.

BACKGROUND (Brief Summary)

Following the retirement of Captain Wendell Wiley on July 20, 2025, the Fire Department must make an adjustment to its staffing classifications. In order to meet operational staffing demands and remain compliant with civil service timelines and requirements, we are reducing the number of budgeted positions in the classification of Captain by one (1) and increasing the number of budgeted positions in the classification of Firefighter by one (1).

This adjustment ensures the department maintains flexibility in assignment and staffing while aligning with civil service rules and operational needs. Please note that this reclassification will not increase the overall number of authorized personnel within the Fire Department; the total staffing levels will remain unchanged.

RECOMMENDATION

I respectfully recommend amending the Fire Department’s Classification Plan to reclassify one (1) position from Captain to Firefighter.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: 0

Source of Funds: Fire Department Salaries budget

Account #: 10120251010

Fiscal Impact:

The proposed action is cost-neutral in terms of total staffing and results in a modest, positive fiscal impact due to the difference in classification pay. The funds are available to support this adjustment in the current budget.

Attachments

Ordinance

ORDINANCE NO. 2025-15

AN ORDINANCE AMENDING THE CITY CODE, TITLE III “ADMINISTRATION”, CHAPTER 32 “LAW ENFORCEMENT AND FIRE DEPARTMENT”, SECTION 32.009 “FIRE DEPARTMENT; CLASSES OF POSTIONS”, BY DECREASING THE NUMBER OF POSITIONS WITHIN THE CLASSIFICATION OF CAPTAIN BY ONE, INCREASING THE NUMBER OF POSITIONS WITHIN THE CLASSIFICATION OF FIREFIGHTER BY NINETEEN AND PRESCRIBING THE RESULTING NUMBER OF POSITIONS IN EACH CLASSIFICATION OF THE CLASSIFIED SERVICE OF THE FIRE DEPARTMENT; AUTHORIZING THE FIRE CHIEF TO HIRE FOR THE POSITION; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SEVERABILITY CLAUSE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

WHEREAS, section 143.021 of the Texas Local Government Code requires the governing body of a municipality to provide for the classification of all firefighters by ordinance; and

WHEREAS, section 143.021 provides that the governing body must establish the classifications as well as the number of positions within each classification; and

WHEREAS, the City Commission of the City of Texas City deems it is in the best interest of the City to decrease the number within classification of “Captain”; and

WHEREAS, the City Commission of the City of Texas City deems it is in the best interest of the City to increase the number within classification of “Firefighter”; and

WHEREAS, the City Commission of the City of Texas City budgeted funds in the Fire Department's salary line item for fifteen (15) Captains, but now has concluded it is in the best interests of the Fire Department to decrease the number of budgeted/authorized Captains from fifteen (15) to fourteen (14); and

WHEREAS, the City Commission previously budgeted funds in the Fire Department's salary line item for fifty (50) Firefighters but has now concluded that it is in the best interest of the Fire Department to increase the number of budgeted and authorized Firefighters from fifty (50) to fifty-one (51).

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

Effective August 6, 2025, the City Commission hereby establishes the following classifications and number of authorized positions in the classified service of the Texas City Fire Department:

- (1) Firefighter51
- (2) Engineer 26
- (3) Captain..... 14

(4) Battalion Fire Chief..... 3
(5) Assistant Fire Chief1
Total: 95

SECTION 2: It is hereby declared to be the intention of the City Commission that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable.

SECTION 3: That it is further provided that, in the event any section, clause, sentence, paragraph or part of this Ordinance shall be for any reason adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, invalidate, or impair the remainder of this Ordinance.

SECTION 4: That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 5: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 6: That this Ordinance shall be finally passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption and publication by caption only in the official newspaper of the City.

PASSED AND ADOPTED this 6th day of August 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney