City of Lubbock, Texas
Regular City Council Meeting
August 22, 2023

Tray Payne, Mayor
Shelia Patterson Harris, Mayor Pro Tem, District 2
Christy Martinez-Garcia, Councilwoman, District 1
Mark W. McBrayer, Councilman, District 3
Steve Massengale, Councilman, District 4
Dr. Jennifer Wilson, Councilwoman, District 5
Latrelle Joy, Councilwoman, District 6

W. Jarrett Atkinson, City Manager
Chad Weaver, City Attorney
Courtney Paz, City Secretary

http://www.mylubbock.us

City Council Chambers, Citizens Tower, 1314 Avenue K, Lubbock, Texas

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City of Lubbock City Council Meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at (806)775-2061 or write to Post Office Box 2000, Lubbock, Texas 79457 at least 48 hours in advance of the meeting.

Note: On occasion the City Council may consider agenda items out of order.

12:45 p.m. - City Council convenes in City Council Chambers in Work Session regarding items for presentation and discussion on such issues that may require in-depth consideration by the City Council. No action will be taken by the City Council in Work Session.

1. Hear and discuss presentations regarding the following and provide guidance to staff as appropriate.

1. 1. Communications and Marketing - Proposed City of Lubbock Logo and Branding Program

1. 2. Presentation and discussion of the Proposed FY 2023-24 Operating Budget and Capital Program, and discuss all funds of the City, including but not limited to General Fund, Debt Service Fund, Internal Services, Enterprise Funds, Special Revenue Funds, Component Units, Related Entities, Debt and Debt Obligations, Capital Improvement Program, current and proposed American Rescue Plan Act Funds and uses, and related and associated items; and take action to direct the City Manager to make changes to said Budget.

At the completion of the Work Session, City Council recesses into Executive Session.

2. **Executive Session**

2. 1. Hold an executive session in accordance with Texas Government Code, Section 551.071, with legal counsel for advice about pending or contemplated litigation or settlement agreement and on matters in which the duty of the attorney under the Texas Disciplinary Rules of Professional Conduct conflicts with Chapter 551.

2. 1. 1. Settlement offer for Claims 23-C-023 and 23-C-038

2. 1. 2. 98th Street – Alcove Avenue to Upland Avenue Road Bond Project

2. 1. 3. Parcel 74, a 19.246-acre Parcel Located in Section 31, Block AK, Lubbock County, Texas

2. 1. 4. Parcel 74-A, a 1.141-acre Parcel Located in Section 31, Block AK, Lubbock County, Texas

2. 2. Hold an executive session in accordance with the Texas Government Code, Section 551.072, to deliberate the purchase, exchange, lease, or value of real property.

2. 2. 1. 98th Street – Alcove Avenue to Upland Avenue Road Bond Project

2. 2. 2. Parcel 74, a 19.246-acre Parcel Located in Section 31, Block AK, Lubbock County, Texas

2. 2. 3. Parcel 74-A, a 1.141-acre Parcel Located in Section 31, Block AK, Lubbock County, Texas

2. 3. Hold an executive session in accordance with the Texas Government Code, Section 551.074, to discuss personnel matters, the appointment, employment, evaluation or reassignment of the following:

2. 3. 1. City Manager

2. 3. 2. City Secretary

2. 3. 3. City Attorney

Adjourn from Executive Session

2:00 p.m. - City Council reconvenes in Open Session in City Council Chambers.

3. **Ceremonial Items**

3. 1. Invocation

3. 2. Pledges of Allegiance

Call to Order

4. **Citizen Comments - According to Lubbock City Council Rules, any citizen wishing to appear in-person before a regular meeting of the City Council, regarding any matter posted on the City Council Agenda below, shall complete the sign-up form provided at the meeting, no later than 2:00 p.m. on August 22, 2023. Citizen Comments provide an opportunity for citizens to make comments and express a position on agenda items.**

5. **Minutes**

5. 1. July 25, 2023 Regular City Council Meeting

6. **Consent Agenda - Items considered to be routine are enacted by one motion without separate discussion. If the City Council desires to discuss an item, the item is removed from the Consent Agenda and considered separately.**

6. 1. **Budget Ordinance Amendment 2nd Reading - Finance:** Consider Budget Ordinance No. 2023-O0093, Amendment 29, amending the FY 2022-23 Budget for municipal purposes respecting the Grant Fund; providing for filing; and providing for a savings clause.

6. 2. **Budget Ordinance Amendment 2nd Reading - Finance:** Consider Budget Ordinance No. 2023-O0094, Amendment 30, amending the FY 2022-23 Budget for municipal purposes respecting the Community Development Fund to appropriate funding for the Comprehensive Energy Assistance Program; providing for filing; and providing for a savings clause.

6. 2. 1. **Resolution - Community Development:** Consider a resolution authorizing the Mayor to execute Amendment No. 2, to Community Development Funding Contract 17086, and all related documents, with the Texas Department of Housing and Community Affairs (TDHCA), for the Comprehensive Energy Assistance Program (CEAP) to assist low income households in meeting their immediate energy needs and to encourage consumers to control energy costs through education.

6. 3. **Budget Ordinance Amendment 1st Reading - Finance:** Consider Budget Ordinance Amendment 32, Amending the FY 2022-23 Budget for municipal purposes respecting the Streets Capital Projects Fund; providing for filing; and providing for a savings clause.

6. 4. **Ordinance 1st Reading - Finance:** Consider the sixteenth supplemental ordinance updating the Vintage Township Public Improvement District Service and Assessment Plan and Assessment Roll.

6. 5. **Resolution - Finance:** Consider a resolution releasing the lien on 2701 121st Street, Unit #15, Vintage Township Lot 235, in the Vintage Township Public Improvement District (Vintage PID).

6. 6. **Resolution - Finance:** Consider a resolution authorizing the Mayor to execute an Interlocal Agreement, by and between the City of Lubbock and the Lubbock Central Appraisal District, for the collection of assessments levied on property within the Upland Crossing 2 Public Improvement District.

6. 7. **Resolution - Finance:** Consider a resolution authorizing the Mayor to execute an Interlocal Agreement, by and between the City of Lubbock and the Lubbock Central Appraisal District (LCAD), for the collection of assessments levied on property within the Upland Crossing 3 Public Improvement District.

6. 8. **Resolution - Finance:** Consider a resolution authorizing the approval of the Lubbock Emergency Communications District Budget for Fiscal Year 2023-24.

6. 9. **Resolution - Business Development:** Consider a resolution authorizing a Commercial Revitalization Grant Program (Facade) expenditure of Market Lubbock, Inc., to be provided to Caprock Laundry Center, pursuant to Article IV, Section 5, of the Amended and Restated Bylaws of Market Lubbock Development Corporation.

6. 10. **Resolution - Business Development:** Consider a resolution authorizing a Commercial Revitalization Grant Program (Permittable) expenditure of Market Lubbock, Inc., to be provided to Caprock Laundry Center, pursuant to Article IV, Section 5, of the Amended and Restated Bylaws of Market Lubbock Development Corporation.

6. 11. **Resolution - Business Development:** Consider an amendment to Resolution 2023-R0116, delegating authority to the City Manager to execute all documents to effectuate the purchase of real property on behalf of the North Point Public Improvement District (PID).

6. 12. **Resolution - Right-of-Way:** Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, one Street Dedication Deed, in connection with certain real property located in the Southeast 1/4 of Section 6, Block A, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project.

6. 13. **Resolution - Right-of-Way:** Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, one Street Dedication Deed, one Drainage Easement, and one Right-of-Way Deed, in connection with certain real property located in Section 7, Block JS, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project.

6. 14. **Resolution - Right-of-Way:** Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, a Dedication Deed, in connection with certain real property located in Tract "A-1", a replat of Tract "A", Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, to be utilized for street, curb, gutter, sidewalk, drainage right-of-way, public utilities, and other public purposes.

6. 15. **Resolution - Right-of-Way:** Consider a resolution authorizing the Mayor to execute a Street Use License Agreement, by and between the City of Lubbock and the Texas Commission on Environmental Quality, for the right-of-way located on East Kemper Street, east of North Ash Avenue.

6. 16. **Resolution - Engineering:** Consider a resolution authorizing the Mayor to execute Professional Services Contract 17246, by and between the City of Lubbock and Freese and Nichols, Inc., for the Federal Emergency Management Agency (FEMA) Restudy - System B.

6. 17. **Resolution - Public Works Streets:** Consider a resolution authorizing the Mayor to execute Contract 17407, with Ti-Zack Concrete, Inc., for concrete repair, replacement, and construction, in the Manhattan Heights Subdivision area.

6. 18. **Resolution - Public Health Services:** Consider a resolution authorizing the Mayor to execute Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001019500024, and all related documents, under the Vaccination Capacity Grant Program, by and between the City of Lubbock and the State of Texas, acting by and through DSHS.

6. 19. **Resolution - Public Health Services:** Consider a resolution authorizing the Mayor to execute Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001083000001, and all related documents, by and between the City of Lubbock and the State of Texas, acting by and through DSHS, for activities to establish, expand, train, and sustain the public health workforce, in alignment with the Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802) from the Centers of Disease Control and Prevention (CDC).

6. 20. **Resolution - Public Health Services:** Consider a resolution authorizing the Mayor to execute Federal Demonstration Partnership (FDP) Cost Reimbursement Subaward Agreement UTAUS-SUB00001039, and all related documents, by and between the City of Lubbock and the University of Texas at Austin, under the Health and Human Services Commission Substance Abuse Innovative Healing Centered Projects (IHCP) Grant Program.

6. 21. **Resolution - Community Development:** Consider a resolution authorizing the Mayor to execute Amendment No. 3 to Community Development Funding Contract 16001, and all related documents, with YWCA of Lubbock, to provide Childcare Assistance to qualified low-to-moderate income persons and families who have been affected by COVID-19, through the Community Development Block Grant Coronavirus Relief and Economic Security Act CARES (CDBG / CARES) administered by the U.S. Department of Housing & Urban Development (HUD).

6. 22. **Resolution - Aviation:** Consider a resolution authorizing the Mayor to execute Contract 17096, with SSP America, Inc., for the Food, Beverage, and Retail Sales Concessions at the Lubbock Preston Smith International Airport.

6. 23. **Resolution - Aviation:** Consider a resolution authorizing the Mayor to execute Amendment No. 13 to Contract 15200, by and between the City of Lubbock and RS&H, for Local Breaker Backup Electrical Grounding and Emergency Generator Upgrade Construction Administration, and Resident Project Representative Services, at the Lubbock Preston Smith International Airport.

6. 24. **Resolution - Aviation:** Consider a resolution authorizing the Mayor to execute Contract 17341, with ACME Electric Company, for the Local Breaker Backup Electrical Grounding and Generator Upgrades Project at the Lubbock Preston Smith International Airport.

6. 25. **Resolution - Aviation:** Consider a resolution authorizing the City Manager, or his designee, to execute Federal Aviation Administration Airport Terminal Program Grant Agreement 3-48-0138-057-2023, by and between the City of Lubbock and the United States of America, acting through the Federal Aviation Administration, in connection with the Lubbock Preston Smith International Airport Terminal Electrical System Renovation.

6. 26. **Resolution - Public Transit Services:** Consider a resolution authorizing the Mayor to execute a Transit System Management Contract, and all related documents, by and between the City of Lubbock and RATP Dev USA, Inc., to manage and operate the public transportation system owned by the City of Lubbock.

6. 27. **Resolution - Public Transit Services:** Consider a resolution authorizing the Mayor to execute Amendment No. 1 to the Service Agreement dated March 9, 2021, by and between the City of Lubbock and SPARE Labs, Inc., to allow Citibus to use non-dedicated fleets or third party providers through a SPARE Open Fleets integration.

6. 28. **Resolution - Parks and Recreation:** Consider a resolution authorizing the Mayor to execute an amendment to the Park Land License Agreement with Alstrom Angels, waiving fees until Milestone Development & Play Park is open to the public, permitting the City Manager, or his designee, to execute any necessary documents regarding subordination of the City's security interest in temporary improvements/fixtures, and to allow for additional construction time.

6. 29. **Resolution - Parks and Recreation:** Consider a resolution authorizing the Mayor to execute Contract 17397, with Gorman Outdoor, Inc., for tree and brush removal along the Jim Bertram Canyon Lake System as part of the ARPA Cattail/Dredging Capital Project.

6. 30. **Resolution - Information Technology:** Consider a resolution authorizing the Mayor to execute Contract 17004, with CTE Networking, Inc., and Contract 17517 with Armada Solutions, LLC, for data, voice, and fiber optic cabling cervices at City facilities.

6. 31. **Resolution - Information Technology:** Consider a resolution authorizing the Mayor to execute Contract 17464, with Unite Private Networks, LLC, for the lease of dark fiber optic circuits to connect City facilities.

6. 32. **Resolution - City Secretary:** Consider a resolution confirming the City Manager's appointment of Jimmy Castillo to the Civil Service Commission.

6. 33. **Resolution - City Manager:** Consider a resolution authorizing the Mayor to execute Amendment No. 1 replacing Article II-Scope of Services, to the American Rescue Plan Act (ARPA) Funding Agreement, by and between the City of Lubbock and StarCare Spcialty Health System, for the Construction of Infrastructure to serve as a Center for Behavioral Health Crisis.

7. **Regular Agenda**

7. 1. **Board Appointments - City Secretary:** Consider and take action on the appointments of the Chairperson and Vice-Chairperson for the Lubbock Water Advisory Commission.

7. 2. **Board Appointment - City Secretary:** Consider and take action on the appointment of the Chairperson for the Veterans Advisory Committee.

7. 3. **Board Appointments - City Secretary:** Consider appointments to the Valencia Public Improvement District (PID) Advisory Board.

7. 4. **Board Appointments - City Secretary:** Consider appointments to the North Point Public Improvement District (PID) Advisory Board.

7. 5. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Bell Farms Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Bell Farms PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 6. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the North Overton Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the North Overton PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 7. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the North Point Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the North Point PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 8. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Northwest Passage Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Northwest Passage PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 9. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Quincy Park Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Quincy Park PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 10. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Upland Crossing Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Upland Crossing PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 11. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Valencia Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Valencia PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 12. **Public Hearing - Finance:** Hold a public hearing on the proposed 2023 Assessment Rate for the Willow Bend Villas Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Willow Bend Villas PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

7. 13. **Resolution - Business Development:** Consider a resolution authorizing the Mayor to execute City Tax Abatement Agreement No. 17471, with Dura-Line, LLC, for real property improvements and the acquisition of new machinery and equipment.

7. 14. **Public Hearing - Planning (District 1):** Consider a request for Zone Case 2016-D, a request of Parkhill for Thomas Kenneth Abraham, for a zone change from Family Apartment District (A-1) to High-Rise Apartment District (A-3) with a Planned Development, at 2401 through 2413 14th Street and 2402 through 2416 15th Street, located south of 14th Street and east of University Avenue, Overton Addition, Block 102, Lots 1 through 7 and 17 through 24 and the portion of alley between Lots 1 through 7 and 18 through 24 (to be closed), and consider an ordinance.

7. 15. **Public Hearing - Planning (District 2):** Consider a request for Zone Case 3486, a request of Core States Group for Ramona Prater and Estate of Charles Prater, for a zone change from Transition District (T) to Commercial District (C-4), at 11213 University Avenue, located north of 114th Street and east of University Avenue, on 2.852 acres of unplatted land out of Block E, Section 10, and consider an ordinance.

7. 16. **Public Hearing - Planning (District 4):** Consider a request for Zone Case 3257-P, a request of Hugo Reed and Associates, Inc. for 1585 Development, LLC and Rocket Partners I, LLC, for a zone change from Single-Family District (R-1) Specific Use for Reduced Setbacks to Single-Family District (R-1) Specific Use for Townhouse/Garden Home, generally located west of Elgin Avenue and south of 137th Street, on 3 acres of unplatted land out of Block AK, Section 1, and consider an ordinance.

7. 17. **Resolution - Planning:** Consider a resolution authorizing the Mayor to execute a Municipal Services Agreement, with the Lubbock Economic Development Alliance, Inc., for the requested annexation of an area of land generally described as 105.867 acres north of East 4th Street and east of East Loop 289, into Lubbock's corporate limits, along with the adjacent right-of-way.

AI# 11842
Regular City Council Meeting **5. 1.**
08/22/2023:

Information

Agenda Item
July 25, 2023 Regular City Council Meeting

Item Summary
July 25, 2023 Regular City Council Meeting

Fiscal Impact
None

Staff/Board Recommending
Courtney Paz, City Secretary

Attachments

7.25.2023

CITY OF LUBBOCK
REGULAR CITY COUNCIL MEETING
July 25, 2023
1:00 P. M.

The City Council of the City of Lubbock, Texas met in regular session on the 25th of July, 2023, in City Council Chambers, Citizens Tower, 1314 Avenue K, Lubbock, Texas at 1:00 p.m.

1:02 P.M. CITY COUNCIL CONVENED
City Council Chambers, Citizens Tower, 1314 Avenue K, Lubbock, Texas

Present: Mayor Tray Payne; Mayor Pro Tem Shelia Patterson Harris; Council Member Latrelle Joy; Council Member Christy Martinez-Garcia; Council Member Steve Massengale; Council Member Mark W. McBrayer; City Manager W. Jarrett Atkinson; City Secretary Courtney Paz; City Attorney Chad Weaver

Absent: Council Member Dr. Jennifer Wilson

Note: City Council addressed agenda items in the following order:
- *Executive Session; 2.1-2.2; Citizen Comments 3; 5.1-5.28; and 6.1-6.9.*
- *Item No.'s 6.3 and 6.5 failed.*
- *Item No. 6.8 was postponed to the August 22, 2023 Regular City Council Meeting.*

1. Executive Session

The meeting recessed at 1:03 p.m. and reconvened in Executive Session under the provisions of Section 551, Texas Government Code. City Council reconvened in open session at 2:00 p.m., and the meeting was called to order at 2:06 p.m.

1. 1. Hold an executive session in accordance with Texas Government Code, Section 551.071, with legal counsel for advice about pending or contemplated litigation or settlement agreement and on matters in which the duty of the attorney under the Texas Disciplinary Rules of Professional Conduct conflicts with Chapter 551.

1. 1. 1. Discuss Article 22.03 of the Lubbock Code of Ordinances

1. 1. 2. Discuss Chapter 211 of the Texas Local Government Code and relevant case law.

1. 2. Hold an executive session in accordance with the Texas Government Code, Section 551.072, to deliberate the purchase, exchange, lease, or value of real property.

1. 2. 1. Loop 88 Land Acquisition

1. 2. 2. Texas Parks and Wildlife Department - Park Land Dedication

1. 3. Hold an executive session in accordance with Texas Government Code Section 551.074, to discuss personnel matters, regarding the duties, responsibilities, and/or appointments to the Building Board of Appeals, Canadian River Municipal Water Authority Board of Directors, Lubbock Reese Redevelopment Authority Board of Directors, Permit & License Appeal Board, and the Urban Design & Historic Preservation Commission.

2:00 p.m. - City Council reconvenes in Open Session in City Council Chambers.

City Council reconvened at 2:00 p.m.

2. Ceremonial Items

2. 1. Invocation

Pastor Michael Cleghorn, Quaker Avenue Church of God, led the invocation.

2. 2. Pledges of Allegiance

Pledges of Allegiance, to the United States and Texas Flags, were led by Mayor Pro Tem Shelia Patterson Harris.

Call to Order

The meeting was called to order at 2:06 p.m.

3. Citizen Comments - According to Lubbock City Council Rules, any citizen wishing to appear in-person before a regular meeting of the City Council, regarding any matter posted on the City Council Agenda below, shall complete the sign-up form provided at the meeting, no later than 2:00 p.m. on July 25, 2023. Citizen Comments provide an opportunity for citizens to make comments and express a position on agenda items.

No one appeared to speak.

4. Minutes

4. 1. May 24, 2023 Special City Council Meeting - Lubbock Economic Development Alliance
June 27, 2023 Regular City Council Meeting
June 28, 2023 Special City Council Meeting - Lubbock Economic Development Alliance Press Conference

Motion by Council Member Latrelle Joy, seconded by Council Member Christy Martinez-Garcia, to approve the May 24, 2023 Special City Council Meeting - Lubbock Economic Development Alliance minutes; June 27, 2023 Regular City Council Meeting minutes; and the June 28, 2023 Special City Council Meeting - Lubbock Economic Development Alliance Press Conference minutes.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

5. Consent Agenda - Items considered to be routine are enacted by one motion without separate discussion. If the City Council desires to discuss an item, the item is removed from the Consent Agenda and considered separately.

Motion by Council Member Christy Martinez-Garcia, seconded by Council Member Steve Massengale, to approve items 5.1-5.28.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

5. 1. **Budget Ordinance Amendment 2nd Reading - Finance:** Ordinance No. 2023-O0081, Amendment 24, amending the FY 2022-23 Budget for municipal purposes respecting the General Fund for additional positions to increase core public health capacity; providing for filing; and providing for a savings clause.

5. 2. **Budget Ordinance Amendment 2nd Reading - Finance:** Ordinance No. 2023-O0082, Amendment 25, amending the FY 2022-23 Budget for municipal purposes respecting the Airport Capital Fund for safety management and facilities improvements; providing for filing; and providing for a savings clause.

5. 3. **Budget Ordinance Amendment 1st Reading - City Council:** Ordinance No. 2023-O0088, Amendment 26, amending the FY 2022-23 Budget for municipal purposes respecting the Parks Capital Projects Fund for parks improvements; providing for filing; and providing for a savings clause.

5. 4. **Budget Ordinance Amendment 1st Reading - Finance:** Ordinance No. 2023-O0089, Amendment 27, amending the FY 2022-23 Budget for municipal purposes respecting the Streets Capital Projects Fund; providing for filing; and providing for a savings clause.

5. 5. **Budget Ordinance Amendment 1st Reading - Finance:** Ordinance No. 2023-O0090, Amendment 28, amending the FY 2022-23 Budget for municipal purposes respecting the operating budget for Lubbock Economic Development Alliance and Market Lubbock, Inc. (MLI) - Visit Lubbock and Sports Authority; providing for filing; and providing for a savings clause.

5. 6. **Resolution - Business Development:** Resolution No. 2023-R0354 of support for the planning and construction of Interstate 27 in Texas.

5. 7. **Ordinance 2nd Reading - Right-of-Way:** Ordinance No. 2023-O0083, abandoning and closing portions of alley right-of-way located in Section 41, Block AK, Lubbock County, Texas.

5. 8. **Ordinance 2nd Reading - Right-of-Way:** Ordinance No. 2023-O0084, abandoning and closing a portion of a drainage easement located in Lot 26, Regency Park Addition to the City of Lubbock, Lubbock County, Texas.

5. 9. **Resolution - Right-of-Way:** Resolution No. 2023-R0355 authorizing the Mayor to accept, for and on behalf of the City of Lubbock, a Dedication Deed, in connection with certain real property located in Lots 6-A and 12-A, Block 1, a replat of Lots 6 through 12, Block 1, Maddox Addition to the City of Lubbock, Lubbock County, Texas, to be utilized for street, curb, gutter, sidewalk, drainage right-of-way, public utilities and other public purposes.

5. 10. **Resolution - Right-of-Way:** Resolution No. 2023-R0356 authorizing the Mayor to execute a Street Use License, and all related documents, by and between the City of Lubbock and Tapia Elias and Doria Gonzales, to use a portion of a dedicated street for additional vehicle parking, located in Lot 19, Block 21, a replat of Modern Manors Addition to the City of Lubbock, Lubbock County, Texas.

5. 11. **Resolution - Engineering:** Resolution No. 2023-R0357 authorizing the Mayor to execute Contract 17343, with Lone Star Dirt and Paving, Ltd., for construction services for the 34th Street Back-of-Curb Project.

5. 12. **Resolution - Engineering:** Resolution No. 2023-R0358 authorizing the Mayor to execute Professional Services Agreement, Contract No. 17484, by and between the City of Lubbock and dredgeSMART, for the Canyon Lake 6 Dredging.

5. 13. **Resolution - Engineering:** Resolution No. 2023-R0359 authorizing the Mayor to execute Amendment No. 1 to Professional Services Agreement, Contract 17074, by and between the City of Lubbock and Freese and Nichols, Inc., for the design of Upland Avenue from 34th Street to 50th for street and street bond management.

5. 14. **Resolution - Solid Waste:** Resolution No. 2023-R0360 authorizing the Mayor to execute Contract 17278, with Parkhill, for Engineering Services related to the Design and Construction Administration of the West Texas Regional Disposal Facility Cell 6.

5. 15. **Ordinance 2nd Reading - Public Works Traffic Management:** Ordinance No. 2023-O0085, amending Section 20.05.103 of the Code of Ordinances of the City of Lubbock, with regard to the establishment of school zones and speed limits.

5. 16. **Resolution - Public Works Traffic Management:** Resolution No. 2023-R0361 authorizing the Mayor to execute any and all instruments necessary, in connection with the acceptance of the FY 2022 Safe Streets and Roads for All, Grant Award No. 6931132340211, from the Federal Highway Administration, to develop a comprehensive safety action plan.

5. 17. **Resolution - Public Works Traffic Management:** Resolution No. 2023-R0362 authorizing the Mayor to execute Contract 17370, with TRP Construction Group, LLC, for pavement marking and striping removal on 19th Street and Milwaukee Avenue, 34th Street and Milwaukee Avenue, and any other streets that will be re-striped to a different lane configuration.

5. 18. **Resolution - Public Health Services:** Resolution No. 2023-R0363 authorizing the Mayor to execute four Prevention Resource Center, Region 1 Memorandums of Understanding, and all related documents, by and between the City of Lubbock, and Cenikor Foundation, Family Support Services of Amarillo, Hub City Outreach Center, and Adolescent Support Network, in a collaborative effort to meet the specific needs of the priority population, and serving as an essential link between prevention, intervention and treatment services.

5. 19. **Resolution - Public Health Services:** Resolution No. 2023-R0364 authorizing the Mayor to execute Contract 17194, and all related documents, with Mindfulness Behavioral Health Services, LLC, for Substance Use Disorder Treatment Services.

5. 20. **Resolution - Community Development:** Resolution No. 2023-R0365 approving the City of Lubbock Community Development Department 2023 - 2024 Annual Action Plan Draft, to be submitted to the U. S. Department of Housing and Urban Development.

5. 21. **Ordinance 2nd Reading - Human Resources:** Ordinance No. 2023-O0086, amending Ordinance No. 2011-O0112, which established a Deferred Compensation Plan for City employees, to change the make-up of the Oversight Committee of the City's Deferred Compensation Plan.

5. 22. **Resolution - Civic Centers:** Resolution No. 2023-R0366 authorizing the Mayor to execute a License Agreement between the City of Lubbock and Civic Lubbock, Inc., regarding concession commissions, salary reimbursements, collection of catering and merchandise fees, and the continuation of two standing subcommittees.

5. 23. **Resolution - Civic Centers:** Resolution No. 2023-R0367 approving the recommendation from the Cultural Arts Grant Review Committee and the Civic Lubbock, Inc. Board of Directors, for the 2023 Cultural Arts Grant Program, using Hotel Occupancy Tax funds collected at the end of FY 2021-22.

5. 24. **Resolution - Fleet Services:** Resolution No. 2023-R0368 authorizing the Mayor to execute Purchase Order 31075188, with Logistics365, Inc., for the purchase of two Utility Terrain Vehicles and four All Terrain Vehicles, for various City Departments.

5. 25. **Resolution - Police:** Resolution No. 2023-R0369 authorizing the Mayor to execute Purchase Order 10026558, with Galls, LLC, for the purchase of ballistic shields for the Lubbock Police Department.

5. 26. **Resolution - City Manager:** Resolution No. 2023-R0370 authorizing the Mayor to execute a grant amendment between the City of Lubbock and the Texas Parks and Wildlife Department, to remove a grant encumbrance from a portion of the Lubbock Youth Sports Complex, as the first part of a conversion with delayed replacement.

5. 27. **Resolution - City Manager:** Resolution No. 2023-R0371 authorizing the Mayor to execute a Possession and Use Agreement, by and between the City of Lubbock and the Texas Department of Transportation, regarding certain property for the purpose of constructing a portion of Loop 88, located at the corner of FM 1585 and Milwaukee Avenue.

5. 28. **Ordinance 2nd Reading - Planning (District 3):** Ordinance No. 2023-O0087, for Zone Case 501-A, a request of Steve Vernon for Dellas W. Lee, for a Specific Use for an Event Center on property zoned Local Retail District (C-2), at 4012 34th Street, located north of 34th Street, and east of Oxford Avenue, Zuni Park Addition, Block 7, Lot 14, the east 55 feet of Lot 13 and the west 15 feet of Lot 15.

6. Regular Agenda

6. 1. **Board Appointments - City Secretary:** Consider appointments to the Appointments Advisory Board, Board of Health, Building Board of Appeals, Canadian River Municipal Water Authority Board of Directors, Citizens Traffic Commission, Civic Lubbock, Inc. Board of Directors, Comprehensive Plan Oversight Committee, Keep Lubbock Beautiful Advisory Committee, Libraries Board, Lubbock Water Advisory Commission, Permit & License Appeal Board, and the Urban Design & Historic Preservation Commission.

Appointments Advisory Board: Reappointment of Monica Delgado and Mary Gerlach; and the appointment of Gerald (Bruce) Boyd to replace Reggie Dial; Alice Lozada to replace Jim Gomez; Heather Keister to replace Samantha Spitzer; and David Glasheen to replace Abby Scioli.

Board of Health: Reappointment of Donna Griffis and Vicki Chapa; and the appointment of Dr. Lara Johnson to replace Dr. Cynthia Reinoso Webb.

Building Board of Appeals: Reappointment of Dickie Hudgens, C.J. Marquette, Trey Strong, and William Turner; and the appointment of Donovan Beckwith to replace Eliza Norris.

Canadian River Municipal Water Authority Board of Directors: Reappointment of James Collins.

Citizens Traffic Commission: Reappointment of Jon Mark Bernal, Eric Burrell, and William Curnow; and the appointment of Marian McGuire to replace Skyler Sherrod; and Jason Madrid to replace Kerry Miller.

Civic Lubbock, Inc. Board of Directors: Reappointment of James Douglass, Grace Gonzales, and Kathryn Horkey-Wolff; and the appointment of Betsy Bass to replace Dr. Idris Traylor.

Comprehensive Plan Oversight Committee: Reappointment of Byrnie Bass; and the appointment of Alan Holly to replace Nathaniel Wright; and Tilmon J. Hurt to replace Dan

Wilson.

Keep Lubbock Beautiful Advisory Committee: Appointment of Janis Henderson to replace Carmesha Williams; and Henry Tarango to replace Shelby Crews.

Libraries Board: Appointment of Eddie Kirkpatrick to replace Annie Doyle.

Lubbock Water Advisory Commission: Appointment of Wayne Kohout to replace Celeste Hoehne; Lori Manning to replace Tom Sell; and Jeff Jones to replace Max Tarbox.

Permit and License Appeal Board: Re-designation of Garrott Nalle from a citizen position to the licensed irrigator position, effective immediately for the term ending on September 1, 2023; and to reappoint him to the same position for the subsequent term beginning on September 1, 2023, and ending on September 1, 2026. Appointment of Jerry Morehead to the new water industry position, to replace Karen Mitchell, who previously occupied the now defunct transportation position, for a term ending on September 1, 2025. Appointment of Donald Stubbs to a citizen position, to replace Natalie Peebles, for the term ending on September 1, 2023; and to reappoint him to the same position for the subsequent term beginning on September 1, 2023, and ending on September 1, 2026.

Urban Design and Historic Preservation Commission: Appointment of Baynetta Jordan to replace Chase Marberry.

Motion by Council Member Steve Massengale, seconded by Council Member Latrelle Joy, to appoint and reappoint the aforementioned citizens to the Appointments Advisory Board, Board of Health, Building Board of Appeals, Canadian River Municipal Water Authority Board of Directors, Citizens Traffic Commission, Civic Lubbock, Inc. Board of Directors, Comprehensive Plan Oversight Committee, Keep Lubbock Beautiful Advisory Committee, Libraries Board, Lubbock Water Advisory Commission, Permit and License Appeal Board, and the Urban Design and Historic Preservation Commission.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 2. **Board Appointments - City Secretary:** Consider appointments to the Lubbock Reese Redevelopment Authority Board of Directors.

Lubbock Reese Redevelopment Authority: Reappointment of Tim Collins; and the appointment of James J. Mustin to replace Todd McKee.

Motion by Council Member Steve Massengale, seconded by Council Member Latrelle Joy, to appoint and reappoint the aforementioned citizens to the Lubbock Reese Redevelopment Authority.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 3. **Public Hearing - Planning (District 3):** Consider a request for Zone Case 1511-N, a request of Ramesh Krishnan, for a zone change from Restricted Local Retail District (C-2A) to Commercial District (C-4), at 4502 50th Street, Suite 200, located north of 50th Street and east of Salem Avenue, Gordon Heights Addition, Lot 113 and the east 25 feet of Lot 114, and consider an ordinance.

This item failed.

Kristen Sager, director of planning, gave a presentation and answered questions from City Council. Ramesh Krishnan, the proponent, gave comments and answered questions from City Council.

Mayor Payne opened the public hearing at 2:17 p.m.

Ramesh Krishnan, the proponent, appeared to speak in favor.

No one appeared to speak in opposition.

Mayor Payne closed the public hearing at 2:18 p.m.

Motion by Council Member Mark W. McBrayer, seconded by Council Member Steve Massengale, to approve this item.

Vote: 1 - 5 Failed

NAY: Mayor Tray Payne
Mayor Pro Tem Shelia Patterson Harris
Council Member Latrelle Joy
Council Member Christy Martinez-Garcia
Council Member Steve Massengale

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 4. **Public Hearing - Planning (District 4):** Ordinance No. 2023-O0091, for Zone Case 2161-L, a request of Hub City Capital, LLC for G Greenstreet, Inc., for a zone change from Garden Office District (GO) to General Retail District (C-3), at 8902 University Avenue, located west of University Avenue and south of 89th Street, Summerfield Addition, North 119 feet of Tract E, and consider an ordinance.

Kristen Sager, director of planning, gave a presentation and answered questions from City Council. Dan Williams, with Hub City Capital, LLC, gave comments and answered questions from City Council.

Mayor Payne opened the public hearing at 2:23 p.m.

Dan Williams, with Hub City Capital, LLC, appeared to speak in favor.

No one appeared to speak in opposition.

Mayor Payne closed the public hearing at 2:25 p.m.

Motion by Council Member Steve Massengale, seconded by Council Member Mark W. McBrayer, to approve Ordinance No. 2023-O0091.

Vote: 5 - 1 Motion carried

NAY: Council Member Christy Martinez-Garcia
Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 5. **Public Hearing - Planning (District 6):** Consider a request for Zone Case 1598-K, a request of Earl and Sherry Craig for Linda Waite, for a zone change from Single-Family District (R-1) Specific Use for RV Storage and RV Mobile Home Park and Commercial District (C-4) to Light Manufacturing District (M-1), at 3464 and 3468 West Loop 289, located north of 43rd Street and west of West Loop 289, Loop 289 RV Park Addition, Lots 13-B and 14-A, and consider an ordinance.

This item failed.

Kristen Sager, director of planning, gave a presentation and answered questions from City Council. Linda Waite, the proponent, gave comments and answered questions from City Council.

Mayor Payne opened the public hearing at 2:29 p.m.

Linda Waite, the proponent, appeared to speak in favor.

No one appeared to speak in opposition.

Mayor Payne closed the public hearing at 2:31 p.m.

Motion by Council Member Steve Massengale, seconded by Council Member Christy Martinez-Garcia, to approve this item.

Vote: 0 - 6 Failed

NAY: Mayor Tray Payne
Mayor Pro Tem Shelia Patterson Harris
Council Member Latrelle Joy
Council Member Christy Martinez-Garcia
Council Member Steve Massengale
Council Member Mark W. McBrayer
Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 6. **Public Hearing - Planning (District 6):** Ordinance No. 2023-O0092, for Zone Case 3143-A, a request of West Texas Engineering, LLC for Tigris Development, LLC, for a zone change from General Retail District (C-3) to High-Density Apartment District (A-2), at 3202 Milwaukee Avenue, located south of 32nd Street, and west of Milwaukee Avenue, Elm Park Addition, Tract K, and consider an ordinance.

Kristen Sager, director of planning, gave a presentation and answered questions from City Council.

Mayor Payne opened the public hearing at 2:47 p.m.

Victor Roden, with West Texas Engineering, LLC, appeared to speak in favor.

No one appeared to speak in opposition.

Mayor Payne closed the public hearing at 2:48 p.m.

Motion by Council Member Latrelle Joy, seconded by Council Member Mark W. McBrayer, to approve Ordinance No. 2023-O0092.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 7. **Resolution - Planning:** Resolution No. 2023-R0372 prescribing the type of notice to be given for a joint meeting of the City Council and the Planning and Zoning Commission, for a public hearing to consider amendments to the Unified Development Code (UDC), as provided under Section 211.007(d) of the Texas Local Government Code, and setting the date for the public hearing.

Chad Weaver, city attorney, gave comments and answered questions from City Council.

Motion by Council Member Christy Martinez-Garcia, seconded by Council Member Steve Massengale, to approve Resolution No. 2023-R0372.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 8. **Resolution - Business Development:** Consider a resolution authorizing the Mayor to execute City Tax Abatement Agreement No. 17471, with Dura-Line, LLC.

Jarrett Atkinson, city manager, gave comments and answered questions from City Council.

Motion by Council Member Latrelle Joy, seconded by Council Member Steve Massengale, to postpone this item to the August 22, 2023 Regular City Council Meeting.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

6. 9. **Resolution - Lubbock Power & Light:** Resolution No. 2023-R0373 adopting the Fiscal Year 2023-24 Delivery Service Tariff pursuant to §2.03.415(a) of the City of Lubbock Code of Ordinances.

Motion by Council Member Latrelle Joy, seconded by Council Member Christy Martinez-Garcia, to approve Resolution No. 2023-R0373.

Vote: 6 - 0 Motion carried

Other: Council Member Dr. Jennifer Wilson (ABSENT)

2:52 P.M. CITY COUNCIL ADJOURNED

There being no further business to come before Council, Mayor Payne adjourned the meeting.

The July 25, 2023 Regular City Council Meeting minutes were approved by the City Council on the 22nd day of August, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

AI# 11796
Regular City Council Meeting
08/22/2023:

6. 1.

Information

Agenda Item

Budget Ordinance Amendment 2nd Reading - Finance: Consider Budget Ordinance No. 2023-O0093, Amendment 29, amending the FY 2022-23 Budget for municipal purposes respecting the Grant Fund; providing for filing; and providing for a savings clause.

Item Summary

On August 8, 2023, The City Council approved the first reading of the ordinance.

I. Accept and appropriate $775,413.62 from the Health and Human Services Commission for the Substance Abuse Innovative Healing Centered Projects Grant.

This budget ordinance will permit appropriation for a grant received through the Federal Demonstration Partnership Cost Reimbursement Sub-award Agreement UTAUS-SUB00001039 with the University of Texas at Austin, under the Health and Human Services Commission's Substance Abuse Innovative Healing Centered Projects Grant Program.

Fiscal Impact

Included in Item Summary

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Budget Amendment 29

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE FY 2022-23 BUDGET FOR MUNICIPAL PURPOSES RESPECTING THE GRANT FUND; PROVIDING FOR FILING; AND PROVIDING FOR A SAVINGS CLAUSE

WHEREAS, Section 102.010 of the Local Government Code of the State of Texas authorizes the City Council to make changes in the budget for municipal purposes; and

WHEREAS, in accordance with the City Budget Ordinance the City Council shall approve all transfers between funds; and

WHEREAS, the City Council deems it advisable to change the FY 2022-23 Budget for municipal purposes and reallocate funds as follows; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1. THAT the City Council of the City of Lubbock hereby approves changes to the City of Lubbock Budget FY 2022-23 (Budget Amendment #29) for municipal purposes, as follows:

I. Accept and appropriate $775,413.62 from the Health and Human Services Commission for the Substance Abuse Innovative Healing Centered Projects Grant.

SECTION 2. THAT a copy of the changes made to the City of Lubbock Budget pursuant to this Ordinance shall be filed with the City Secretary and County Clerk of Lubbock as required by law.

SECTION 3. THAT should any section, paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

AND IT IS SO ORDERED

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz
City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich
Chief Financial Officer

APPROVED AS TO FORM:

Amy Sims
Deputy City Attorney

ccdocsII/BudgetFY22-23.Amend29.ord
July 19, 2023

AI# 11797
Regular City Council Meeting 6. 2.
08/22/2023:

Information

Agenda Item

Budget Ordinance Amendment 2nd Reading - Finance: Consider Budget Ordinance No. 2023-O0094, Amendment 30, amending the FY 2022-23 Budget for municipal purposes respecting the Community Development Fund to appropriate funding for the Comprehensive Energy Assistance Program; providing for filing; and providing for a savings clause.

Item Summary

On August 8, 2023, The City Council approved the first reading of the ordinance.

I. Amend the FY 2022-23 Comprehensive Energy Assistance Grant Budget in the Community Development Fund by increasing the appropriation by $402,457, from $1,997,006 to $2,399,463. Additional funding will come from the Texas Department of Housing and Community Affairs.

This ordinance will appropriate additional funding for the Comprehensive Energy Assistance Grant within the Community Development Fund. This is a pass through grant from the Texas Department of Housing and Community Affairs, to provide energy assistance by paying for energy bills as well as the repair and replacement of existing heating and cooling units for citizens of Lubbock County.

Fiscal Impact

Included in Item Summary

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Budget Amendment 30

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE FY 2022-23 BUDGET FOR MUNICIPAL PURPOSES RESPECTING THE COMMUNITY DEVELOPMENT FUND TO APPROPRIATE FUNDING FOR THE COMPREHENSIVE ENERGY ASSISTANCE PROGRAM; PROVIDING FOR FILING; AND PROVIDING FOR A SAVINGS CLAUSE

WHEREAS, Section 102.010 of the Local Government Code of the State of Texas authorizes the City Council to make changes in the budget for municipal purposes; and

WHEREAS, in accordance with the City Budget Ordinance the City Council shall approve all transfers between funds; and

WHEREAS, the City Council deems it advisable to change the FY 2022-23 Budget for municipal purposes and reallocate funds as follows; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1. THAT the City Council of the City of Lubbock hereby approves changes to the City of Lubbock Budget FY 2022-23 (Budget Amendment #30) for municipal purposes, as follows:

I. Amend the FY 2022-23 Comprehensive Energy Assistance Grant Budget in the Community Development Fund by increasing the appropriation by $402,457, from $1,997,006 to $2,399,463. Additional funding will come from the Texas Department of Housing and Community Affairs.

SECTION 2. THAT a copy of the changes made to the City of Lubbock Budget pursuant to this Ordinance shall be filed with the City Secretary and County Clerk of Lubbock as required by law.

SECTION 3. THAT should any section, paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

AND IT IS SO ORDERED

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz
City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich
Chief Financial Officer

APPROVED AS TO FORM:

Amy Sims
Deputy City Attorney

ccdocsII/BudgetFY22-23.Amend30.ord
July 19, 2023

AI# 11784
Regular City Council Meeting 6. 2. 1.
08/22/2023:

Information

Agenda Item

Resolution - Community Development: Consider a resolution authorizing the Mayor to execute Amendment No. 2, to Community Development Funding Contract 17086, and all related documents, with the Texas Department of Housing and Community Affairs (TDHCA), for the Comprehensive Energy Assistance Program (CEAP) to assist low income households in meeting their immediate energy needs and to encourage consumers to control energy costs through education.

Item Summary

Comprehensive Energy Assistance Program (CEAP) involves integration of all Low-Income Home Energy Assistance Program (LIHEAP)-funded programs, thereby enhancing efficiency and effectiveness of services provided to clients, and eliminating duplication of services.

Grantee: City of Lubbock, Community Development Department
Funding Source: 2023 CEAP from TDHCA (Contract # 58230003823)
Use of Funds: This is a pass through grant from TDHCA to provide energy assistance by paying for energy bills only and repair or replacement of existing heating and cooling units for citizens of Lubbock County.
Original 2023 Allocation: $1,525,723
Amendment: Additional $402,457
Total 2023 Allocation: $1,928,180
Terms: January 1, 2023 – December 31, 2023, with the option to extend time up to six (6) months, as determined by TDHCA.

Fiscal Impact

There is no fiscal impact to the General Fund. Grant funding amount allocated to the City/CD for the CEAP program is $1,928,180.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Karen Murfee, Community Development Director

Attachments

CEAP Amendment
Resolution

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 2 TO CONTRACT NUMBER 58230003823
FY 2023 COMPREHENSIVE ENERGY ASSISTANCE PROGRAM
(CFDA # 93.568)

Awarding Federal Agency: United States Department of Health and Human Services
TDHCA Federal Award Number: 2301LIEA
Award Year (Year of Award from HHS to TDHCA): 2023
Unique Entity Identifier Number: LXDNEKWRVKJ6

This Amendment No. 2 to Comprehensive Energy Assistance Program Contract Number 58230003823 by and between the Texas Department of Housing and Community Affairs, a public and official agency of the State of Texas ("Department"), and City of Lubbock, a political subdivision of the State of Texas ("Subrecipient"), hereinafter collectively referred to as "Parties",

RECITALS

WHEREAS, the Parties respectively, executed that Comprehensive Energy Assistance Program Contract Number 58230003823 ("Contract") on January 01, 2023 and

WHEREAS, the Parties desire to amend the Contract in the manner provided herein below.

AGREEMENTS

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Subsection G of Section 4, DEPARTMENT FINANCIAL OBLIGATIONS, of this Contract is hereby amended as follows:

   Notwithstanding any other provision of this Contract, the total of all payments and other obligations incurred by Department under this Contract shall not exceed the sum of **$1,928,180.00.**

2. Section 36. Special Conditions C.2. is hereby deleted in its entirety.

3. Section 36. Special Conditions C.3. is hereby deleted in its entirety.

4. Exhibit A. Budget, of this Contract is hereby deleted and replaced in its entirety with the attached Exhibit A.

5. All of the remaining terms of the Contract shall be and remain in full force and effect as therein set forth and shall continue to govern except to the extent that said terms conflict with the terms of this Amendment. In the event this Amendment and the terms of the Contract are in conflict, this Amendment shall govern, unless it would make the Contract void by law.

6. Each capitalized term not expressly defined herein shall have the meaning given to such term in the Contract.

7. This Amendment may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on Parties, notwithstanding that all the Parties shall not have signed the same counterpart.

8. If any of the Parties returns a copy by facsimile machine or electronic transmission, the signing party intends the copy of its authorized signature printed by the receiving machine or the electronic transmission to be its original signature.

9. By signing this Amendment, the Parties expressly understand and agree that its terms shall become a part of the Contract as if it were set forth word for word therein.

10. This Amendment shall be binding upon the Parties hereto and their respective successors and assigns.

11. This Amendment shall be effective and memorializes an effective date of **March 10, 2023.**

WITNESS OUR HAND EFFECTIVE: **March 10, 2023**

SUBRECIPIENT:

City of Lubbock
a political subdivision of the State of Texas

By:
Title:
Date:

DEPARTMENT:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS,
a public and official agency of the State of Texas

By:
Title: Its duly authorized officer or representative
Date:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 2 TO CONTRACT NUMBER 58230003823
FY 2023 COMPREHENSIVE ENERGY ASSISTANCE PROGRAM (CFDA # 93.568)

EXHIBIT A

BUDGET

City of Lubbock,
a political subdivision of the State of Texas

DEPARTMENT FINANCIAL OBLIGATIONS

$ 1,928,180.00 CEAP FUNDS CURRENTLY AVAILABLE

$ 2,500.00 TRAINING TRAVEL ALLOWANCE FUNDS CURRENTLY AVAILABLE

BUDGET FOR AVAILABLE ALLOCATIONS

BUDGET CATEGORY	FUNDS	%
Administration	$ 139,215.00	-
Direct Services	$ 1,786,465.00	-
TOTAL CEAP BUDGET	$ 1,925,680.00	-

BUDGET CATEGORY	FUNDS	%
Household Crisis	$ 774,522.00	43.36
Utility Assistance	$ 774,522.00	43.36
Program Services	$ 237,421.00	13.29
TOTAL DIRECT SERVICES	$ 1,786,465.00	100.00

General Administrative and coordination of CEAP, including costs and all indirect (or overhead) cost, examples include salaries, fringe benefits, non-training travel, equipment, supplies, audit and office space are limited to 7.22% of the Contract expenditures. All other administrative costs, exclusive of costs for program services, must be paid with nonfederal funds.

Program services costs shall not exceed the maximum 13.29%. Program services cost includes direct administrative cost associated with providing the client direct service salaries and benefits cost for staff providing program services, cost for supplies, equipment, travel, postage, utilities, rental of office space. All items listed above are allowable program services costs when associated with providing client direct services. Other program services costs may include outreach activities and expenditures on the information technology and computerization needed for tracking or monitoring required by CEAP.

Department's prior written approval for purchase or lease of equipment with an acquisition cost of $5,000 and over is required. Approval of this budget does not constitute prior approval for such purchases.

Subrecipient is limited to only one budget revision request during the first 8 months of the Contract Term. A second and final budget revision must be received by the Department no later than 45 calendar days prior to the end of the Contract Term.

Subrecipient shall provide outreach services under all components in this category. Failure to do so may result in termination of this Contract. Subrecipient must document outreach, whether the outreach is conducted with CEAP funds or other funds.

Vendor Refunds

Subrecipient must determine which TDHCA contract the payment(s) were charged to, the clients(s) associated to the payment(s) and if the Contract Term has expired.

If the Contract Term has not expired, Subrecipient must enter the amount into the Contract System in the appropriate budget line item into the Adjustment column in the monthly report and make an appropriate note in the system. This will credit back the vendor refund(s) for the Subrecipient to expend on eligible expenses during the Contract Term.

If the Contract Term has expired, Subrecipient must return the vendor refund(s) to the Department containing the contract number and appropriate budget line item associated to the refund(s).

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment to Community Development Funding Contract 17086, and all related documents, between the City of Lubbock and Texas Department of Housing and Community Affairs for the Comprehensive Energy Assistance Program for energy assistance. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Karen Murfee, Community Development Director

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

ccdocs/RES. Amendment CEAP Contract 17086- TDHCA
8.7.23

AI# 11860
Regular City Council Meeting
08/22/2023:

6. 3.

Information

Agenda Item

Budget Ordinance Amendment 1st Reading - Finance: Consider Budget Ordinance Amendment 32, Amending the FY 2022-23 Budget for municipal purposes respecting the Streets Capital Projects Fund; providing for filing; and providing for a savings clause.

Item Summary

I. Amend Capital Improvement Project 92828, Quaker Aveenue From 146th Street to Woodrow Road, and appropriate funding in the amount of $165,153, from $1,109,697 to $1,274,850. Funding will be from the fund balance of the General Fund.

The bid from Quick Stripe for Capital Project 92828, Quaker Avenue From 146th Street to Woodrow Road, came in at the amount of $4,249,500. This will increase the City's share from $1,109,697 to $1,274,850, a difference of $165,153, that will require additional funding.

Fiscal Impact

Included in Item Summary

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Budget Amendment 32

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE FY 2022-23 BUDGET FOR MUNICIPAL PURPOSES RESPECTING THE STREET CAPITAL PROJECTS FUND; PROVIDING FOR FILING; AND PROVIDING FOR A SAVINGS CLAUSE

WHEREAS, Section 102.010 of the Local Government Code of the State of Texas authorizes the City Council to make changes in the budget for municipal purposes; and

WHEREAS, in accordance with the City Budget Ordinance the City Council shall approve all transfers between funds; and

WHEREAS, the City Council deems it advisable to change the FY 2022-23 Budget for municipal purposes and reallocate funds as follows; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1. THAT the City Council of the City of Lubbock hereby approves changes to the City of Lubbock Budget FY 2022-23 (Budget Amendment #32) for municipal purposes, as follows:

I. Amend Capital Improvement Project 92828, Quaker Ave. From 146th Street to Woodrow Road, and appropriate funding in the amount of $165,153, from $1,109,697 to $1,274,850. Funding will be from the General Fund fund balance.

SECTION 2. THAT a copy of the changes made to the City of Lubbock Budget pursuant to this Ordinance shall be filed with the City Secretary and County Clerk of Lubbock as required by law.

SECTION 3. THAT should any section, paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

AND IT IS SO ORDERED

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz
City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich
Chief Financial Officer

APPROVED AS TO FORM:

Amy Sims
Deputy City Attorney

ccdocsII/BudgetFY22-23.Amend32.ord
August 17, 2023

AI# 11839
Regular City Council Meeting
08/22/2023:

6. 4.

Information

Agenda Item

Ordinance 1st Reading - Finance: Consider the sixteenth supplemental ordinance updating the Vintage Township Public Improvement District Service and Assessment Plan and Assessment Roll.

Item Summary

On June 26, 2007 (second reading) the City Council approved Ordinance No. 2007-O0058 which approved a Service and Assessment Plan and Assessment Roll for Vintage Township PID. Supplemental Ordinances reviewing and updating the Plan and levying the assessment on property within the PID were passed September 11, 2008, September 24, 2009, September 27, 2010, September 27, 2011, September 27, 2012, September 26, 2013, September 4, 2014, September 10, 2015, September 8, 2016, September 14, 2017, September 27, 2018, September 24, 2019, September 8, 2020, September 14, 2021, and September 13, 2022.

On April 24, 2008, the Vintage Township Public Facilities Corporation and the City Council authorized the issuance of PID bonds, payable from assessments on the property within the PID, to provide financing for public improvements within the PID. The PID statute and the Assessment Ordinance require that the City Council annually review and update the Service and Assessment Plan and the Assessment Roll. Since the PID assessments were levied on June 26, 2007, after a public hearing and public notice (and now secure the bonds), it is not necessary to provide new notice or a public hearing relating to the Service Plan Update. As contemplated by the Assessment Ordinance, the Service Plan Update will conform the original Assessment Roll to the principal and interest payment schedule required for the bonds. In addition, the Service Plan Update updates the Assessment Roll to reflect prepayments, property divisions and changes to the budget allocation for PID improvements that occur during the year, if any.

Fiscal Impact

The bonds are not payable from City funds, and there will be no fiscal impact to the City.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Ordinance - Vintage Township PID
Exhibits - Vintage Township PID

ORDINANCE NO. _____

THE SIXTEENTH SUPPLEMENTAL ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LUBBOCK UPDATING THE VINTAGE TOWNSHIP PUBLIC IMPROVEMENT DISTRICT SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL.

WHEREAS, on January 12, 2007, after notice and a public hearing in the manner required by law, the City Council of the City of Lubbock, Texas (the "City") approved a resolution authorizing the creation of the Vintage Township Public Improvement District (the "District"); and

WHEREAS, on June 14, 2007 and June 26, 2007, after notice and a public hearing conducted in the manner required by law, the City Council adopted Ordinance No. 2007-O0058 (the "Assessment Ordinance") approving a Service and Assessment Plan (the "Plan") and Assessment Roll (the "Roll") and the levy of assessments on property in the District; and

WHEREAS, on April 24, 2008, the City Council and the Vintage Township Public Facilities Corporation issued bonds secured directly and indirectly, respectively, by the assessments levied pursuant to the Assessment Ordinance; and

WHEREAS, Section 372.013 of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "Act") and the Plan require that the Plan and the Roll be annually reviewed and updated; and

WHEREAS, Supplemental Ordinances reviewing and updating the Plan were passed September 11, 2008, September 24, 2009, September 27, 2010, September 27, 2011, September 27, 2012, September 26, 2013, September 4, 2014, September 10, 2015, September 8, 2016, September 14, 2017; September 27, 2018; September 24, 2019; September 8, 2020, September 14, 2021, and September 13, 2022; and

WHEREAS, the annual Plan update and updated Roll attached as Exhibit A hereto conform the original Roll to the principal and interest payment schedule required for the bonds, thereby reducing the amounts listed on the original Roll, and update the Roll to reflect repayments, property divisions and changes to the budget allocation for District public improvements that occur during the year, if any; and

WHEREAS, the City Council now desires to proceed with the adoption of this Ordinance which supplements the Assessment Ordinance and approves and adopts the annual Plan update and the updated Roll in conformity with the requirements of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

Section 1. Findings: THAT the findings and determinations set forth in the preambles are hereby incorporated by reference for all purposes.

Section 2. Annual Service Plan Update and Assessment Roll: THAT the Annual Service Plan Update and updated Assessment Roll attached hereto as Exhibit A are hereby accepted and approved.

Section 3. Effective Date: THAT this Ordinance shall take effect upon passage and execution hereof.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on_____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

VINTAGE
PUBLIC IMPROVEMENT DISTRICT

CITY OF LUBBOCK, TEXAS

ANNUAL SERVICE PLAN UPDATE
2023-24

AS APPROVED BY CITY COUNCIL ON:
SEPTEMBER 8, 2023

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

VINTAGE PUBLIC IMPROVEMENT DISTRICT

ANNUAL SERVICE PLAN UPDATE – 2023-24

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APPENDIX C - PID ASSESSMENT NOTICE

A. INTRODUCTION

The Vintage Township Public Improvement District (the "PID") was created pursuant to the PID Act and a resolution of the City Council on January 12, 2007 to finance certain public improvement projects for the benefit of the property in the PID. The Vintage Township Public Facilities Corporation Special Revenue Bonds, Series 2008A in the aggregate principal amount of $2,193,000 (the "Series 2008A Bonds") and the Vintage Township Public Facilities Corporation Special Revenue Bonds, Series 2008B in the aggregate principal amount of $1,279,000 (the "Series 2008B Bonds") were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID.

A service and assessment plan (the "Service and Assessment Plan") was approved by the City pursuant to Ordinance No. 2007-00058, as amended by Ordinance No. 2008-00005, identifying the public improvements (the "Improvement Project") to be provided by the PID, the costs of the Improvement Projects, the indebtedness to be incurred for the Improvement Projects, and the manner of assessing the property in the PID for the costs of the Improvement Projects. The Service and Assessment Plan is to be reviewed and updated annually. Section 372.015 of the PID Act states that the governing body of the municipality shall apportion the cost of an improvement to be assessed against property in an improvement district, and the apportionment shall be made on the basis of special benefits accruing to the property because of the improvement. Section 372.015(d) provides that the amount of assessment for each property owner may be adjusted following the annual review of the service plan. This document is the update of the Service and Assessment Plan for 2023-24.

The City had an assessment roll (the "Assessment Roll") prepared identifying the assessments on each Parcel, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan also explains the update of the Assessment Roll.

The City Council intends for the obligations, covenants and burdens on the owner of the Assessed Property, including without limitation such owner's obligations related to the payment of the Assessments, to constitute a covenant running with the land. The Assessments are binding upon the owners of Assessed Property and their respective transferees, legal representatives, heirs, devisees, successors and assigns. The Assessments have lien priority as specified in the PID Act.

Effective September 1, 2021, the Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the "PID Assessment Notice") as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix C and copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID us located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situation described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller provided the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property.

Capitalized terms shall have the meanings set forth in the Service and Assessment Plan unless otherwise defined herein.

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B. UPDATE OF THE SERVICE PLAN

I. ANNUAL BUDGET FOR THE IMPROVEMENT PROJECTS

The actual total cost of Improvement Project A is $2,920,808, which represents a reduction in the budget for Improvement Project A included in the Service and Assessment Plan. The actual total cost of Improvement Project B is equal to $1,828,466, which also represented a reduction of the budget for Improvement Project B included in the Service and Assessment Plan. There were budget line item cost revisions for the Improvement Projects as reported by the Developer. The reductions in the budget and the budget line revisions were reflected in prior Annual Service and Assessment Plan Updates. The original and revised budgets for the Improvement Projects are included in Appendix A. The budget includes Improvement Project A and Improvement Project B.

As shown by Table B-1 below, the PID has incurred indebtedness in the total amount of $3,472,000 in the form of the Series 2008A and Series 2008B Bonds, which are to be repaid from Assessments, and the Developer is to fund the balance of the costs of the Improvement Projects as shown below.

Table B-1
Sources and Uses of Funds
Public Improvements

Sources of Funds	Improvement Project A Series A Bonds	Improvement Project B Series B Bonds	Total
Bond proceeds	$2,193,000	$1,279,000	$3,472,000
Developer's contribution to Reserve Account	$219,300	$0	$219,300
Developer's contribution to Prepayment Reserve Account	$40,928	$23,870	$64,798
Other private funds	$804,366	$833,286	$1,637,652
Total Sources of Funds	**$3,257,594**	**$2,136,156**	**$5,393,750**
Uses of Funds			
Improvement Project	$2,920,808	$1,828,466	$4,749,274
Capitalized Interest Account	$61,644	$128,694	$190,338
Collection Costs Account	$14,914	$27,226	$42,140
Reserve Account	$219,300	$127,900	$347,200
Prepayment Reserve Account	$40,928	$0	$40,928
Developer Sub-Account of the Prepayment Reserve Account	$0	$23,870	$23,870
Total Uses of Funds	**$3,257,594**	**$2,136,156**	**$5,393,750**

Note: The numbers in this and subsequent tables are in some cases shown rounded to the nearest dollar; however, the calculations are made to the cent.

A Service and Assessment Plan must cover a period of five years. All of the Improvement Projects are expected to be provided within a period of five years. The anticipated budget for the Improvement Projects over a period of five years and the indebtedness expected to be incurred for these costs is shown by Table B-2 and Table B-3 below.

Table B-2
Improvement Project A
PID Sources and Uses of Funds
2008 – 2029

Sources of Funds	Year 2008-2023	Year 2024-2029	Total
Bond proceeds	$2,193,000	$0	$2,193,000
Developer's contribution to Reserve Account	$219,300	$0	$219,300
Developer's contribution to Prepayment Reserve Account	$40,928	$0	$40,928
Other private funds	$804,366	$0	$804,366
Total Sources of Funds	**$3,257,594**	**$0**	**$3,257,594**
Uses of Funds			
Improvement project	$2,920,808	$0	$2,920,808
Capitalized Interest Account	$61,644	$0	$61,644
Collection Costs Account	$14,914	$0	$14,914
Reserve Account	$219,300	$0	$219,300
Prepayment Reserve Account	$40,928	$0	$40,928
Total Uses of Funds	**$3,257,594**	**$0**	**$3,257,594**

Table B-3
Improvement Project B
PID Sources and Uses of Funds
2008 – 2029

Sources of Funds	Year 2008-2023	Year 2024-2029	Total
Bond proceeds	$1,279,000	$0	$1,279,000
Developer's contribution to Prepayment Reserve Account	$23,870	$0	$23,870
Other private funds	$833,286	$0	$833,286
Total Sources of Funds	**$2,136,156**	**$0**	**$2,136,156**
Uses of Funds			
Improvement Project	$1,828,466	$0	$1,828,466
Capitalized Interest Account	$128,694	$0	$128,694
Collection Costs Account	$27,226	$0	$27,226
Reserve Account	$127,900	$0	$127,900
Develop Sub-Account of the Prepayment Reserve Account	$23,870	$0	$23,870
Total Uses of Funds	**$2,136,156**	**$0**	**$2,136,156**

II. Debt Service and Collection Costs

The Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Series 2008A and Series 2008B Bonds, of which fifteen (15) Annual Installments remain outstanding.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Series 2008A and Series 2008B Bonds with a maximum of nine percent per annum commencing with the issuance of the Series 2008A Bonds. The interest rate on the Series 2008A Bonds is 7.375 percent per annum. Accordingly, the interest rate on the Series 2008A Bonds is used to calculate the interest on the Assessments. These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2023 and will be delinquent on February 1, 2024.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments for each Parcel and the Annual Installments and Annual Collection Costs to be collected from each Parcel. Annual Collection Costs shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Indenture of Trust, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service is to be paid on the Series 2008A Bonds from the collection of the Annual Installments. The interest rate to be paid on the Series 2008A Bonds is 7.375 percent. In addition, "Collection Costs" are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

The budget for the PID to be paid from the collection of Annual Installments for 2023-24 is shown by Table B-4 on the following page.

(the remainder of this page is intentionally left blank)

Table B-4
Budget for the Annual Installments
to be Collected for 2023-24

Descriptions	Improvement Project A Series 2008A Bonds	Improvement Project B Series 2008B Bonds	Total
Interest payment on April 1, 2024	$67,903	$0	$67,903
Interest payment on October 1, 2024	$67,903	$0	$67,903
Principal payment on October 1, 2024	$54,000	$0	$54,000
Subtotal Debt Service on Bonds	*$189,806*	*$0*	*$189,806*
Annual Collection Costs	$15,000	$0	$15,000
Subtotal Expenses	$15,000	$0	$15,000
Available Capitalized Interest Account	$0	$0	$0
Available Administrative Fund	$0	$0	$0
Subtotal Funds Available	*$0*	*$0*	*$0*
Annual Installment to be Collected	**$204,806**	**$0**	**$204,806**

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

As explained above, the interest rate on the Series 2008A Bonds is 7.375 percent per annum, which is used to calculate the interest on the Assessment Part A.

Annual Installments to be Collected from previously subdivided lots

The Assessment Part A per Equivalent Unit for all lots, other than the newly subdivided Phase Three Lots, is calculated as $5,587 based on the revised number of units to be developed. The Assessment Part A applicable for each Land Use Class, which is calculated by multiplying the Assessment Part A per Equivalent Unit by the Equivalent Units of each Land Use Class, and the interest on the Assessment due to be collected for 2023-24 are shown in Table B-5 below.

Table B-5
Interest Due on Assessment Part A
to be Collected for 2023-24

Land Use Class	Assessment per EU	EU	Assessment Part A per unit	Assessment Interest Rate	Interest Due per Unit
Land Use Class 1	$5,587	1.00	$5,587	7.375%	$412.01
Land Use Class 2	$5,587	1.66	$9,274	7.375%	$683.94
Land Use Class 3	$5,587	2.29	$12,793	7.375%	$943.51

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

The Assessment Part A due for 2023-24 is $54,000, which represents the principal amount due on the Series 2008A Bonds on October 1, 2024. The Total Assessment Part A outstanding is shown as $1,841,435 in Appendix B after the regular principal payment on October 1, 2023. Accordingly, the Assessment Part A due for 2023-24 is 2.932 percent of the outstanding Assessment Part A (i.e., $54,000 ÷ $1,841,435 = 2.932%).

The Assessment Part A due to be collected from each Land Use Class for 2023-24 is shown in Table B-6 below.

Table B-6
Assessment Part A Due
to be Collected for 2023-24

Land Use Class	Assessment Part A per unit	Percentage	Assessment Part A Due
Land Use Class 1	$5,587	2.932%	$163.83
Land Use Class 2	$9,274	2.932%	$271.95
Land Use Class 3	$12,793	2.932%	$375.16

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

The net Annual Collection Costs for the collection of Assessment Part A are estimated to be $15,000. The total outstanding Assessment Part A is shown as $1,841,435 in Appendix B. Accordingly, the Annual Collection Costs due for 2023-24 is 0.815 percent of the outstanding Assessment Part A (i.e., $15,000 ÷ $1,841,435 = 0.815%). The Annual Collection Costs to be collected for 2023-24 is shown in Table B-7 below.

Table B-7
Annual Collection Costs for Assessment Part A
to be Collected for 2023-24

Land Use Class	Assessment Part A per unit	Percentage	Annual Collection Costs Per Unit
Land Use Class 1	$5,587	0.815%	$45.51
Land Use Class 2	$9,274	0.815%	$75.54
Land Use Class 3	$12,793	0.815%	$104.21

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

In summary, the Annual Installment Part A to be collected for 2023-24, which includes interest, Assessment Part A and Annual Collection Costs, is shown Table B-8 on the following page.

Table B-8
Annual Installment Part A
to be Collected for 2023-24

Land Use Class	EU	Interest Due per Unit	Assessment Part A Due	Annual Assessment	Annual collection Costs Per Unit	Annual Installment Part A per Unit
Land Use Class 1	1.00	$412.01	$163.83	$575.84	$45.51	$621.34
Land Use Class 2	1.66	$683.94	$271.95	$955.89	$75.54	$1,031.43
Land Use Class 3	2.29	$943.51	$375.16	$1,318.67	$104.21	$1,422.89

As of April 1, 2014, all outstanding Assessment Part B were prepaid and the corresponding Series 2008B Bonds were fully redeemed with proceeds of the prepayments. As a result, Assessment Part B is no longer collected from the Parcels in the PID.

Annual Installments to be Collected from Phase Three Lots

The Assessment Part A per Equivalent Unit amounts allocated to the lots within Phase Three (the "Phase Three Lots") was $5,606 as shown in the Update of the Assessment Roll section of this annual update. This amount is slightly higher than the Assessment Part A and per Equivalent Unit amount of $5,587 allocated to all previously subdivided lots. As a result, the Annual Installment amounts due for the Phase Three Lots are calculated separately based on the Assessment amounts allocated to each of these subdivided Parcels as shown below.

The Assessment Part A per Equivalent Unit for the Phase Three Lots is calculated as $5,606 as shown in the Update of the Assessment Roll section of this annual update. The Assessment Part A applicable for each Land Use Class, which is calculated by multiplying the Assessment Part A per Equivalent Unit by the Equivalent Units of each Land Use Class, and the interest on the Assessment due to be collected from each of the Phase Three Lots for 2023-24 are shown in Table B-9 below.

Table B-9
Interest Due on Assessment Part A – Phase Three Lots
to be Collected for 2023-24

Land Use Class	Assessment per EU	EU	Assessment Part A per unit	Assessment Interest Rate	Interest Due per Unit
Land Use Class 1	$5,606	1.00	$5,606	7.375%	$413.45
Land Use Class 2	$5,606	1.66	$9,306	7.375%	$686.33
Land Use Class 3	$5,606	2.29	$12,838	7.375%	$946.80

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

The Assessment Part A due for 2023-24 is $54,000, which represents the principal amount due on the Series 2008A Bonds on October 1, 2024. The Total Assessment Part A outstanding is shown as $1,841,435 in Appendix B. Accordingly, the Assessment Part A due for 2023-24 is 2.932 percent of the outstanding Assessment Part A (i.e., $54,000 ÷ $1,841,435 = 2.932%).

The Assessment Part A due to be collected for Phase Three Lots for 2023-24 from each of the subdivided lots is shown in Table B-10 below.

Table B-10
Assessment Part A Due – Phase Three Lots
to be Collected for 2023-24

Land Use Class	Assessment Part A per unit	Percentage	Assessment Part A Due
Land Use Class 1	$5,606	2.932%	$164.40
Land Use Class 2	$9,306	2.932%	$272.90
Land Use Class 3	$12,838	2.932%	$376.47

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

The net Annual Collection Costs for the collection of Assessment Part A are estimated to be $15,000. The total outstanding Assessment Part A is shown as $1,841,435 in Appendix B. Accordingly, the Annual Collection Costs due for 2023-24 is 0.814 percent of the outstanding Assessment Part A (i.e., $15,000 ÷ $1,841,435 = 0.815%). The Annual Collection Costs to be collected for Phase Three Lots for 2023-24 is shown in Table B-11 below.

Table B-11
Annual Collection Costs for Assessment Part A – Phase Three Lots
to be Collected for 2023-24

Land Use Class	Assessment Part A per unit	Percentage	Annual Collection Costs Per Unit
Land Use Class 1	$5,606	0.815%	$45.67
Land Use Class 2	$9,306	0.815%	$75.81
Land Use Class 3	$12,838	0.815%	$104.58

Note: The amounts shown are rounded to the nearest dollar, whereas calculations are to the cent.

In summary, the Annual Installment Part A to be collected for 2023-24 from each of the Phase Three Lots, which includes interest, Assessment Part A and Annual Collection Costs, is shown Table B-12 on the following page.

Table B-12
Annual Installment Part A – Phase Three Lots
to be Collected for 2023-24

Land Use Class	EU	Interest Due per Unit	Assessment Part A Due	Annual Assessment	Annual collection Costs Per Unit	Annual Installment Part A per Unit
Land Use Class 1	1.00	$413.45	$164.40	$577.85	$45.67	$623.51
Land Use Class 2	1.66	$686.33	$272.90	$959.23	$75.81	$1,035.04
Land Use Class 3	2.29	$946.80	$376.47	$1,323.27	$104.58	$1,427.85

There is no Annual Installment Part B to be collected from the Phase Three Lots.

III. Annual Optional Redemption Review

The Bonds were issued in April 2008. Pursuant to Section 4.3 of the Indenture of Trust, the City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after October 1, 2018, such redemption date or dates to be fixed by the City, at the redemption prices and dates shown in the Indenture of Trust.

The Administrator has conducted a preliminary evaluation of the current refunding market conditions, recent PID bond refunding transactions, and other relevant factors. Based on this preliminary evaluation, the Administrator believes a refunding of the Bonds may be viable at this time. The Administrator will continue to monitor the refunding market conditions, applicable PID bond refunding transactions, and other relevant factors to determine if refunding is currently viable will inform the City accordingly.

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C. UPDATE OF THE ASSESSMENT PLAN

The Service and Assessment Plan provided for the "Assessed Property" to be classified into one of three categories for purpose of allocating the Assessments, as follows:

(i) Land Use Class 1,

(ii) Land Use Class 2, and

(iii) Land Use Class 3.

Land Use Class 1 consists of residential dwelling units of 2,100 square feet of living area or less. Land Use Class 2 consists of residential dwelling units with between 2,100 and 3,000 square feet of living area. Land Use Class 3 consists of residential dwelling units with greater than 3,000 square feet of living area.

The Service and Assessment Plan identified Equivalent Units for each lot in each land use class as follows:

Land Use Class 1 Lots	1.00 per dwelling unit
Land Use Class 2 Lots	1.66 per dwelling unit
Land Use Class 3 Lots	2.29 per dwelling unit

The Equivalent Unit factors are the ratio of the Assessments as allocated to each lot in each property class. These Equivalent Unit factors were based on the relative size of the average unit in each class. This method of assessing property has not been changed and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

(the remainder of this page is intentionally left blank)

D. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

> (i) The identification of each Assessed Parcel in the PID (including, if available, the tax Parcel identification number for such Parcel), (ii) the Assessments, including any adjustments as provided for in this Service and Assessment Plan; (iii) the Annual Installment for the relevant year (if such Assessment is payable) for each Parcel; (iv) prepayments of the Assessments as provided for in the Service and Assessment Plan and (B) any other changes helpful to the administration of the PID and permitted by law.

The Assessment Roll and a summary of the Assessment Roll are shown in Appendix B. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel in each Improvement Area. Assessments are to be reallocated for the subdivision of any Parcels.

I. PARCEL UPDATES

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the Equivalent Units allocated to each newly subdivided Parcel

D = the sum of the Equivalent Units for all of the new subdivided Parcels

There have been no additional Parcel subdivisions within the PID applicable to the Annual Installments to be collected for 2023-24.

Consolidated Parcels

According to the Service and Assessment Plan, upon the consolidation of two or more Parcels, the Assessment Part A and Assessment Part B for the consolidated Parcel shall be the sum of the Assessment Part A and Assessment Part B prior to the consolidation, with each calculated separately.

According to the Lubbock Central Appraisal District, Parcels R318307 and R318308 (both Land Use Class 1 lots) were consolidated and replatted as Parcel R318307 in 2013.

According to the Lubbock Central Appraisal District, Parcels R318313 and R318314 (both Land Use Class 1 lots) were consolidated and replatted as Parcel R318314 in 2013.

According to the Lubbock Central Appraisal District, Parcels R318328 and R318329 (Land Use Class 2 and Land Use Class 1 lots, respectively) were consolidated as Parcel R318328 in 2014.

According to Lubbock Central Appraisal District Parcels R318373, R318374, R318375, R318376, and R318377 (all Land Use Class 1) were consolidated and replatted as R318373 in 2018.

According to Lubbock Central Appraisal District Parcels R314871 and R314872 (Land Use Class 2 and Land Use Class 3 lots, respectively) were consolidated and replatted as R314871 as of August 7, 2020.

According to Lubbock Central Appraisal District Parcels R318369, R318370, R318371, and R318372, (all Land Use Class 1) were consolidated and replatted as R318369 as of August 7, 2020.

II. Prepayment of Assessments

Assessment Part A has been prepaid for nine lots through July 31, 2022. According to the trustee for the Bonds, Series 2008A Bonds in the total amount of $78,000 have been redeemed with the prepayment proceeds as of July 31, 2022.

In addition, in February of 2023, Parcel R318353 prepaid the Assessment Part A in full. Each of the prepaid lots is marked as such in the Assessment Roll summary attached hereto as Appendix B.

Assessment Part B has been prepaid for all Parcels as of July 31, 2022. Each of these prepaid lots is marked as such in the Assessment Roll summary attached hereto as Appendix B. Series 2008B Bonds in the total amount of $1,274,000 were redeemed with prepayment proceeds through July 31, 2022.

The complete Assessment Roll updated as described herein is available at the City of Lubbock, 1314 Avenue K, Lubbock, Texas 79401.

E. UPDATES OF MISCELLANEOUS PROVISIONS

There are no additional updates to be included in the Annual Service Plan update for 2023-24.

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APPENDIX A
THE IMPROVEMENT PROJECTS

Appendix A
The Improvement Project

	Improvement Project A			Improvement Project B		
Hard Costs	**Original Budget**	**Budget Changes**	**Revised Budget**	**Original Budget**	**Budget Changes**	**Revised Budget**
Land	$0	$0	$0	$390,000	($247,090)	$142,910
Site Preparation	$288,511	$355,780	$644,291	$79,906	$88,055	$167,961
Drainage	$136,232	($136,232)	$0	$136,232	($102,637)	$33,595
Streets and alleys	$0	$0	$0	$706,430	$4,206	$710,636
Walkways	$0	$0	$0	$59,523	($59,523)	$0
Water and sewer	$0	$0	$0	$752,265	($409,645)	$342,620
Lighting and street signs	$154,683	($25,693)	$128,990	$4,107	$681	$4,788
Signage and monumentation	$9,795	($9,475)	$320	$0	$3,015	$3,015
Park features	$1,081,340	($7,593)	$1,073,747	$0	$0	$0
Roundabouts	$67,795	$19,517	$87,312	$0	$0	$0
Street trees and irrigation	$412,091	($213,590)	$198,501	$0	$0	$0
Sub-total hard costs	*$2,150,447*	*($17,286)*	*$2,133,161*	*$2,128,463*	*($722,938)*	*$1,405,525*
Soft Costs						
Project administration	$84,884	$529	$85,413	$11,577	$25,029	$36,606
Master planning	$67,012	$199,424	$266,436	$0	$73,946	$73,946
Architectural design	$102,862	($102,862)	$0	$130	($130)	$0
Engineering (civil)	$239,216	$169,311	$408,527	$235,905	$59,500	$295,405
Engineering (other)	$4,210	$3,464	$7,674	$8,952	($5,207)	$3,745
Legal fees	$7,720	$5,640	$13,360	$1,278	($1,278)	$0
Regulatory and impact fees	$8,032	($5,902)	$2,130	$20,563	($7,324)	$13,239
Insurance and bonding	$0	$4,107	$4,107	$0	$0	$0
Sub-total soft costs	*$513,936*	*$273,711*	*$787,647*	*$278,405*	*$144,536*	*$422,941*
Contingency	**$266,439**	**($266,439)**	**$0**	**$248,901**	**($248,901)**	**$0**
Total	**$2,930,822**	**($10,014)**	**$2,920,808**	**$2,655,769**	**($827,303)**	**$1,828,466**

APPENDIX B
ASSESSMENT ROLL SUMMARY – 2023-24

Exhibit A

Appendix B

ASSESSMENT ROLL SUMMARY

Vintage Public Improvement District

2023-2024

Property			Assessments			Annual Installment Part A			Annual Installment Part B			Total		
Tax Reference No.	**Lot No.**	**Equivalent Units**	**Part A**	**Part B**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs 2**	**Total 2**
R310559	1	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310560	2	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310561	3	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310562	4	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310563	5	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310564	6	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310565	7	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310566	8	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310567	9	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310568	10	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310569	11	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310570	12	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310571	13	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310572	14	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310573	15	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310574	16	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310575	17	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310576	18	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310577	19	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310578	20	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310579	21	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310580	22	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310581	23	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310582	24	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310583	25	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310584	26	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310585	27	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310586	28	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310587	29	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310588	30	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310589	31	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310590	32	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310591	33	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310592	34	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310593	35	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310594	36	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310595	37	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310596	38	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310597	39	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310598	40	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310599	41	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310600	42	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310601	43	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310602	44	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310603	45	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310604	46	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310605	47	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310606	48	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310607	49	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310608	50	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310609	51	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310610	52	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310611	53	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310612	54	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310613	55	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310614	56	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310615	57	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310616	58	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310622	59	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310623	60	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310624	61	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43

Exhibit A

Property			Assessments			Annual Installment Part A			Annual Installment Part B			Total		
Tax Reference No.	**Lot No.**	**Equivalent Units**	**Part A**	**Part B**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs 2**	**Total 2**
R310625	62	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310626	63	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310627	64	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310628	65	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310629	66	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310630	67	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310631	68	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310632	69	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310633	70	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310634	71	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310635	72	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310636	73	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310637	74	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310638	75	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310639	76	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310640	77	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310641	78	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310642	79	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310643	80	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310644	81	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310645	82	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310646	83	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310647	84	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310648	85	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310649	86	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310650	87	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310651	88	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R310652	89	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310653	90	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310654	91	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310655	92	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310656	93	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310657	94	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310658	95	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310659	96	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310660	97	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310661	98	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310662	99	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310663	100	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310664	101	2.29	$12,793	$0.00	$12,793	$1,318.67	$104.21	$1,422.88	$0.00	$0.00	$0.00	$1,318.67	$104.21	$1,422.88
R310665	102	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310666	103	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310667	104	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310668	105	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310669	106	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310670	107	1.00	$5,587	$0.00	$5,587	$575.84	$45.51	$621.35	$0.00	$0.00	$0.00	$575.84	$45.51	$621.35
R310671	108	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310672	109	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R310673	110	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R310674	111	1.66	$9,274	$0.00	$9,274	$955.89	$75.54	$1,031.43	$0.00	$0.00	$0.00	$955.89	$75.54	$1,031.43
R314854	112	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314855	113	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314856	114	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314857	115	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314858	116	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314859	117	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314860	118	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314861	119	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314862	120	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314863	121	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314864	122	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314865	123	2.29	$12,793	Prepaid	$12,793	$1,318.67	$104.21	$1,422.88	Prepaid	Prepaid	Prepaid	$1,318.67	$104.21	$1,422.88
R314866	124	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314867	125	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314868	126	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35

Exhibit A

Property			Assessments			Annual Installment Part A			Annual Installment Part B			Total		
Tax Reference No.	**Lot No.**	**Equivalent Units**	**Part A**	**Part B**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs 2**	**Total 2**
R314869	127	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314870	128	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314871[2]	129	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314872	130	2.29	$12,793	Prepaid	$12,793	$1,318.67	$104.21	$1,422.88	Prepaid	Prepaid	Prepaid	$1,318.67	$104.21	$1,422.88
R314873	131	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R314874	132	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R314875	133	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R314876	134	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R314877	135	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314878	136	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314879	137	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314880	138	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314881	139	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314882	140	2.29	$12,793	Prepaid	$12,793	$1,318.67	$104.21	$1,422.88	Prepaid	Prepaid	Prepaid	$1,318.67	$104.21	$1,422.88
R314883	141	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314884	142	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314885	143	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314886	144	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314887	145	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314888	146	2.29	$12,793	Prepaid	$12,793	$1,318.67	$104.21	$1,422.88	Prepaid	Prepaid	Prepaid	$1,318.67	$104.21	$1,422.88
R314889	147	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314890	148	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314891	149	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314892	150	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314893	151	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314924	152	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314894	153	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314895	154	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314896	155	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314897	156	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314898	157	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314899	158	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314900	159	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314901	160	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314902	161	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R314903	162	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314904	163	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314905	164	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314906	165	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314907	166	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314908	167	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314909	168	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314910	169	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314911	170	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314912	171	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314913	172	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314914	173	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314925	174	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314915	175	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314916	176	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314917	177	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314918	178	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314919	179	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314926	180	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314920	181	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R314921	182	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314922	183	1.00	$5,587	Prepaid	$5,587	$575.84	$45.51	$621.35	Prepaid	Prepaid	Prepaid	$575.84	$45.51	$621.35
R314923	184	1.66	$9,274	Prepaid	$9,274	$955.89	$75.54	$1,031.43	Prepaid	Prepaid	Prepaid	$955.89	$75.54	$1,031.43
R318305[1]	185	2.29	$12,838	Prepaid	$12,838	$661.64	$52.29	$713.92	Prepaid	Prepaid	Prepaid	$661.64	$52.29	$713.92
R338896[1]						$661.64	$52.29	$713.92	Prepaid	Prepaid	Prepaid	$661.64	$52.29	$713.92
R318306	186	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51

Exhibit A

Property			Assessments			Annual Installment Part A			Annual Installment Part B			Total		
Tax Reference No.	**Lot No.**	**Equivalent Units**	**Part A**	**Part B**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs 2**	**Total 2**
R318307[2]	187	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318308	188	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318309	189	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318310	190	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318311	191	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318312	192	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318313	193	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318314[2]	194	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318315	195	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318316	196	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318317	197	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318318	198	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318319	199	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318320	200	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318321	201	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318322	202	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318323	203	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318324	204	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318325	205	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R318326	206	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318393	207	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318327	208	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318328[2]	209	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318329	210	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318330	211	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318394	212	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318331	213	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318332	214	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318333	215	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318334	216	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318335	217	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318336	218	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318337	219	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318338	220	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318339	221	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318340	222	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318341	223	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318342	224	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
R318343	225	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318344	226	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318345	227	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318346	228	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318347	229	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318348	230	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318349	231	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318350	232	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318351	233	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318352	234	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318353	235	0.00	Prepaid	$0.00	Prepaid	$0.00	$0.00	Prepaid	$0.00	$0.00	$0.00	$0.00	$0.00	Prepaid
R318354	236	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	Prepaid	Prepaid	Prepaid	$0.00	$0.00	$0.00
R318355	237	2.29	$12,838	Prepaid	$12,838	$1,323.27	$104.58	$1,427.85	Prepaid	Prepaid	Prepaid	$1,323.27	$104.58	$1,427.85
R318356	238	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318357	239	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318358	240	2.29	$12,838	Prepaid	$12,838	$1,323.27	$104.58	$1,427.85	Prepaid	Prepaid	Prepaid	$1,323.27	$104.58	$1,427.85
R318359	241	0.00	$0	$0.00	$0	$0.00	$0.00	$0.00	Prepaid	Prepaid	Prepaid	$0.00	$0.00	$0.00
R318360	242	2.29	$12,838	Prepaid	$12,838	$1,323.27	$104.58	$1,427.85	Prepaid	Prepaid	Prepaid	$1,323.27	$104.58	$1,427.85
R318361	243	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318362	244	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318363	245	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318364[1]	246	2.29	$12,838	Prepaid	$12,838	$661.64	$52.29	$713.92	Prepaid	Prepaid	Prepaid	$661.64	$52.29	$713.92
R335355[1]						$661.64	$52.29	$713.92	Prepaid	Prepaid	Prepaid	$661.64	$52.29	$713.92
R318365	247	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318366	248	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318367	249	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51

Exhibit A

Property			Assessments			Annual Installment Part A			Annual Installment Part B			Total		
Tax Reference No.	**Lot No.**	**Equivalent Units**	**Part A**	**Part B**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs**	**Total**	**P&I**	**Collection Costs 2**	**Total 2**
R318395	250	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318368	251	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318369[2]	252	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318370	253	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318371	254	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318372	255	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318373[2]	256	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318374	257	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318375	258	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318376	259	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318377	260	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318378	261	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318379	262	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318380	263	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318381	264	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318382	265	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318383	266	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318384	267	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318397	268	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318385	269	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318386	270	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318387	271	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318388	272	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318389	273	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318390	274	1.66	$9,306	Prepaid	$9,306	$959.23	$75.81	$1,035.03	Prepaid	Prepaid	Prepaid	$959.23	$75.81	$1,035.03
R318391	275	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318392	276	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
R318396	277	1.00	$5,606	Prepaid	$5,606	$577.85	$45.67	$623.51	Prepaid	Prepaid	Prepaid	$577.85	$45.67	$623.51
Total		**329.25**	**$1,841,435**	**$0**	**$1,841,435**	**$189,806**	**$15,000**	**$204,806**	**$0**	**$0**	**$0**	**$189,806**	**$15,000**	**$204,806**

1 - The 2023-24 Annual Installment to be billed will be allocated evenly between multiple accounts per information provided by Lubbock Central Appraisal District.

2 - Parcel represents the account to be billed for consolidated parcels per Lubbock Central Appraisal District Records.

APPENDIX C
PID ASSESSMENT NOTICE

PID Assessment Notice

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT
TO
CITY OF LUBBOCK, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Lubbock, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Vintage Public Improvement District (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

_____ _____
Signature of Purchaser Signature of Purchaser

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

_____

Notary Public, State of Texas

AI# 11840
Regular City Council Meeting
08/22/2023:

6. 5.

Information

Agenda Item

Resolution - Finance: Consider a resolution releasing the lien on 2701 121st Street, Unit #15, Vintage Township Lot 235, in the Vintage Township Public Improvement District (Vintage PID).

Item Summary

This item is a lien release on 2701 121st Street, Unit #15, Vintage Township Lot 235, owned by Encore Development Company, LLC. All applicable payments have been received for this property, and they are no longer responsible for their PID Assessment.

This will release the lien on the property for the Vintage PID.

Fiscal Impact

None

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Resolution - Release of Lien, Vintage Township

Release of Lien - Vintage Township

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, the Release of Lien, on behalf of the City of Lubbock for that certain property described as Vintage Township Lot 235, Lubbock, TX and related documents. Said Release is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.Release of Assessment Lien_Vintage Township Lot 235
8.4.23

RELEASE OF LIEN

State of Texas)

County of Lubbock)

This RELEASE OF LIEN is made as ___ day of ____ 20__ by the CITY OF LUBBOCK, TEXAS (the "City") in reference to the VINTAGE TOWNSHIP PUBLIC IMPROVEMENT DISTRICT (the "District"), created pursuant to Chapter 372, Texas Local Government Code, as amended, (the "PID Act").

Reference is made to that certain Service and Assessment Plan (the "Service and Assessment Plan") related to the Vintage Township Public Improvement District, which has been accepted and approved by the City Council of the City with the adoption of Ordinance No. 2007-00058, as amended by Ordinance No. 2008-00005 on February 14, 2008 (the "Assessment Ordinance"), and pursuant to which an assessment (the "Assessment") was levied and approved on property within the boundaries of the District. The Assessment related to the property described in Exhibit A hereto (the "Released Real Estate") has been prepaid in full and the City now desires to release the Assessment lien related to the Released Real Estate.

NOW, THEREFORE, for good and valuable consideration; the receipt and sufficiency of which is hereby acknowledged, the City hereby acknowledges that the Assessment has been paid in full with respect to the Released Real Estate and the Assessment lien with respect to the Released Real Estate is hereby released and discharged for all purposes from the Assessment lien placed on the Released Real Estate.

IN WITNESS WHEREOF, the undersigned has caused this Release of Lien to be executed on the date of acknowledgment set forth below, but effective AS OF THIS _____ DAY OF _____ 20__.

PASSED by the City Council on first reading _____,2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

STATE OF TEXAS)
)
COUNTY OF LUBBOCK)

ACKNOWLEDGMENT

BEFORE ME, the undersigned Notary Public on this day personally appeared _____, an Authorized City Official of CITY OF LUBBOCK, TEXAS, a political subdivision of the State of Texas, on behalf of the political subdivision, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposed therein expressed and in the capacity therein stated.

Witness my hand and official seal this the _____ day of _____, 20__.

_____
Notary Public, State of Texas

AFTER RECORDING, PLEASE RETURN TO:

Cheryl Brock
City of Lubbock
1314 Avenue K
Lubbock, TX 79401

Exhibit A

Description of Released Real Estate

Property ID	Property Owner per Lubbock CAD	Property Address	Legal Description per Lubbock CAD
R318353	Encore Development Company LLC	4701 121st Street #15, Lubbock, Texas 79424	Vintage Township L 235

AI# 11821
Regular City Council Meeting 6. 6.
08/22/2023:

Information

Agenda Item

Resolution - Finance: Consider a resolution authorizing the Mayor to execute an Interlocal Agreement, by and between the City of Lubbock and the Lubbock Central Appraisal District, for the collection of assessments levied on property within the Upland Crossing 2 Public Improvement District.

Item Summary

This agreement is between the City of Lubbock and the Lubbock Central Appraisal District (LCAD). It will allow LCAD to collect the assessments levied by the City Council on property in the Upland Crossing 2 Public Improvement District.

Fiscal Impact

The cost of the collection services will be an amount equal to the cost per parcel for all other cities and independent school districts as calculated in the AGREEMENT FOR ASSESSMENT AND COLLECTION OF TAXES between the City of Lubbock and the Appraisal District or one quarter (1/4) of one percent (1%), of the annual collection budget of the Appraisal District, whichever is greater.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Resolution Upland Crossing 2 PID

Upland Crossing 2 PID Interlocal Agmt LCAD

LCAD Resolution for Upland Crossing 2 PID

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, an Interlocal Agreement for the Collection of Assessments Levied on Property Within the Upland Crossing 2 Public Improvement District, by and between the City of Lubbock and Lubbock Central Appraisal District of Lubbock, Texas, and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.Interlocal Agreement-LCAD, Upland Crossing 2 Public Improvement District
7.28.23

INTERLOCAL AGREEMENT FOR THE COLLECTION OF ASSESSMENTS LEVIED ON PROPERTY WITHIN THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT

This Interlocal Agreement for the Collection of Assessments Levied on Property Within the Upland Crossing 2 Public Improvement District (this "Agreement") is made by and between the City of Lubbock, Texas, a State of Texas Home Rule Municipal Corporation (the "City"), and the Lubbock Central Appraisal District, (the "LCAD") (each a "Party" and collectively the "Parties"), for the collection of assessments levied within the Upland Crossing 2 Public Improvement District of the City of Lubbock (the "PID") pursuant to the authority granted by, and in compliance with, the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the provisions of Chapter 372 of the Texas Local Government Code (the "Act").

RECITALS

WHEREAS, on March 7, 2023 the City Council of the City (the "Council") passed Resolution 2023-R0144 according to the Act, and designated the Council as the entity responsible for the management and provision of services to the PID, with such Resolution attached to this Agreement as "Exhibit A" ; and

WHEREAS, on April 25, 2023, the Council passed Ordinance 2023-O0037, approving the Service Plan for the PID, with such Service Plan attached to this Agreement as "Exhibit B" ; and

WHEREAS, the Council levied assessments for 2023 in accordance with the Service Plan; and

WHEREAS, the Act requires that the Council annually review the Service Plan, prepare and file a proposed assessment roll with the City Secretary, schedule a public hearing and receive public comment on the proposed assessments to be levied on the property within the PID, and levy assessments according to the Service Plan; and

WHEREAS, the Council desires to enter into a contract with LCAD to provide all the services necessary for the collection of assessments levied by the Council against the property within the PID and to deposit such assessments with the City for the benefit of the PID; and

WHEREAS, LCAD is able and willing to perform said assessment collection services and desires to enter into a contract with the City for the collection of assessments levied on property within the PID; and **NOW THEREFORE,** the Parties agree as follows:

AGREEMENT

ARTICLE I: RECITALS AND EXHIBITS MADE A PART OF AGREEMENT

The representations, covenants, and recitations set forth in the foregoing Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Article I. "Exhibits A and B" attached hereto are incorporated into this Agreement as if fully set forth herein.

ARTICLE II: RESPONSIBILITIES OF LCAD

(a) LCAD, acting by and through its duly authorized officers, does hereby agree to perform all calculation and collection services on behalf of the PID pursuant to the Act and City Ordinance 2023-O0037, and to forward said funds to the City for deposit into a fund designated for assessments levied on property within the PID (the "PID Fund").

(b) LCAD agrees to identify the properties within the PID liable for assessment and to calculate the assessment due to the PID based on the City's 2023 net taxable value as determined by LCAD for each property designated to be assessed under Ordinance 2023-O0037.

(c) LCAD will send assessment bills to each affected property owner within the PID prior to November 15, with such assessment bills due the following January 31. On or before March 1 of each year, and again prior to May 1, LCAD will calculate the amount of assessments collected from property owners within the PID, and such amount shall be forwarded to the City for deposit into the PID Fund.

ARTICLE III: RESPONSIBILITIES OF THE CITY

(a) The City shall provide to LCAD the following documents: a certified copy of Ordinance 2023-O0037; a list of the properties within the PID, identified by legal description and appraisal district account number, designated for assessment under current and future assessment ordinances; and, the name and phone number of a designated City official to be included on the annual assessment bill for the purpose of answering questions concerning the assessment contemplated under this Agreement.

(b) The PID, acting by and through its Board of Directors and the Council, does hereby agree to pay to LCAD as compensation for services rendered pursuant to this Agreement, for all parcels within the PID, an amount equal to the cost per parcel for all other cities and independent school districts as calculated in the AGREEMENT FOR ASSESSMENT AND COLLECTION OF TAXES between the City and LCAD or one quarter (¼) of one percent (1%) of the annual collection budget of LCAD, whichever is greater.

(c) The compensation considered in Article III (b) shall be deducted by LCAD from the total annual PID assessment collected prior to the collected funds being forwarded to the City for deposit. Such deduction in the total annual amount of annual collected assessment shall include a notation of the amount deducted and all relative documentation.

ARTICLE IV: COLLECTION OF DELINQUENT ASSESSMENTS

LCAD may contract with any competent attorney to assist in the collection of delinquent assessments on behalf of the City acting for the PID. The attorney's compensation shall be set in the contract, but the total amount of compensation provided to the attorney may not exceed the amount authorized in Section 6.03 of the Texas Property Tax Code. Said compensation shall be a deduction in the total annual amount of annual collected assessment and shall include a notation

of the amount deducted and all relative documentation.

ARTICLE V: TERM

The term of this Agreement shall be for a period of one (1) year, from the date of execution of this Agreement (the "Term"). The Term may be extended through a writing signed by the Parties that incorporates identical provisions laid out in this Agreement (an "Extension").

ARTICLE VI: TERMINATION

(a) This Agreement shall not be terminated for convenience by either Party during the Term or any Extension.

(b) Upon the breach of any of the provisions contained in this Agreement, the non-breaching Party may terminate this Agreement after giving sixty (60) days written notice to the breaching Party.

(c) In the event of early termination provided for in section (b) of this Article, LCAD shall immediately forward to the City any and all funds collected before termination in accordance with Articles II and IV of this agreement.

ARTICLE VII: NOTICE

Whenever notice of any kind is authorized or required to be made under this Agreement, such notice shall be given by United States registered or certified mail, postage prepaid, return receipt requested and addressed to the Parties as set out below, or to such other address as may hereafter be designated:

UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT
CITY OF LUBBOCK
P.O. BOX 2000
1314 AVENUE K
LUBBOCK, TEXAS 79457

LUBBOCK CENTRAL APPRAISAL DISTRICT
CHIEF APPRAISER, LCAD
P.O. BOX 10542
2109 AVE Q
LUBBOCK, TEXAS 79408

ARTICLE VIII: AMENDMENTS

This Agreement constitutes and expresses the entire arrangement between the Parties and shall not be amended or modified except by written instruments signed by both Parties.

SIGNATURES

IN WITNESS WHEREOF, the Parties hereby execute this Agreement by their duly authorized representatives on _____, 2023.

FOR LCAD:

Greg Jones, Chairman, Board of Directors

FOR CITY:

Tray Payne, Mayor

FOR LCAD:

Bobby McQueen, Secretary, Board of Directors

ATTEST:

Courtney Paz, City Secretary

AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

AS TO FORM:

Kelli Leisure, Assistant City Attorney

Exhibit A – Resolution Creating the Upland Crossing 2 Public Improvement District

Resolution No. 2023-R0144 EXHIBIT A
Item No. 7.3
March 7, 2023

A RESOLUTION OF THE CITY OF LUBBOCK, TEXAS, APPROVING AND AUTHORIZING THE CREATION OF THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to:

(a) Acquisition, construction, or drainage facilities or improvements;

(b) The design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(c) Payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by 34th Street to the north, Upland Avenue to the east, and railroad tracks to the south and west, with such property being the development known as Upland Crossing 2, and a description and depiction of the property covered by the Petition is attached to and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the seventh (7th) day of March, 2023, at two (2:00) p.m., at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Upland Crossing 2 Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Upland Crossing 2 Public Improvement District; and

(b) That authorization of the Upland Crossing 2 Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Upland Crossing 2 Public Improvement District for the general purpose of financing improvements and services related to:

(i) The acquisition, construction, or drainage facilities or improvements;

(ii) The design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(iii) The payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Upland Crossing 2 Public Improvement District through Fiscal Year 2027-28 is approximately one hundred twenty two thousand seven hundred thirty dollars ($122,730) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of twelve cents ($0.12) per one hundred dollars ($100) of valuation of property within the Upland Crossing 2 Public Improvement District through Fiscal Year 2027-28, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Upland Crossing 2 Public Improvement District and the City, all the Costs will be paid by the Upland Crossing 2 Public Improvement District through assessments on the property within the boundaries of the Upland Crossing 2 Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Upland Crossing 2 Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council shall be the governing board for the Upland Crossing 2 Public Improvement District.

SECTION 5: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 7th day of March, 2023.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

Brianna Brown, Director of Business Development

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Ccdocs://Upland Crossing 2 PID Creation Resolution
2.20.23

BETENBOUGH
HOMES®

February 3, 2023

Brianna Brown

Business Development Director

City of Lubbock

1314 Avenue K

Lubbock, TX 79401

RE: Upland Crossing, Public Improvement District 2

Dear Honorable Mayor and City Council,

Upland Crossing 2 PID is a residential development within the city limits of the City of Lubbock bound on the North by 34th Street, adjacent to the East by Upland Ave, and adjacent to railroad tracks to the South and West. We are proposing to create a Public Improvement District, "PID", to maintain the public improvements for Upland Crossing 2 PID.

In order to comply with the "Public Improvements District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements":

1. Betenbough Homes has purchased/optioned almost 34.294 acres. Betenbough Homes plans to invest $250,000 in improvements for this park system before it would be deeded over to the City of Lubbock and the PID. We will be here to help keep the PID healthy and thriving. We have vested interest in making this PID healthy and self-sufficient.
2. This requirement is addressed in Section 5 of the accompanying Petition.
3. This requirement is addressed in Section 1 of the accompanying Petition.
4. This requirement is addressed in Section 5 of the accompanying Petition.

5. If there is sufficient support to petition to dissolve the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the City Manager or designee with funds available to the PID. Betenbough Homes will have been responsible for some maintenance before the park system would be deeded over. With having supported some maintenance, we feel we will have an accurate representation of cost to propose for the service plan. So far, all of our proposed service plans, are reviewed by city staff, and approved by City Council.

6. This requirement has been met by the map of the area that is attached to this Petition.

BETENBOUGH
HOMES®

7. Operation of the PID process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock. If a board is not established, then the operation of any PID actions will be managed by the City Manager or designee.

8. This requirement is generally addressed in Section 2 of the petition. Addressing this specific PID there will be a drainage basin that will function as drainage storage for the community. The PID will allow the basin to be well maintained.

9. Each parcel of City-owned land will be identified as a "Tract" at time of platting.

10. General description of proposed improvements is addressed in Section 2 of the Petition.

11. The estimated total cost of the improvements is approximately $250,000 and will be paid and constructed by the developer, Betenbough Homes does not desire any reimbursement. The estimated cost of the maintenance is approximately $25,000 per year and is to be paid for by the PID as soon as the funds are available. This is the estimated cost for the entirety of the "park system".

12. Addressing this requirement we have provided a service and assessment plan that is attached as part of this application.

13. Method of assessment will be based on the net taxable value of the affected properties and will be assessed at $.07 per $100.00 valuation.

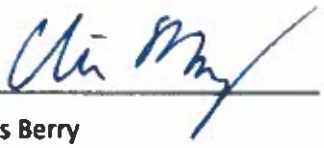
14. Documentation of liability insurance will be provided as requested by the City of Lubbock.

15. This requirement is addressed in Section 6 of the accompanying Petition.

16. This requirement is addressed in Section 5 of the accompanying Petition.

17. This requirement is met with the attached spreadsheet documenting the provided service and assessment plan.

Our goal is to provide all of the information requested to continue with the creation of this PID. Please let us know if you have any questions or require any additional information.

X 

Chris Berry

Land Development Manager

Betenbough Homes

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed public improvements and annual maintenance: $250,000 estimated for proposed public improvements as mentioned in section 2. Annual maintenance costs - $25,000 for proposed improvements made by developer.

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit A and Exhibit B.

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to property on

the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or a partnership between the municipality or county and the private sector, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONERS:

Betenbough Homes LLC

Chris Berry, Land Planning Manager

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 24th day of Jan, 2023, before me, the undersigned Notary Public, personally appeared **Paddi Moya** who acknowledged that he is **Connections Specialist of Betenbough Homes, LLC**, and that he, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

PATRICIA M. MOYA
Notary Public, State of Texas
Notary ID# 13390512-1
My Commission Expires 08-11-2026

Notary Public Signature

Signature Page for Petition

EXHIBIT A

The Land

A 34.294 ACRE TRACT OF LAND IN SECTION 39, BLOCK AK, G.C. & S.F. RR. CO. SURVEY, ABSTRACT NO. 228, LUBBOCK COUNTY, TEXAS

A 34.294 acre tract of land located in the Northeast Quarter (NE/4) of Section 39, Block AK, G.C. & S.F. RR. Co. Survey, Abstract No. 228, Lubbock County, Texas, being all of that certain tract of land described in a Correction Special Warranty Deed recorded in County Clerk's File Number 2014004363 of the Official Public Records of Lubbock County, Texas, said 34.294 acre tract being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap marked "Hugo Reed & Assoc's" found in the south right-of-way line of 34th Street, as described in a Right-of-Way Deed recorded in Volume 558, Page 677 of the Deed Records of Lubbock County, Texas, and in the west line of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013047547 of the Official Public Records of Lubbock County, Texas, for the northeast corner of this tract, having coordinates of Northing: 7,269,158.33 and Easting: 909,971.59 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the northeast corner of said Section 39 bears N. 01° 51' 40" E. a distance of 40.00 feet and S. 88° 10' 50" E. a distance of 360.29 feet, said section corner having coordinates of Northing: 7,269,186.87 and Easting: 910,332.91 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 51' 40" W., along the west lines of those certain tracts of land described in Warranty Deeds recorded in Volume 3266, Page 102 and Volume 6287, Page 250 of the Real Property Records and County Clerk's File Numbers 2005041119, 2008003296, 2013047547 and 2018036068 of the Official Public Records of Lubbock County, Texas, a distance of 919.78 feet to a 5/8" iron rod found at the southwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 6287, Page 250 of the Real Property Records of Lubbock County, Texas, for an ell corner of this tract;

THENCE S. 88° 10' 50" E., along the south line of said tract described in Volume 6287, Page 250, a distance of 0.40 feet to a 5/8" iron rod found at the northwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 1491, Page 52 of the Deed Records of Lubbock County, Texas, for a corner of this tract this tract;

THENCE S. 01° 51' 40" W. a distance of 270.08 feet to a 1" iron pipe found at the southwest corner of that certain 1.811 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2014012466 of the Official Public Records of Lubbock County, Texas, for the southeast corner of this tract;

THENCE N. 70° 17' 50" W., along the north line of the West Texas & Lubbock Railroad, a right-of-way being 100.00 feet in width as described in a Deed recorded in County Clerk's File Number 2015029381 of the Official Public Records of Lubbock County, Texas, a distance of 1686.40 feet to a 5/8" iron rod found at the southeast corner of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013044872 of the Official Public Records of Lubbock County, Texas, for the southwest corner of this tract, having coordinates of Northing: 7,268,537.79 and Easting: 908,346.08 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 55' 00" E. a distance of 672.00 feet to a 1/2" iron rod found in the south right-of-way line of said 34th street at the northeast corner of said tract described in County Clerk's File Number 2013044872 for the northwest corner of this tract;

THENCE S. 88° 10' 50" E. a distance of 1604.24 feet to the Point of Beginning. Bearings are relative to the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed: June 21, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

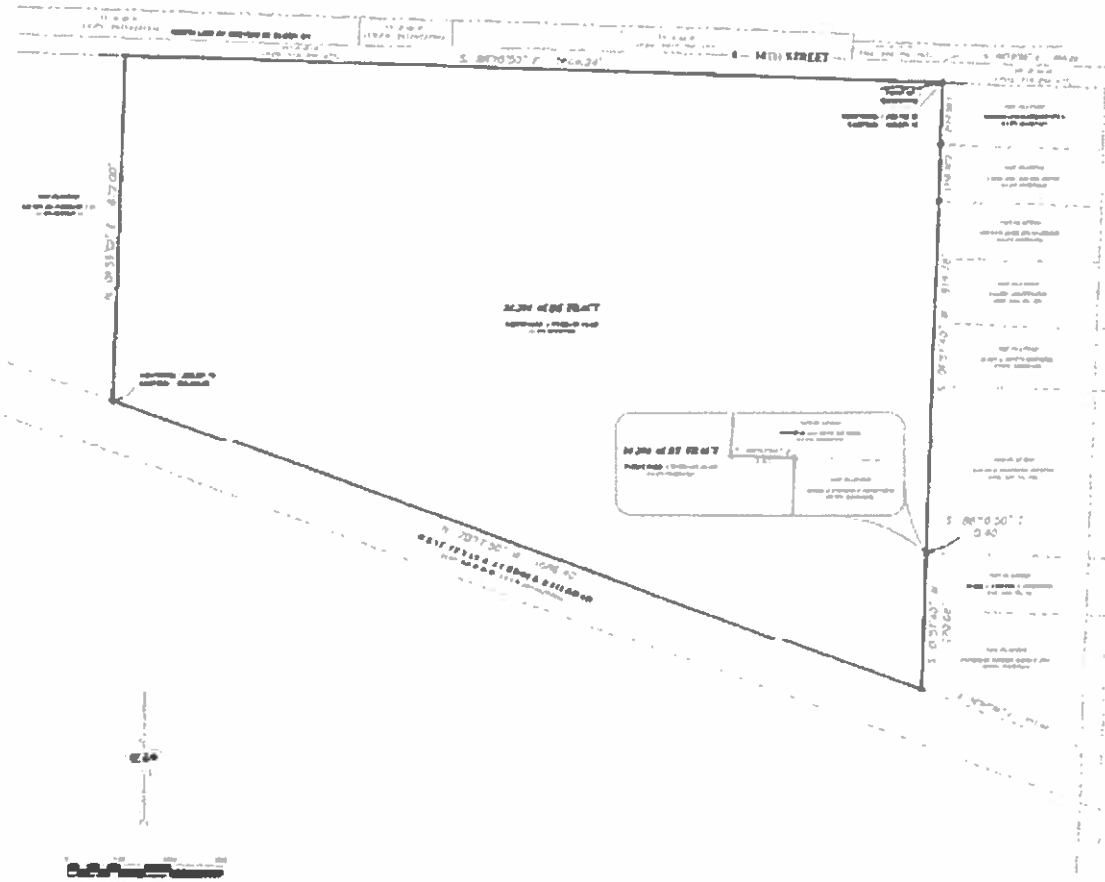
210437 Sec39 BlkAK, St. Clair

EXHIBIT B

Sketch

A BOUNDARY SURVEY OF

A 34.294 ACRE TRACT OF LAND IN SECTION 39, BLOCK AK, G.C. & S.F. RR. CO. SURVEY, ABSTRACT NO. 228, LUBBOCK COUNTY, TEXAS



UC 11 Service Plan

Proposed Revenue/Expense Worksheet

		Proposed												
		2002	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Totals
REVENUE	est # Homes closed		75	125										200
	Property Values*	-	13,125,000	35,262,500	35,967,750	36,687,105	37,420,847	38,169,264	38,932,649	39,711,302	40,505,528	41,315,639	42,141,952	357,097,585
	Discounted Property Values	-	11,812,500	31,736,250	32,370,975	33,018,395	33,678,762	34,352,338	35,039,384	35,740,172	36,454,976	37,184,075	37,927,757	321,387,827
	Interest	-	-	351	942	961	980	1,000	1,020	1,040	1,061	1,082	1,104	8,435
0.07	Assessment @ $0.07	-	-	8,269	22,215	22,660	23,113	23,575	24,047	24,528	25,018	25,518	26,029	196,963
0.10	Assessment @ $0.10	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	8,619	23,157	23,620	24,093	24,575	25,066	25,568	26,079	26,600	27,133	205,398
	Improvement est cost													
EXPENSE														
Park 1	$1,250,000.00													
Bean Park				$ 15,000.00	$ 15,300.00	$ 15,606.00	$ 15,918.12	$ 16,236.48	$ 16,561.21	$ 16,892.44	$ 17,230.29	$ 17,574.89	$ 17,926.39	$ 131,319.43
Electric Cost for park														
Proposed parks 1 and 2														$ -
Fences and minor signage														
Proposed Parks 1 and 2														$ -
Administrative Costs														
	$500,000.00			$ 3,000.00	$ 3,060.00	$ 3,121.20	$ 3,183.62	$ 3,247.30	$ 3,312.24	$ 3,378.49	$ 3,446.06	$ 3,514.98	$ 3,585.28	$ 26,263.89
Paid by developer														
Capital Outlay (Developer)														$ -
Total		-	$ -		$ 18,360.00	$ 18,727.20	$ 19,101.74	$ 19,483.78	$ 19,873.45	$ 20,270.92	$ 20,676.34	$ 21,089.87	$ 21,511.67	$ 157,583.31
Cash Reserves			$ -	$ 8,619.36	$ 13,416.65	$ 18,309.90	$ 23,301.82	$ 28,391.96	$ 33,584.72	$ 38,881.34	$ 44,283.88	$ 49,794.48	$ 55,415.29	$ 258,583.31

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

ASSESSMENT INFORMATION		
2019-2029		
Assessment per $100,000	$70.00	$ 70.00
2027-Future		
Assessment per $100,000	$100.00	$ 100.00

EXHIBIT A

The Land

A 34.294 ACRE TRACT OF LAND IN SECTION 39, BLOCK AK, G.C. & S.F. RR. CO. SURVEY, ABSTRACT NO. 228, LUBBOCK COUNTY, TEXAS

A 34.294 acre tract of land located in the Northeast Quarter (NE/4) of Section 39, Block AK, G.C. & S.F. RR. Co. Survey, Abstract No. 228, Lubbock County, Texas, being all of that certain tract of land described in a Correction Special Warranty Deed recorded in County Clerk's File Number 2014004363 of the Official Public Records of Lubbock County, Texas, said 34.294 acre tract being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap marked "Hugo Reed & Assoc's" found in the south right-of-way line of 34th Street, as described in a Right-of-Way Deed recorded in Volume 558, Page 677 of the Deed Records of Lubbock County, Texas, and in the west line of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013047547 of the Official Public Records of Lubbock County, Texas, for the northeast corner of this tract, having coordinates of Northing: 7,269,158.33 and Easting: 909,971.59 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the northeast corner of said Section 39 bears N. 01° 51' 40" E. a distance of 40.00 feet and S. 88° 10' 50" E. a distance of 360.29 feet, said section corner having coordinates of Northing: 7,269,186.87 and Easting: 910,332.91 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 51' 40" W., along the west lines of those certain tracts of land described in Warranty Deeds recorded in Volume 3266, Page 102 and Volume 6287, Page 250 of the Real Property Records and County Clerk's File Numbers 2005041119, 2008003296, 2013047547 and 2018036068 of the Official Public Records of Lubbock County, Texas, a distance of 919.78 feet to a 5/8" iron rod found at the southwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 6287, Page 250 of the Real Property Records of Lubbock County, Texas, for an ell corner of this tract;

THENCE S. 88° 10' 50" E., along the south line of said tract described in Volume 6287, Page 250, a distance of 0.40 feet to a 5/8" iron rod found at the northwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 1491, Page 52 of the Deed Records of Lubbock County, Texas, for a corner of this tract this tract;

THENCE S. 01° 51' 40" W. a distance of 270.08 feet to a 1" iron pipe found at the southwest corner of that certain 1.811 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2014012466 of the Official Public Records of Lubbock County, Texas, for the southeast corner of this tract;

THENCE N. 70° 17' 50" W., along the north line of the West Texas & Lubbock Railroad, a right-of-way being 100.00 feet in width as described in a Deed recorded in County Clerk's File Number 2015029381 of the Official Public Records of Lubbock County, Texas, a distance of 1686.40 feet to a 5/8" iron rod found at the southeast corner of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013044872 of the Official Public Records of Lubbock County, Texas, for the southwest corner of this tract, having coordinates of Northing: 7,268,537.79 and Easting: 908,346.08 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 55' 00" E. a distance of 672.00 feet to a 1/2" iron rod found in the south right-of-way line of said 34th street at the northeast corner of said tract described in County Clerk's File Number 2013044872 for the northwest corner of this tract;

THENCE S. 88° 10' 50" E. a distance of 1604.24 feet to the Point of Beginning. Bearings are relative to the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed: June 21, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

210437 Sec39 BlkAK, St. Clair

Upland Crossing 2 Public Improvement District

Upland Crossing 2 PID

Parcels

Lot-Block Lines

0 125 250 500 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1/12/2023

Upland Crossing 2
Public Improvement District

2023 SERVICE AND ASSESSMENT PLAN

FEBRUARY 16, 2023

City of Lubbock TEXAS

City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

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City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

Plan Description and Defined Terms

A. Introduction

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties" (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. The City of Lubbock created the Upland Crossing 2 Public Improvement District (the "PID") to maintain the public improvements associated with the Upland Crossing 2 planned development and for the benefit of certain property in the PID, all of which is located within the City. (Capitalized terms used herein shall have the meanings ascribed to them in Section I.B of this Service and Assessment Plan.)

This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan is included in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that "an assessment plan must be included in the annual service plan." The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act states that "the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Costs of the improvements to the property in the PID is included in Sections V and VI of this Service and Assessment Plan.

Section 372.016 of the PID Act states that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as ***Exhibit C*** of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

The City Council shall make all determinations necessary herein.

The City Council intends for the obligations, covenants and burdens on the owner of the Assessed Property, including without limitation such owner's obligations related to the payment of the Assessments, to constitute a covenant running with the land. The Assessments levied hereby

shall be binding upon the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns. The Assessments shall have lien priority as specified in the PID Act.

This Service and Assessment Plan provides for maintenance of improvements benefiting the entire area of the Upland Crossing 2 PID.

B. Definitions

The terms used herein shall have the following meanings.

"Annual Service Plan Amendment" has the meaning set forth in the first paragraph of Section IV of this Service and Assessment Plan.

"Assessed Property" means, for any year, parcels within the PID.

"Assessment" means, with respect to each Parcel, the assessment imposed against such Parcel pursuant to the Assessment Ordinance and the provisions therein, as shown on the Assessment Roll, subject to reallocation among Parcels and reduction according to the provisions herein and the PID Act.

"Assessment Ordinance" means the Assessment Ordinance approved by the City Council approving and adopting this Service and Assessment Plan.

"Assessment Roll" means the document included in this Service and Assessment Plan as ***Exhibit C***, as updated, modified, or amended annually in accordance with the procedures set forth herein and in the PID Act.

"City" means City of Lubbock, Texas.

"City Council" means the duly elected governing body of the City.

"Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the maintenance of the public improvements, operation, and other supplemental services, as described in ***Exhibit B*** of this Service and Assessment Plan.

"Developer" means Betenbough Homes, Inc.

"Legal Description" means the metes and bounds legal description of the PID area included as ***Exhibit A*** to the Service and Assessment Plan.

"Improvement Project" means the maintenance of the public improvements that will provide a special benefit to the property in the PID and described in ***Exhibit B*** of this Service and Assessment Plan and Section 372.003 of the PID Act.

"Parcel" means a parcel identifed by either a tax map identification number assigned by the Lubbock County Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Lubbock County, Texas or identified by any other reasonable means determined by the City Council.

"PID" has the meaning set forth in the second paragraph of Section I.A of this Service and Assessment Plan.

"PID Act" means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Map" means the map included as ***Exhibit A*** to the Service and Assessment Plan identifying the property included in the PID.

"Service and Assessment Plan" means this Service and Assessment Plan prepared for the PID pursuant to Section 372.013, 372,014, 372.015, and 372.016 of the PID Act.

Section II
Property Included in the PID

The PID is located in the City of Lubbock, Texas. A map of the property included in the PID and a legal description is shown on Exhibit A to this Service and Assessment Plan.

The 34.294 acre development is expected to consist of approximately 200 residential units, drainage basin and associated rights of way, landscaping, and infrastructure.

An explanation of the method of assessing property is included in Section V.

Section III
Description of the Improvement Project

The general nature of the proposed public improvements is: (i) acquisition, contruction, or drainage facilities or improvements, (ii) the design, construction, and maintenance of Parks and green spaces together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and green

spaces; landscaping, hardscape and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District..

The public improvements will be constructed by the Developer with no reimbursement from the PID. After analyzing the maintenance, operation, and other supplemental services related to the Public Improvements, the City has determined that the maintenance of the public improvements authorized by the PID Act, shown in Exhibit B, should be performed by the City and has further determined that these maintenance activities will be of special benefit to all the Assessed Property within the PID.

A. Maintenance of Public Improvements

The cost of the maintenance, operation and other supplemental services to be funded through assessments on Assessed Property is estimated at $15,000 in the first year and increases to $31,524 in the 5th year, with 2 percent annual growth thereafter. The budget for the maintenance, operation, and other supplemental services will be determined annually by the City and will be included in a Service Plan Amendment along with amendments to the Assessment Roll reflecting assessments (the "Maintenance Assessment") based on such budget for maintenance, operation and necessary supplemental services.

Section IV
Service Plan/Sources and Uses of Funds

Section 372.013 of the PID Act requires this Service and Assessment Plan to "cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The Developer plans to make improvements at a cost of $250,000. The PID will not reimburse the Developer for those improvements. The PID will maintain the public improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for maintenance." Such annual update to this Service and Assessment Plan is herein referred to as the "Annual Service Plan Amendment." The Upland Crossing 2 PID will have no indebtedness and the PID assessments will fund the maintenance of the public improvements, operation, and other supplemental services. The table below shows estimated sources and uses of funds including the projected cost of maintaining the public improvements.

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	2,911,768	16,095,003	38,291,903	39,057,741	39,838,896	39,838,896
Discounted Property Values	2,620,591	14,485,503	34,462,713	35,151,967	35,855,007	35,855,007
Fiscal Year Revenues	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals***
Interest Earnings	$ -	-	-	24	193	$ 217
Assessment @ $0.12	3,145	17,383	41,355	42,182	43,026	147,091
Total	**$ 3,145**	**17,383**	**41,355**	**42,206**	**43,219**	**$ 147,308**
Expenses						
Basin Park Maintenance	$ -		15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	9,000	9,000	9,180	9,364	9,551	46,094
Total	**$ 15,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 122,730**
Cash Reserve	$ (11,855)	(9,473)	1,583	12,883	13,278	$ 13,278
Assessment Information for $100,000 Home	$120					

The sources and uses of funds table is subject to revision each year.

Section V
Assessment Plan

The PID was created and the assessment is being levied pursuant to Section 372.015 of the PID Act, "Determination of Assessment."

A. Allocation of assessment
- Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
- Assessment will be $0.12 per $100 valuation
- All property will be assessed based on the final 2023 "net taxable value".

Section VI
Terms of the Assessments

The annual assessment for each parcel within the PID shall be shown on the assessment roll. The amount of the assessment could change each year when the Service and Assessment Plan are adopted due to increased value on a parcel or the estimated cost of maintaining the public improvements, repair or replacement costs, and operational or administrative costs.

City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

List of Exhibits

Exhibit A PID Legal Description and Map

Exhibit B Service Plan – 5 Year Plan

Exhibit C Assessment Roll

Exhibit A

Upland Crossing 2 Public Improvement District

Upland Crossing 2 PID

Parcels

Lot-Block Lines

0 125 250 500 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1/12/2023

EXHIBIT A

The Land

A 34.294 ACRE TRACT OF LAND IN SECTION 39, BLOCK AK, G.C. & S.F. RR. CO. SURVEY, ABSTRACT NO. 228, LUBBOCK COUNTY, TEXAS

A 34.294 acre tract of land located in the Northeast Quarter (NE/4) of Section 39, Block AK, G.C. & S.F. RR. Co. Survey, Abstract No. 228, Lubbock County, Texas, being all of that certain tract of land described in a Correction Special Warranty Deed recorded in County Clerk's File Number 2014004363 of the Official Public Records of Lubbock County, Texas, said 34.294 acre tract being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap marked "Hugo Reed & Assoc's" found in the south right-of-way line of 34th Street, as described in a Right-of-Way Deed recorded in Volume 558, Page 677 of the Deed Records of Lubbock County, Texas, and in the west line of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013047547 of the Official Public Records of Lubbock County, Texas, for the northeast corner of this tract, having coordinates of Northing: 7,269,158.33 and Easting: 909,971.59 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the northeast corner of said Section 39 bears N. 01° 51' 40" E. a distance of 40.00 feet and S. 88° 10' 50" E. a distance of 360.29 feet, said section corner having coordinates of Northing: 7,269,186.87 and Easting: 910,332.91 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 51' 40" W., along the west lines of those certain tracts of land described in Warranty Deeds recorded in Volume 3266, Page 102 and Volume 6287, Page 250 of the Real Property Records and County Clerk's File Numbers 2005041119, 2008003296, 2013047547 and 2018036068 of the Official Public Records of Lubbock County, Texas, a distance of 919.78 feet to a 5/8" iron rod found at the southwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 6287, Page 250 of the Real Property Records of Lubbock County, Texas, for an ell corner of this tract;

THENCE S. 88° 10' 50" E., along the south line of said tract described in Volume 6287, Page 250, a distance of 0.40 feet to a 5/8" iron rod found at the northwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 1491, Page 52 of the Deed Records of Lubbock County, Texas, for a corner of this tract this tract;

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THENCE S. 88° 10' 50" E. a distance of 1604.24 feet to the Point of Beginning. Bearings are relative to the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed: June 21, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

210437 Sec39 BlkAK, St. Clair

Exhibit B
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Preliminary Service Plan
February 6, 2023

Service Plan

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	2,911,768	16,095,003	38,291,903	39,057,741	39,838,896	39,838,896
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Total	**$ 3,145**	**17,383**	**41,355**	**42,206**	**43,219**	**$ 147,308**
Expenses						
Basin Park Maintenance	$ -		15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	9,000	9,000	9,180	9,364	9,551	46,094
Total	**$ 15,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 122,730**
Cash Reserve	**$ (11,855)**	**(9,473)**	**1,583**	**12,883**	**13,278**	**$ 13,278**

Assessment Information for $100,000 Home $120

Attachment 1

2023 Service and Assessment Plan Required Attachment

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS

CONCERNING THE FOLLOWING PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality or county, as applicable), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

CONCERNING THE FOLLOWING HOTEL PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

Added by Acts 2005, 79th Leg., Ch. 1085 (H.B. 1919), Sec. 1, eff. January 1, 2006.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 20.002, eff. September 1, 2009.

Acts 2021, 87th Leg., R.S., Ch. 253 (H.B. 1543), Sec. 3, eff. September 1, 2021.

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R102962	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 39 AB 228 TR A14 ACS: 11.023	55,115	55,115	$ 66.14
R126622	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	79407	BLK AK SEC 39 AB 228 TR A14A AC: 7.867	8,103	8,103	9.72
R346226	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3406 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 933	35,000	35,000	42.00
R346227	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3408 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 934	35,000	35,000	42.00
R346217	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3413 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 924	35,000	35,000	42.00
R346236	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 943	35,000	35,000	42.00
R346251	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 958	35,000	35,000	42.00
R346240	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3506 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 947	35,000	35,000	42.00
R346247	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 954	35,000	35,000	42.00
R346249	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 956	35,000	35,000	42.00
R346283	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 990	35,000	35,000	42.00
R346224	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3402 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 931	35,000	35,000	42.00
R346233	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3509 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 940	35,000	35,000	42.00
R346258	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 965	35,000	35,000	42.00
R346263	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 970	35,000	35,000	42.00
R346288	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 995	35,000	35,000	42.00

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346297	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1004	35,000	35,000	42.00
R346244	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3514 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 951	35,000	35,000	42.00
R346245	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 952	35,000	35,000	42.00
R346259	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 966	35,000	35,000	42.00
R346294	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1001	35,000	35,000	42.00
R346295	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1002	35,000	35,000	42.00
R346220	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3407 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 927	35,000	35,000	42.00
R346237	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 944	35,000	35,000	42.00
R346254	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 961	35,000	35,000	42.00
R346267	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 974	35,000	35,000	42.00
R346271	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 978	35,000	35,000	42.00
R346284	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7430 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 991	35,000	35,000	42.00
R346222	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 929	35,000	35,000	42.00
R346231	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3513 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 938	35,000	35,000	42.00
R346256	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 963	35,000	35,000	42.00
R346265	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 972	35,000	35,000	42.00

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346290	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 997	35,000	35,000	42.00
R346238	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3502 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 945	35,000	35,000	42.00
R346272	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 979	35,000	35,000	42.00
R346274	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 981	35,000	35,000	42.00
R346281	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 988	35,000	35,000	42.00
R346243	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3512 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 950	35,000	35,000	42.00
R346260	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 967	35,000	35,000	42.00
R346261	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 968	35,000	35,000	42.00
R346278	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 985	35,000	35,000	42.00
R346223	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 930	35,000	35,000	42.00
R346230	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3414 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 937	35,000	35,000	42.00
R346266	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 973	35,000	35,000	42.00
R346273	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 980	35,000	35,000	42.00
R346280	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 987	35,000	35,000	42.00
R346219	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3409 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 926	35,000	35,000	42.00
R346234	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 941	35,000	35,000	42.00

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346268	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 975	35,000	35,000	42.00
R346270	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 977	35,000	35,000	42.00
R346285	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 992	35,000	35,000	42.00
R346218	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3411 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 925	35,000	35,000	42.00
R346235	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 942	35,000	35,000	42.00
R346252	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 959	35,000	35,000	42.00
R346269	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 976	35,000	35,000	42.00
R346286	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 993	35,000	35,000	42.00
R346241	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3508 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 948	35,000	35,000	42.00
R346248	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 955	35,000	35,000	42.00
R346255	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 962	35,000	35,000	42.00
R346291	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 998	35,000	35,000	42.00
R346298	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7301 34TH ST, LUBBOCK, TX 79407	UPLAND CROSSING TR N	13,550	13,550	16.26
R346239	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3504 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 946	35,000	35,000	42.00
R346257	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 964	35,000	35,000	42.00
R346264	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 971	35,000	35,000	42.00

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346282	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7426 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 989	35,000	35,000	42.00
R346228	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3410 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 935	35,000	35,000	42.00
R346229	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3412 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 936	35,000	35,000	42.00
R346242	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3510 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 949	35,000	35,000	42.00
R346279	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 986	35,000	35,000	42.00
R346292	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 999	35,000	35,000	42.00
R346293	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1000	35,000	35,000	42.00
R346296	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1003	35,000	35,000	42.00
R346262	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 969	35,000	35,000	42.00
R346276	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 983	35,000	35,000	42.00
R346277	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 984	35,000	35,000	42.00
R346221	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3405 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 928	35,000	35,000	42.00
R346225	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3404 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 932	35,000	35,000	42.00
R346232	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3511 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 939	35,000	35,000	42.00
R346246	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 953	35,000	35,000	42.00
R346250	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 957	35,000	35,000	42.00

Exhibit C
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346275	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 982	35,000	35,000	42.00
R346289	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 996	35,000	35,000	42.00
R346253	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 960	35,000	35,000	42.00
R346287	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 994	35,000	35,000	42.00
					2,911,768	**2,911,768**	**$ 3,494**

Exhibit B – Ordinance Adopting the Upland Crossing Public Improvement District Service Plan

First Reading
April 11, 2023
Item No. 7.2

EXHIBIT B

Second Reading
April 25, 2023
Item No. 6.5

ORDINANCE NO. 2023-O0037

AN ORDINANCE ADOPTING A SERVICE PLAN FOR THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT, WITH SUCH SERVICE PLAN INCLUDING AN ASSESSMENT PLAN FOR SAID PUBLIC IMPROVEMENT DISTRICT; ESTABLISHING REASONABLE CLASSIFICATIONS AND FORMULAS FOR THE APPORTIONMENT OF THE COST BETWEEN THE CITY OF LUBBOCK, TEXAS AND THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT, AND THE METHODS OF ASSESSING SPECIAL BENEFITS FOR VARIOUS CLASSES OF IMPROVEMENTS OF PROPERTY WITHIN THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING, AND FILING WITH THE CITY SECRETARY OF THE CITY OF LUBBOCK, TEXAS AN ASSESSMENT ROLL FOR THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT; AND, LEVYING THE ASSESSMENT FOR THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT AS A SPECIAL ASSESSMENT, SPECIFYING THE METHOD OF PAYMENT OF THE ASSESSMENT, AND FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT AND AGAINST THE OWNERS OF PROPERTY WITHIN THE UPLAND CROSSING 2 PUBLIC IMPROVEMENT DISTRICT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") provides the process by which the City of Lubbock, Texas (the "City") may create a public improvement district; and

WHEREAS, through Resolution No. 2023-R0144 the City Council of the City (the "Council") authorized the Upland Crossing 2 Public Improvement District (the "PID"); established the boundaries of the PID; approved the estimated costs, method of assessment, and apportionment of costs for the PID; and created the governing board for the PID; and

WHEREAS, through Resolution No. 2023-R0146, the Council directed City staff to:

(1) Prepare a Service Plan for the PID according to the Act with such Service Plan covering a period of at least five (5) years, defining the annual indebtedness of the PID, projecting the costs for improvements in the PID, and including an assessment plan for the PID;

(2) Prepare an assessment roll for the PID that states the assessment against each parcel of land in the PID, with such proposed assessment roll to be filed with the municipal secretary and being made available for public inspection; and

(3) Send and publish notice of a public hearing according to the Act concerning the Service Plan; and

WHEREAS, City staff has prepared a Service Plan for the PID according to the Act, prepared an assessment roll for the PID, and has sent and published notice of a public hearing to be held at two in the afternoon (2:00 PM), Tuesday, April 11, 2023, at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas, to consider the proposed apportionment and assessment for the PID; and

WHEREAS, at the adjournment of the public hearing the Council desires to hear and pass on any objections to the proposed assessment for the PID and, through this Ordinance, to establish reasonable classifications and formulas for the apportionment of the costs for the services and improvements of the PID between the City and the PID, to approve, adopt, and file with the City Secretary the Service Plan for the PID that includes an assessment plan and assessment roll for the PID, and to levy an assessment as a special assessment on the property within the PID; and **NOW, THEREFORE;**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the Council has reviewed the Service Plan for the PID, which is attached to this Ordinance as "Exhibit 1", and finds that it: covers a period of at least five (5) years; defines the annual indebtedness of the PID; estimates the costs for improvements in the PID; and, includes an assessment plan for the PID.

SECTION 3: THAT the Council hereby finds that the assessment rate provided in the Service Plan for the PID is feasible and sound and will serve the needs and desires of the property owners within the PID, and the Council hereby adopts the assessment rate of twelve cents ($0.12) per one hundred dollars ($100) of net taxable value for tax year 2023, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the PID.

SECTION 4: THAT the Council finds that the assessment plan included in the Service Plan for the PID provides for the apportionment of the cost of improvements to be assessed against the property within the PID on the basis of special benefits accruing to the property within the PID because of the improvements, and the Council hereby establishes the reasonable classifications and formulas for the apportionment of the costs between the City and the PID and the methods of assessment of the special benefits for the various classes of improvements within the PID as such classifications, formulas, and methods are provided for in the assessment plan.

SECTION 5: THAT the Council hereby approves, adopts, and files with the City Secretary the assessment roll that is attached to this Ordinance as "Exhibit 2", with such assessment roll stating an estimate of the assessment to be levied against the property within the PID, and with the City Secretary filing the assessment roll in the official records of the City and being subject to public inspection.

SECTION 6: THAT the Council finds that the assessments should be made and levied against the property within the PID and against the owners thereof, and that such assessments are in proportion to the benefits to the property by means of the services and improvements in the PID for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the Act.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the PID, and against the real and true owners thereof, whether such owners be correctly named or not, the sums of money calculated by applying the assessment rate to in the manner described in the assessment plan and assessment roll.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on April 11 **, 2023.**

Passed by the City Council on second reading on April 25 **, 2023.**

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/ORD Economic Development – Upland Crossing 2 PID – Service Plan, Assessment Role, and Levy 3.28.23

Exhibit 1

Upland Crossing 2
Public Improvement District

2023 SERVICE AND ASSESSMENT PLAN

FEBRUARY 16, 2023

City of Lubbock TEXAS

Exhibit 1

City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

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Exhibit 1

City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

Plan Description and Defined Terms

A. Introduction

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties" (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. The City of Lubbock created the Upland Crossing 2 Public Improvement District (the "PID") to maintain the public improvements associated with the Upland Crossing 2 planned development and for the benefit of certain property in the PID, all of which is located within the City. (Capitalized terms used herein shall have the meanings ascribed to them in Section I.B of this Service and Assessment Plan.)

This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan is included in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that "an assessment plan must be included in the annual service plan." The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act states that "the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Costs of the improvements to the property in the PID is included in Sections V and VI of this Service and Assessment Plan.

Section 372.016 of the PID Act states that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as ***Exhibit C*** of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

The City Council shall make all determinations necessary herein.

The City Council intends for the obligations, covenants and burdens on the owner of the Assessed Property, including without limitation such owner's obligations related to the payment of the Assessments, to constitute a covenant running with the land. The Assessments levied hereby

shall be binding upon the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns. The Assessments shall have lien priority as specified in the PID Act.

This Service and Assessment Plan provides for maintenance of improvements benefiting the entire area of the Upland Crossing 2 PID.

B. Definitions

The terms used herein shall have the following meanings.

"Annual Service Plan Amendment" has the meaning set forth in the first paragraph of Section IV of this Service and Assessment Plan.

"Assessed Property" means, for any year, parcels within the PID.

"Assessment" means, with respect to each Parcel, the assessment imposed against such Parcel pursuant to the Assessment Ordinance and the provisions therein, as shown on the Assessment Roll, subject to reallocation among Parcels and reduction according to the provisions herein and the PID Act.

"Assessment Ordinance" means the Assessment Ordinance approved by the City Council approving and adopting this Service and Assessment Plan.

"Assessment Roll" means the document included in this Service and Assessment Plan as ***Exhibit C***, as updated, modified, or amended annually in accordance with the procedures set forth herein and in the PID Act.

"City" means City of Lubbock, Texas.

"City Council" means the duly elected governing body of the City.

"Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the maintenance of the public improvements, operation, and other supplemental services, as described in ***Exhibit B*** of this Service and Assessment Plan.

"Developer" means Betenbough Homes, Inc.

"Legal Description" means the metes and bounds legal description of the PID area included as ***Exhibit A*** to the Service and Assessment Plan.

"Improvement Project" means the maintenance of the public improvements that will provide a special benefit to the property in the PID and described in ***Exhibit B*** of this Service and Assessment Plan and Section 372.003 of the PID Act.

"Parcel" means a parcel identifed by either a tax map identification number assigned by the Lubbock County Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Lubbock County, Texas or identified by any other reasonable means determined by the City Council.

"PID" has the meaning set forth in the second paragraph of Section I.A of this Service and Assessment Plan.

"PID Act" means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Map" means the map included as ***Exhibit A*** to the Service and Assessment Plan identifying the property included in the PID.

"Service and Assessment Plan" means this Service and Assessment Plan prepared for the PID pursuant to Section 372.013, 372,014, 372.015, and 372.016 of the PID Act.

Section II
Property Included in the PID

The PID is located in the City of Lubbock, Texas. A map of the property included in the PID and a legal description is shown on Exhibit A to this Service and Assessment Plan.

The 34.294 acre development is expected to consist of approximately 200 residential units, drainage basin and associated rights of way, landscaping, and infrastructure.

An explanation of the method of assessing property is included in Section V.

Section III
Description of the Improvement Project

The general nature of the proposed public improvements is: (i) acquisition, contruction, or drainage facilities or improvements, (ii) the design, construction, and maintenance of Parks and green spaces together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and green

spaces; landscaping, hardscape and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District..

The public improvements will be constructed by the Developer with no reimbursement from the PID. After analyzing the maintenance, operation, and other supplemental services related to the Public Improvements, the City has determined that the maintenance of the public improvements authorized by the PID Act, shown in Exhibit B, should be performed by the City and has further determined that these maintenance activities will be of special benefit to all the Assessed Property within the PID.

A. Maintenance of Public Improvements

The cost of the maintenance, operation and other supplemental services to be funded through assessments on Assessed Property is estimated at $15,000 in the first year and increases to $31,524 in the 5th year, with 2 percent annual growth thereafter. The budget for the maintenance, operation, and other supplemental services will be determined annually by the City and will be included in a Service Plan Amendment along with amendments to the Assessment Roll reflecting assessments (the "Maintenance Assessment") based on such budget for maintenance, operation and necessary supplemental services.

Section IV
Service Plan/Sources and Uses of Funds

Section 372.013 of the PID Act requires this Service and Assessment Plan to "cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The Developer plans to make improvements at a cost of $250,000. The PID will not reimburse the Developer for those improvements. The PID will maintain the public improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for maintenance." Such annual update to this Service and Assessment Plan is herein referred to as the "Annual Service Plan Amendment." The Upland Crossing 2 PID will have no indebtedness and the PID assessments will fund the maintenance of the public improvements, operation, and other supplemental services. The table below shows estimated sources and uses of funds including the projected cost of maintaining the public improvements.

Exhibit 1

City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	2,911,768	16,095,003	38,291,903	39,057,741	39,838,896	39,838,896
Discounted Property Values	2,620,591	14,485,503	34,462,713	35,151,967	35,855,007	35,855,007
Fiscal Year Revenues	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals***
Interest Earnings	$ -	-	-	24	193	$ 217
Assessment @ $0.12	3,145	17,383	41,355	42,182	43,026	147,091
Total	$ 3,145	17,383	41,355	42,206	43,219	$ 147,308
Expenses						
Basin Park Maintenance	$ -		15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	9,000	9,000	9,180	9,364	9,551	46,094
Total	$ 15,000	15,000	30,300	30,906	31,524	$ 122,730
Cash Reserve	$ (11,855)	(9,473)	1,583	12,883	13,278	$ 13,278
Assessment Information for $100,000 Home	$120					

The sources and uses of funds table is subject to revision each year.

Section V
Assessment Plan

The PID was created and the assessment is being levied pursuant to Section 372.015 of the PID Act, "Determination of Assessment."

A. Allocation of assessment
- Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
- Assessment will be $0.12 per $100 valuation
- All property will be assessed based on the final 2023 "net taxable value".

Section VI
Terms of the Assessments

The annual assessment for each parcel within the PID shall be shown on the assessment roll. The amount of the assessment could change each year when the Service and Assessment Plan are adopted due to increased value on a parcel or the estimated cost of maintaining the public improvements, repair or replacement costs, and operational or administrative costs.

Exhibit 1

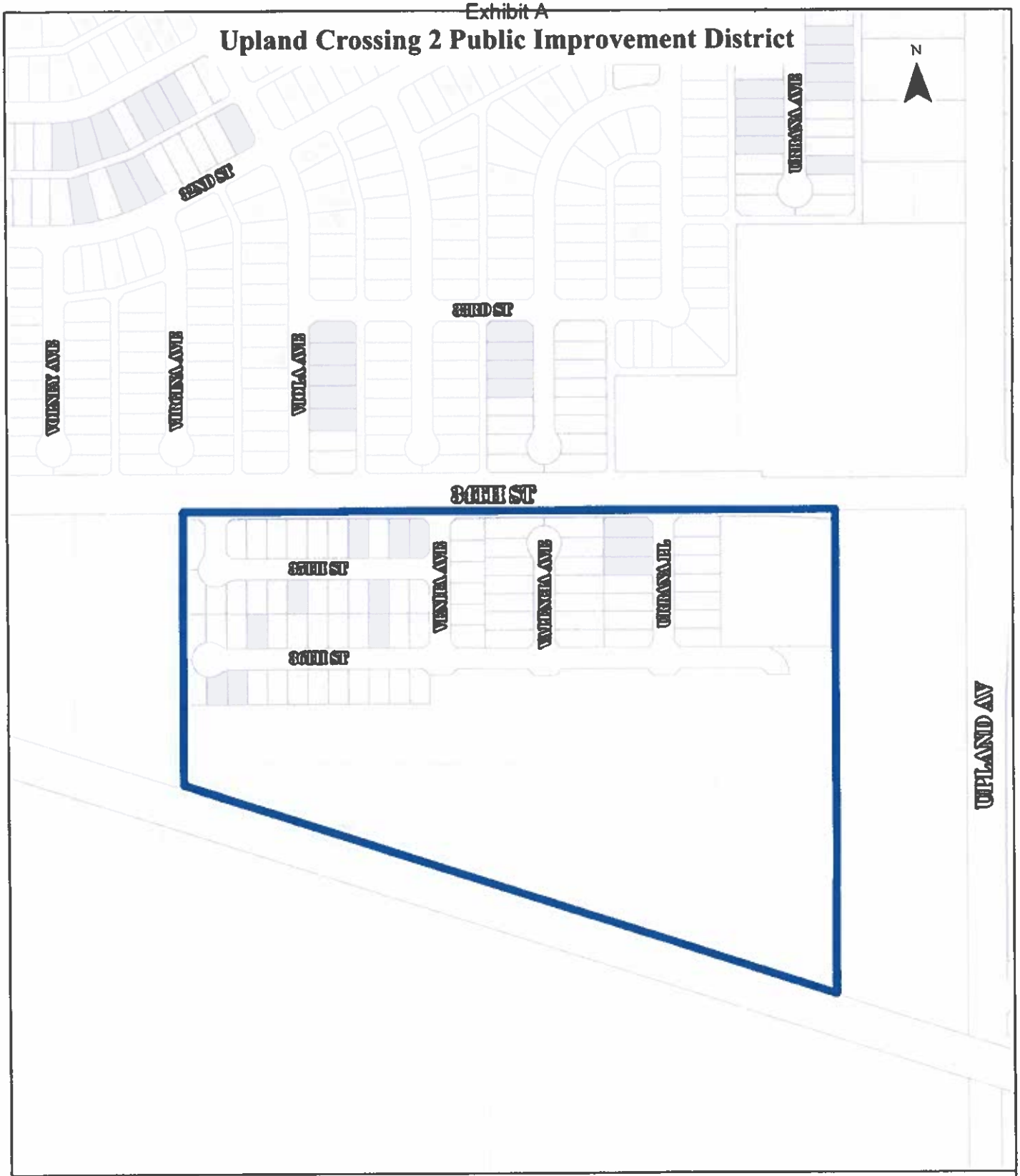
City of Lubbock, Texas
Finance Department
Upland Crossing 2 Public Improvement District
Service and Assessment Plan
February 16, 2023

List of Exhibits

Exhibit A	PID Legal Description and Map
Exhibit B	Service Plan – 5 Year Plan
Exhibit C	Assessment Roll

Exhibit A

Upland Crossing 2 Public Improvement District



Upland Crossing 2 PID

Parcels

Lot-Block Lines

0 125 250 500 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1/12/2023

EXHIBIT A

The Land

A 34.294 ACRE TRACT OF LAND IN SECTION 39, BLOCK AK, G.C. & S.F. RR. CO. SURVEY, ABSTRACT NO. 228, LUBBOCK COUNTY, TEXAS

A 34.294 acre tract of land located in the Northeast Quarter (NE/4) of Section 39, Block AK, G.C. & S.F. RR. Co. Survey, Abstract No. 228, Lubbock County, Texas, being all of that certain tract of land described in a Correction Special Warranty Deed recorded in County Clerk's File Number 2014004363 of the Official Public Records of Lubbock County, Texas, said 34.294 acre tract being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap marked "Hugo Reed & Assoc's" found in the south right-of-way line of 34th Street, as described in a Right-of-Way Deed recorded in Volume 558, Page 677 of the Deed Records of Lubbock County, Texas, and in the west line of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013047547 of the Official Public Records of Lubbock County, Texas, for the northeast corner of this tract, having coordinates of Northing: 7,269,158.33 and Easting: 909,971.59 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the northeast corner of said Section 39 bears N. 01° 51' 40" E. a distance of 40.00 feet and S. 88° 10' 50" E. a distance of 360.29 feet, said section corner having coordinates of Northing: 7,269,186.87 and Easting: 910,332.91 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 51' 40" W., along the west lines of those certain tracts of land described in Warranty Deeds recorded in Volume 3266, Page 102 and Volume 6287, Page 250 of the Real Property Records and County Clerk's File Numbers 2005041119, 2008003296, 2013047547 and 2018036068 of the Official Public Records of Lubbock County, Texas, a distance of 919.78 feet to a 5/8" iron rod found at the southwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 6287, Page 250 of the Real Property Records of Lubbock County, Texas, for an ell corner of this tract;

THENCE S. 88° 10' 50" E., along the south line of said tract described in Volume 6287, Page 250, a distance of 0.40 feet to a 5/8" iron rod found at the northwest corner of that certain tract of land described in a Warranty Deed recorded in Volume 1491, Page 52 of the Deed Records of Lubbock County, Texas, for a corner of this tract this tract;

THENCE S. 01° 51' 40" W. a distance of 270.08 feet to a 1" iron pipe found at the southwest corner of that certain 1.811 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2014012466 of the Official Public Records of Lubbock County, Texas, for the southeast corner of this tract;

THENCE N. 70 17' 50' W., along the north line of the West Texas & Lubbock Railroad, a right-of-way being 100.00 feet in width as described in a Deed recorded in County Clerk's File Number 2015029381 of the Official Public Records of Lubbock County, Texas, a distance of 1686.40 feet to a 5/8" iron rod found at the southeast corner of that certain tract of land described in a Warranty Deed recorded in County Clerk's File Number 2013044872 of the Official Public Records of Lubbock County, Texas, for the southwest corner of this tract, having coordinates of Northing: 7,268,537.79 and Easting: 908,346.08 of the Texa Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01 55' 00" E. a distance of 672.00 feet to a 1/2 iron rod found in the south right-of-way line of said 34th street at the northeast corner of said tract described in County Clerk's File Number 2013044872 for the northwest corner of this tract;

THENCE S. 88 10' 50" E. a distance of 1604.24 feet to the Point of Beginning. Bearings are relative to the Texas Coordinate System of 1983 2011 , Texas North Central Zone. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed: June 21, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

210437 Sec39 BlkAK, St. Clair

Exhibit B
City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Preliminary Service Plan
February 6, 2023

Service Plan

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	2,911,768	16,095,003	38,291,903	39,057,741	39,838,896	39,838,896
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Total	**$ 3,145**	**17,383**	**41,355**	**42,206**	**43,219**	**$ 147,308**
Expenses						
Basin Park Maintenance	$ -		15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	9,000	9,000	9,180	9,364	9,551	46,094
Total	**$ 15,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 122,730**
Cash Reserve	**$ (11,855)**	**(9,473)**	**1,583**	**12,883**	**13,278**	**$ 13,278**

Assessment Information for $100,000 Home $120

Exhibit C

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R102962	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 39 AB 228 TR A14 ACS: 11.023	55,115	55,115	$ 66.14
R126622	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	79407	BLK AK SEC 39 AB 228 TR A14A AC: 7.867	8,103	8,103	9.72
R346226	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3406 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 933	35,000	35,000	42.00
R346227	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3408 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 934	35,000	35,000	42.00
R346217	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3413 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 924	35,000	35,000	42.00
R346236	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 943	35,000	35,000	42.00
R346251	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 958	35,000	35,000	42.00
R346240	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3506 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 947	35,000	35,000	42.00
R346247	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 954	35,000	35,000	42.00
R346249	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 956	35,000	35,000	42.00
R346283	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 990	35,000	35,000	42.00
R346224	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3402 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 931	35,000	35,000	42.00
R346233	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3509 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 940	35,000	35,000	42.00
R346258	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 965	35,000	35,000	42.00
R346263	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 970	35,000	35,000	42.00
R346288	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 995	35,000	35,000	42.00

Exhibit C

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346297	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1004	35,000	35,000	42.00
R346244	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3514 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 951	35,000	35,000	42.00
R346245	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 952	35,000	35,000	42.00
R346259	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 966	35,000	35,000	42.00
R346294	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1001	35,000	35,000	42.00
R346295	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1002	35,000	35,000	42.00
R346220	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3407 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 927	35,000	35,000	42.00
R346237	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 944	35,000	35,000	42.00
R346254	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 961	35,000	35,000	42.00
R346267	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 974	35,000	35,000	42.00
R346271	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 978	35,000	35,000	42.00
R346284	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7430 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 991	35,000	35,000	42.00
R346222	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 929	35,000	35,000	42.00
R346231	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3513 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 938	35,000	35,000	42.00
R346256	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 963	35,000	35,000	42.00
R346265	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 972	35,000	35,000	42.00

Exhibit C

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346290	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 997	35,000	35,000	42.00
R346238	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3502 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 945	35,000	35,000	42.00
R346272	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 979	35,000	35,000	42.00
R346274	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 981	35,000	35,000	42.00
R346281	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 988	35,000	35,000	42.00
R346243	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3512 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 950	35,000	35,000	42.00
R346260	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 967	35,000	35,000	42.00
R346261	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 968	35,000	35,000	42.00
R346278	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 985	35,000	35,000	42.00
R346223	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 930	35,000	35,000	42.00
R346230	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3414 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 937	35,000	35,000	42.00
R346266	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 973	35,000	35,000	42.00
R346273	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 980	35,000	35,000	42.00
R346280	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 987	35,000	35,000	42.00
R346219	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3409 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 926	35,000	35,000	42.00
R346234	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 941	35,000	35,000	42.00

Exhibit C

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346268	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 975	35,000	35,000	42.00
R346270	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 977	35,000	35,000	42.00
R346285	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 992	35,000	35,000	42.00
R346218	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3411 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 925	35,000	35,000	42.00
R346235	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 942	35,000	35,000	42.00
R346252	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 959	35,000	35,000	42.00
R346269	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 976	35,000	35,000	42.00
R346286	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 993	35,000	35,000	42.00
R346241	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3508 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 948	35,000	35,000	42.00
R346248	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 955	35,000	35,000	42.00
R346255	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 962	35,000	35,000	42.00
R346291	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 998	35,000	35,000	42.00
R346298	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7301 34TH ST, LUBBOCK, TX 79407	UPLAND CROSSING TR N	13,550	13,550	16.26
R346239	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3504 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 946	35,000	35,000	42.00
R346257	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 964	35,000	35,000	42.00
R346264	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 971	35,000	35,000	42.00

Exhibit C

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346282	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7426 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 989	35,000	35,000	42.00
R346228	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3410 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 935	35,000	35,000	42.00
R346229	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3412 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 936	35,000	35,000	42.00
R346242	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3510 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 949	35,000	35,000	42.00
R346279	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 986	35,000	35,000	42.00
R346292	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 999	35,000	35,000	42.00
R346293	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1000	35,000	35,000	42.00
R346296	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1003	35,000	35,000	42.00
R346262	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 969	35,000	35,000	42.00
R346276	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 983	35,000	35,000	42.00
R346277	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 984	35,000	35,000	42.00
R346221	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3405 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 928	35,000	35,000	42.00
R346225	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3404 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 932	35,000	35,000	42.00
R346232	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3511 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 939	35,000	35,000	42.00
R346246	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 953	35,000	35,000	42.00
R346250	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 957	35,000	35,000	42.00

Exhibit C

City of Lubbock, TX
Finance Department
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Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346275	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 982	35,000	35,000	42.00
R346289	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 996	35,000	35,000	42.00
R346253	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 960	35,000	35,000	42.00
R346287	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 994	35,000	35,000	42.00
					2,911,768	2,911,768	$ 3,494

Attachment 1

2023 Service and Assessment Plan Required Attachment

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS

CONCERNING THE FOLLOWING PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality or county, as applicable), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

CONCERNING THE FOLLOWING HOTEL PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

Added by Acts 2005, 79th Leg., Ch. 1085 (H.B. 1919), Sec. 1, eff. January 1, 2006.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 20.002, eff. September 1, 2009.

Acts 2021, 87th Leg., R.S., Ch. 253 (H.B. 1543), Sec. 3, eff. September 1, 2021.

Exhibit 2

City of Lubbock, TX

Finance Department

Upland Crossing 2 Public Improvement District

2023 Assessment Roll

(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R102962	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 39 AB 228 TR A14 ACS: 11.023	55,115	55,115	$ 66.14
R126622	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	79407	BLK AK SEC 39 AB 228 TR A14A AC: 7.867	8,103	8,103	9.72
R346226	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3406 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 933	35,000	35,000	42.00
R346227	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3408 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 934	35,000	35,000	42.00
R346217	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3413 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 924	35,000	35,000	42.00
R346236	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 943	35,000	35,000	42.00
R346251	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 958	35,000	35,000	42.00
R346240	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3506 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 947	35,000	35,000	42.00
R346247	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3503 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 954	35,000	35,000	42.00
R346249	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 956	35,000	35,000	42.00
R346283	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 990	35,000	35,000	42.00
R346224	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3402 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 931	35,000	35,000	42.00
R346233	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3509 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 940	35,000	35,000	42.00
R346258	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 965	35,000	35,000	42.00
R346263	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 970	35,000	35,000	42.00

Exhibit 2

City of Lubbock, TX

Finance Department

Upland Crossing 2 Public Improvement District

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R346288	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 995	35,000	35,000	42.00
R346297	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1004	35,000	35,000	42.00
R346244	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3514 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 951	35,000	35,000	42.00
R346245	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 952	35,000	35,000	42.00
R346259	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 966	35,000	35,000	42.00
R346294	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1001	35,000	35,000	42.00
R346295	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1002	35,000	35,000	42.00
R346220	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3407 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 927	35,000	35,000	42.00
R346237	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 944	35,000	35,000	42.00
R346254	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 961	35,000	35,000	42.00
R346267	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 974	35,000	35,000	42.00
R346271	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7415 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 978	35,000	35,000	42.00
R346284	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7430 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 991	35,000	35,000	42.00
R346222	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3403 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 929	35,000	35,000	42.00
R346231	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3513 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 938	35,000	35,000	42.00

Exhibit 2

City of Lubbock, TX

Finance Department

Upland Crossing 2 Public Improvement District

2023 Assessment Roll

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R346256	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 963	35,000	35,000	42.00
R346265	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 972	35,000	35,000	42.00
R346290	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 997	35,000	35,000	42.00
R346238	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3502 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 945	35,000	35,000	42.00
R346272	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 979	35,000	35,000	42.00
R346274	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7410 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 981	35,000	35,000	42.00
R346281	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7424 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 988	35,000	35,000	42.00
R346243	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3512 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 950	35,000	35,000	42.00
R346260	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7428 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 967	35,000	35,000	42.00
R346261	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 968	35,000	35,000	42.00
R346278	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 985	35,000	35,000	42.00
R346223	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 930	35,000	35,000	42.00
R346230	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3414 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 937	35,000	35,000	42.00
R346266	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7425 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 973	35,000	35,000	42.00
R346273	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7411 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 980	35,000	35,000	42.00

Exhibit 2

City of Lubbock, TX
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Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346280	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 987	35,000	35,000	42.00
R346219	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3409 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 926	35,000	35,000	42.00
R346234	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3507 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 941	35,000	35,000	42.00
R346268	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 975	35,000	35,000	42.00
R346270	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7417 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 977	35,000	35,000	42.00
R346285	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7432 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 992	35,000	35,000	42.00
R346218	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3411 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 925	35,000	35,000	42.00
R346235	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 942	35,000	35,000	42.00
R346252	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 959	35,000	35,000	42.00
R346269	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 976	35,000	35,000	42.00
R346286	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 993	35,000	35,000	42.00
R346241	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3508 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 948	35,000	35,000	42.00
R346248	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3501 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 955	35,000	35,000	42.00
R346255	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7418 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 962	35,000	35,000	42.00
R346291	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7423 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 998	35,000	35,000	42.00

Exhibit 2

City of Lubbock, TX

Finance Department

Upland Crossing 2 Public Improvement District

2023 Assessment Roll

(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346298	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7301 34TH ST, LUBBOCK, TX 79407	UPLAND CROSSING TR N	13,550	13,550	16.26
R346239	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3504 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 946	35,000	35,000	42.00
R346257	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7422 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 964	35,000	35,000	42.00
R346264	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7429 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 971	35,000	35,000	42.00
R346282	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7426 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 989	35,000	35,000	42.00
R346228	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3410 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 935	35,000	35,000	42.00
R346229	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3412 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 936	35,000	35,000	42.00
R346242	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3510 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 949	35,000	35,000	42.00
R346279	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7420 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 986	35,000	35,000	42.00
R346292	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7421 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 999	35,000	35,000	42.00
R346293	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7419 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1000	35,000	35,000	42.00
R346296	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7413 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 1003	35,000	35,000	42.00
R346262	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7433 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 969	35,000	35,000	42.00
R346276	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 983	35,000	35,000	42.00
R346277	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7416 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 984	35,000	35,000	42.00

Exhibit 2

City of Lubbock, TX
Finance Department
Upland Crossing 2 Public Improvement District
2023 Assessment Roll
(Provided by LCAD on 2-8-23)

Property ID	Owner Name	Mailing Address	Property Address	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R346221	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3405 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 928	35,000	35,000	42.00
R346225	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3404 URBANA PL, LUBBOCK, TX 79407	UPLAND CROSSING L 932	35,000	35,000	42.00
R346232	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3511 VALENCIA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 939	35,000	35,000	42.00
R346246	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3505 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 953	35,000	35,000	42.00
R346250	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3401 VENITA AVE, LUBBOCK, TX 79407	UPLAND CROSSING L 957	35,000	35,000	42.00
R346275	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7412 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 982	35,000	35,000	42.00
R346289	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7427 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 996	35,000	35,000	42.00
R346253	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7414 35TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 960	35,000	35,000	42.00
R346287	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	7431 36TH ST, LUBBOCK, TX 79407	UPLAND CROSSING L 994	35,000	35,000	42.00
					2,911,768	**2,911,768**	**$ 3,494**

RESOLUTION

WHEREAS, the City of Lubbock, Texas pursuant to Chapter 372 Texas Local Government Code has created the Upland Crossing 2 Public Improvement District; and,

WHEREAS, the City of Lubbock is desirous of contracting with the Lubbock Central Appraisal District to provide all services necessary for the collection of assessments levied within the Upland Crossing 2 PID; and,

WHEREAS, the Lubbock Central Appraisal District is able and willing to perform said collection services, and is desirous of contracting with the City of Lubbock to provide such services;

NOW THEREFORE:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LUBBOCK CENTRAL APPRAISAL DISTRICT:

THAT, the Chairman of the Board of the Lubbock Central Appraisal District **BE** and is hereby authorized and directed to execute an interlocal agreement titled "Interlocal Agreement for the Collection of Assessments Levied on Property within the Upland Crossing 2 Public Improvement District" with the City of Lubbock.

Passed by the Board of Directors this 26th day of July, 2023.

Greg Jones, Chairman
Board of Directors

ATTEST:

Bobby McQueen, Secretary
Board of Directors

AI# 11822
Regular City Council Meeting
08/22/2023:

6. 7.

Information

Agenda Item

Resolution - Finance: Consider a resolution authorizing the Mayor to execute an Interlocal Agreement, by and between the City of Lubbock and the Lubbock Central Appraisal District (LCAD), for the collection of assessments levied on property within the Upland Crossing 3 Public Improvement District.

Item Summary

This agreement is between the City of Lubbock and the Lubbock Central Appraisal District (LCAD). It will allow LCAD to collect the assessments levied by the City Council on property in the Upland Crossing 3 Public Improvement District.

Fiscal Impact

The cost of the collection services will be an amount equal to the cost per parcel for all other cities and independent school districts as calculated in the AGREEMENT FOR ASSESSMENT AND COLLECTION OF TAXES between the City of Lubbock and the Appraisal District or one quarter (1/4) of one percent (1%), of the annual collection budget of the Appraisal District, whichever is greater.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Resolution Upland Crossing 3 PID

Upland Crossing 3 PID Interlocal Agmt LCAD

LCAD Resolution for Upland Crossing 3 PID

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, an Interlocal Agreement for the Collection of Assessments Levied on Property Within the Upland Crossing 3 Public Improvement District, by and between the City of Lubbock and Lubbock Central Appraisal District of Lubbock, Texas, and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.Interlocal Agreement-LCAD, Upland Crossing 3 Public Improvement District
7.28.23

INTERLOCAL AGREEMENT FOR THE COLLECTION OF ASSESSMENTS LEVIED ON PROPERTY WITHIN THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT

This Interlocal Agreement for the Collection of Assessments Levied on Property Within the Upland Crossing 3 Public Improvement District (this "Agreement") is made by and between the City of Lubbock, Texas, a State of Texas Home Rule Municipal Corporation (the "City"), and the Lubbock Central Appraisal District, (the "LCAD") (each a "Party" and collectively the "Parties"), for the collection of assessments levied within the Upland Crossing 3 Public Improvement District of the City of Lubbock (the "PID") pursuant to the authority granted by, and in compliance with, the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the provisions of Chapter 372 of the Texas Local Government Code (the "Act").

RECITALS

WHEREAS, on March 7, 2023 the City Council of the City (the "Council") passed Resolution 2023-R0145 according to the Act, and designated the Council as the entity responsible for the management and provision of services to the PID, with such Resolution attached to this Agreement as "Exhibit A" ; and

WHEREAS, on April 25, 2023, the Council passed Ordinance 2023-O0038, approving the Service Plan for the PID, with such Service Plan attached to this Agreement as "Exhibit B" ; and

WHEREAS, the Council levied assessments for 2023 in accordance with the Service Plan; and

WHEREAS, the Act requires that the Council annually review the Service Plan, prepare and file a proposed assessment roll with the City Secretary, schedule a public hearing and receive public comment on the proposed assessments to be levied on the property within the PID, and levy assessments according to the Service Plan; and

WHEREAS, the Council desires to enter into a contract with LCAD to provide all the services necessary for the collection of assessments levied by the Council against the property within the PID and to deposit such assessments with the City for the benefit of the PID; and

WHEREAS, LCAD is able and willing to perform said assessment collection services and desires to enter into a contract with the City for the collection of assessments levied on property within the PID; and **NOW THEREFORE,** the Parties agree as follows:

AGREEMENT

ARTICLE I: RECITALS AND EXHIBITS MADE A PART OF AGREEMENT

The representations, covenants, and recitations set forth in the foregoing Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Article I. "Exhibits A and B" attached hereto are incorporated into this Agreement as if fully set forth herein.

ARTICLE II: RESPONSIBILITIES OF LCAD

(a) LCAD, acting by and through its duly authorized officers, does hereby agree to perform all calculation and collection services on behalf of the PID pursuant to the Act and City Ordinance 2023-O0038, and to forward said funds to the City for deposit into a fund designated for assessments levied on property within the PID (the "PID Fund").

(b) LCAD agrees to identify the properties within the PID liable for assessment and to calculate the assessment due to the PID based on the City's 2023 net taxable value as determined by LCAD for each property designated to be assessed under Ordinance 2023-O0038.

(c) LCAD will send assessment bills to each affected property owner within the PID prior to November 15, with such assessment bills due the following January 31. On or before March 1 of each year, and again prior to May 1, LCAD will calculate the amount of assessments collected from property owners within the PID, and such amount shall be forwarded to the City for deposit into the PID Fund.

ARTICLE III: RESPONSIBILITIES OF THE CITY

(a) The City shall provide to LCAD the following documents: a certified copy of Ordinance 2023-O0038; a list of the properties within the PID, identified by legal description and appraisal district account number, designated for assessment under current and future assessment ordinances; and, the name and phone number of a designated City official to be included on the annual assessment bill for the purpose of answering questions concerning the assessment contemplated under this Agreement.

(b) The PID, acting by and through its Board of Directors and the Council, does hereby agree to pay to LCAD as compensation for services rendered pursuant to this Agreement, for all parcels within the PID, an amount equal to the cost per parcel for all other cities and independent school districts as calculated in the AGREEMENT FOR ASSESSMENT AND COLLECTION OF TAXES between the City and LCAD or one quarter (¼) of one percent (1%) of the annual collection budget of LCAD, whichever is greater.

(c) The compensation considered in Article III (b) shall be deducted by LCAD from the total annual PID assessment collected prior to the collected funds being forwarded to the City for deposit. Such deduction in the total annual amount of annual collected assessment shall include a notation of the amount deducted and all relative documentation.

ARTICLE IV: COLLECTION OF DELINQUENT ASSESSMENTS

LCAD may contract with any competent attorney to assist in the collection of delinquent assessments on behalf of the City acting for the PID. The attorney's compensation shall be set in the contract, but the total amount of compensation provided to the attorney may not exceed the amount authorized in Section 6.03 of the Texas Property Tax Code. Said compensation shall be a deduction in the total annual amount of annual collected assessment and shall include a notation

of the amount deducted and all relative documentation.

ARTICLE V: TERM

The term of this Agreement shall be for a period of one (1) year, from the date of execution of this Agreement (the "Term"). The Term may be extended through a writing signed by the Parties that incorporates identical provisions laid out in this Agreement (an "Extension").

ARTICLE VI: TERMINATION

(a) This Agreement shall not be terminated for convenience by either Party during the Term or any Extension.

(b) Upon the breach of any of the provisions contained in this Agreement, the non-breaching Party may terminate this Agreement after giving sixty (60) days written notice to the breaching Party.

(c) In the event of early termination provided for in section (b) of this Article, LCAD shall immediately forward to the City any and all funds collected before termination in accordance with Articles II and IV of this agreement.

ARTICLE VII: NOTICE

Whenever notice of any kind is authorized or required to be made under this Agreement, such notice shall be given by United States registered or certified mail, postage prepaid, return receipt requested and addressed to the Parties as set out below, or to such other address as may hereafter be designated:

UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT
CITY OF LUBBOCK
P.O. BOX 2000
1314 AVENUE K
LUBBOCK, TEXAS 79457

LUBBOCK CENTRAL APPRAISAL DISTRICT
CHIEF APPRAISER, LCAD
P.O. BOX 10542
2109 AVE Q
LUBBOCK, TEXAS 79408

ARTICLE VIII: AMENDMENTS

This Agreement constitutes and expresses the entire arrangement between the Parties and shall not be amended or modified except by written instruments signed by both Parties.

SIGNATURES

IN WITNESS WHEREOF, the Parties hereby execute this Agreement by their duly authorized representatives on _____, 2023.

FOR LCAD:

Greg Jones, Chairman, Board of Directors

FOR CITY:

Tray Payne, Mayor

FOR LCAD:

Bobby McQueen, Secretary, Board of Directors

ATTEST:

Courtney Paz, City Secretary

AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

AS TO FORM:

Kelli Leisure, Assistant City Attorney

Exhibit A – Resolution Creating the Upland Crossing 3 Public Improvement District

Resolution No. 2023-R0145 EXHIBIT A
Item No. 7.5
March 7, 2023

A RESOLUTION OF THE CITY OF LUBBOCK, TEXAS, APPROVING AND AUTHORIZING THE CREATION OF THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to:

(a) Acquisition, construction, or drainage facilities or improvements;

(b) The design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(c) Payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by 26th Street to the north, Pine Hills Estates to the east, 34th Street to the south and Upland Avenue to the west, with such property being the development known as Upland Crossing 3, and a description and depiction of the property covered by the Petition is attached to and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the seventh (7th) day of March, 2023, at two (2:00) p.m., at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Upland Crossing 3 Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Upland Crossing 3 Public Improvement District; and

(b) That authorization of the Upland Crossing 3 Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Upland Crossing 3 Public Improvement District for the general purpose of financing improvements and services related to:

(i) The acquisition, construction, or drainage facilities or improvements;

(ii) The design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(iii) The payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Upland Crossing 3 Public Improvement District through Fiscal Year 2027-28 is approximately one hundred seventeen thousand seven hundred thirty dollars ($117,730) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of eighteen cents ($0.18) per one hundred dollars ($100) of valuation of property within the Upland Crossing 3 Public Improvement District through Fiscal Year 2027-28, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Upland Crossing 3 Public Improvement District and the City, all the Costs will be paid by the Upland Crossing 3 Public Improvement District through assessments on the property within the boundaries of the Upland Crossing 3 Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Upland Crossing 3 Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council shall be the governing board for the Upland Crossing 3 Public Improvement District.

SECTION 5: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 7th day of March, 2023.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

Brianna Brown, Director of Business Development

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Ccdocs://Upland Crossing 3 PID Creation Resolution
2.20.23

BETENBOUGH
HOMES

February 3, 2023

Brianna Brown

Business Development Director

City of Lubbock

1314 Avenue K

Lubbock, TX 79401

RE: Upland Crossing, Public Improvement District 3

Dear Honorable Mayor and City Council,

Upland Crossing 3 PID is a residential development within the city limits of the City of Lubbock bound on the North by 26th Street, adjacent to the East by Pine Hills Estates, and adjacent to Upland Ave on the West and 34th Street to the South. We are proposing to create a Public Improvement District, "PID", to maintain the public improvements for Upland Crossing 3 PID.

In order to comply with the "Public Improvements District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements":

1. Betenbough Homes has purchased/optioned almost 21.646 acres. Betenbough Homes plans to invest $250,000 in improvements for this park system before it would be deeded over to the City of Lubbock and the PID. We will be here to help keep the PID healthy and thriving. We have vested interest in making this PID healthy and self-sufficient.
2. This requirement is addressed in Section 5 of the accompanying Petition.
3. This requirement is addressed in Section 1 of the accompanying Petition.
4. This requirement is addressed in Section 5 of the accompanying Petition.

5. If there is sufficient support to petition to dissolve the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the City Manager or designee with funds available to the PID. Betenbough Homes will have been responsible for some maintenance before the park system would be deeded over. With having supported some maintenance, we feel we will have an accurate representation of cost to propose for the service plan. So far, all of our proposed service plans, are reviewed by city staff, and approved by city council.

6. This requirement has been met by the map of the area that is attached to this Petition.

BETENBOUGH
HOMES®

7. Operation of the PID process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock. If a board is not established, then the operation of any PID actions will be managed by the City Manager or designee.

8. This requirement is generally addressed in Section 2 of the petition. Addressing this specific PID there will be a drainage basin that will function as drainage storage for the community. The PID will allow the basin to be well maintained.

9. Each parcel of City-owned land will be identified as a "Tract" at time of platting.

10. General description of proposed improvements is addressed in Section 2 of the Petition.

11. The estimated total cost of the improvements is approximately $250,000 and will be paid and constructed by the developer, Betenbough Homes does not desire any reimbursement. The estimated cost of the maintenance is approximately $10,000 per year and is to be paid for by the PID as soon as the funds are available. This is the estimated cost for the entirety of the "park system".

12. Addressing this requirement we have provided a service and assessment plan that is attached as part of this application.

13. Method of assessment will be based on the net taxable value of the affected properties and will be assessed at $.18 per $100.00 valuation.

14. Documentation of liability insurance will be provided as requested by the City of Lubbock.

15. This requirement is addressed in Section 6 of the accompanying Petition.

16. This requirement is addressed in Section 5 of the accompanying Petition.

17. This requirement is met with the attached spreadsheet documenting the provided service and assessment plan.

Our goal is to provide all of the information requested to continue with the creation of this PID. Please let us know if you have any questions or require any additional information.

x _____

Chris Berry

Land Development Manager

Betenbough Homes

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed public improvements and annual maintenance: $250,000 estimated for proposed public improvements as mentioned in section 2. Annual maintenance costs - $10,000 for proposed improvements made by developer.

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit A and Exhibit B.

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to property on

the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or a partnership between the municipality or county and the private sector, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONERS:

Betenbough Homes LLC

Chris Berry, Land Planning Manager

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 24th day of Jan, 2023, before me, the undersigned Notary Public, personally appeared **Paddi Moya** who acknowledged that he is **Connections Specialist of Betenbough Homes, LLC**, and that he, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

PATRICIA M. MOYA
Notary Public, State of Texas
Notary ID# 13390512-1
My Commission Expires 08-11-2026

Notary Public Signature

Signature Page for Petition

A 21.646 ACRE TRACT IN THE SOUTHWEST QUARTER OF SECTION 43, BLOCK AK, E.L. & R.R. RR. CO. SURVEY, ABSTRACT NO. 184, LUBBOCK COUNTY, TEXAS

A 21.646 acre tract of land located in the Southwest Quarter (SW/4) of Section 43, Block AK, E.L. & R.R. RR. Co. Survey, Abstract Number 184, Lubbock County, Texas, being all of that certain tract of land described as 17.70 acres in a Warranty Deed recorded in Volume 1472, Page 646 of the Deed Records of Lubbock County, Texas, and a portion of that certain tract of land described as 4.25 acres in a Warranty Deed recorded in Volume 6043, Page 101 of the Real Property Records of Lubbock County, Texas, said 21.646 acre tract being further described by metes and bounds as follows:

BEGINNING at a "MAG" nail set in the centerline of Upland Avenue and in the west line of said Section 43 at the southwest corner of said 17.70 acre tract, same being the most westerly northwest corner of the plat limits of Pine Hills Addition, a subdivision according to the map, plat and/or dedication deed thereof recorded in Volume 1709, Page 661 of the Deed Records of Lubbock County, Texas, and for the southwest corner of these plat limits, having coordinates of Northing: 7,270,725.47 and Easting: 910,383.41 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the southwest corner of said Section 43 bears S. 01° 52' 44" W. a distance of 1539.75 feet, said section corner having coordinates of Northing: 7,269,186.91 and Easting: 910,332.94 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 52' 44" E., along the centerline of Upland Avenue and the west line of said Section 43 at a distance of 170.25 feet pass a railroad spike found, continuing for a total distance of 204.33 feet to a "MAG" nail set for the most westerly northwest corner of these plat limits, same being the southwest corner of that certain 1.00 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2018003570 of the Official Public Records of Lubbock County, Texas;

THENCE S. 88° 08' 32" E., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of Upland Avenue, herein dedicated, continuing at a distance of 55.61 feet pass a 1/2" iron rod with a green broken cap found, continuing for a total distance of 296.24 feet to a 1/2" iron rod with a cap marked "RPLS 4460" found at the southeast corner of said 1.00 acre tract for an ell corner of these plat limits;

THENCE N. 01° 48' 47" E., along the east lines of five tracts of land, being: (1) said 1.00 acre tract, (2) Lynch Addition, Lots 1-A and 1-B, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 8252, Page 220 of the Official Public Records of Lubbock County, Texas, (3) that certain 1.50 acre tract of land described in a Warranty Deed recorded in Volume 2783, Page 126 of the Real Property Records of Lubbock County, Texas, (4) that certain 0.94 acre tract of land described in a Warranty Deed recorded in Volume 4827, Page 188 of the Real Property Records of Lubbock County, Texas, and (5) Crenwelge Addition, Lot 1, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 5116, Page 195 of the Real Property Records of Lubbock County, Texas, at a distance of 868.45 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of 26th Street, herein dedicated, continuing for a total distance a distance of 900.45 feet to a 1/2" iron rod with a cap marked "AMD ENG" set in the north line of said Southwest Quarter (SW/4) for the northwest corner of said 4.25 acre tract and the most northerly northwest corner of these plat limits, having coordinates of Northing: 7,271,819.82 and Easting: 910,714.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a cotton spindle found in the centerline of said Upland Avenue at the west quarter corner of said Section 43 bears N. 88° 11' 07" W. a distance of 295.21 feet, said quarter section corner having coordinates of Northing: 7,271,829.17 and Easting: 910,419.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 317.51 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for a corner of these plat limits;

THENCE S. 01° 54' 23" W., at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENG" set in the south right-of-way line of said 26th Street, continuing for a total distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

THENCE S. 88° 11' 07" E. a distance of 256.23 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

THENCE N. 01° 54' 23" E., at a distance of 168.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing for a total distance a distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the north line of said Southwest Quarter (SW/4) for a corner of these plat limits;

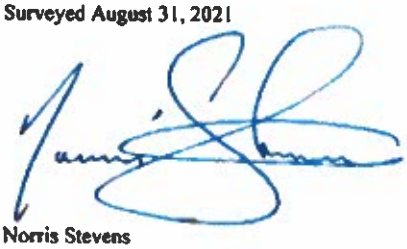
THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 272.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for the northeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,271,793.04 and Easting: 911,559.72 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

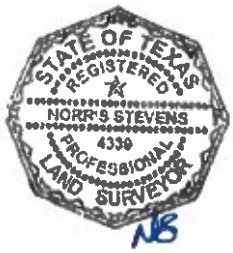
THENCE S. 01° 54' 23" W., along the west plat limits of said Pine Hills Addition at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing at a distance of 45.69 feet pass the south right-of-way line of 26th Street as dedicated with the plat of said Pine Hills Addition, continuing for a total distance of 1105.33 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set at an ell corner of the plat limits of said Pine Hills Addition for the southeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,270,688.59 and Easting: 911,522.96 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 08' 47" W., at a distance of 1085.42 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of said Upland Avenue, continuing for a total distance of 1140.42 feet to the **Point of Beginning.** Bearings and coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The convergence angle to True North is -1° 53' 35.55" and the combined scale factor is 0.99975986. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed August 31, 2021





Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

NS
2-01-2023

**Revised 1/20/2022 – Corrected the bearing on the 8th call.

210574 Sec 43 Blk AK, Turner Tract.

EXHIBIT B

Sketch

UC 3 Service Plan

Proposed Revenue/Expense Worksheet

		Proposed												
		2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Totals
REVENUE	est # Homes closed		0	100										100
Property Values*		-	-	17,500,000	17,850,000	18,207,000	18,571,140	18,942,563	19,321,414	19,707,842	20,101,999	20,504,039	20,914,120	170,705,998
Discounted Property Values		-	-	15,750,000	16,065,000	16,386,300	16,714,026	17,048,307	17,389,273	17,737,058	18,091,799	18,453,635	18,822,708	153,635,398
Interest		-	-	-	1,202	1,226	1,251	1,276	1,301	1,327	1,354	1,381	1,408	10,317
0.18 Assessment @ $0.18		-	-	-	28,350	28,917	29,495	30,085	30,687	31,301	31,927	32,565	33,217	243,327
0.10 Assessment @ $0.10		-	-	-	-	-	-	-	-	-	-	-	-	-
Total		-	-	-	29,552	30,143	30,746	31,361	31,988	32,628	33,280	33,946	34,625	253,644
	Improvement est cost													
EXPENSE														
Park 1	$1,250,000.00													
Basin Park				$ 15,000.00	$ 15,300.00	$ 15,606.00	$ 15,918.12	$ 16,236.48	$ 16,561.21	$ 16,892.44	$ 17,230.29	$ 17,574.89	$ 17,926.39	$ 131,319.43
Electric Cost for park														
Proposed parks 1 and 2														$ -
Power and meter storage														
Proposed Parks 1 and 2														$ -
Administrative Costs														
	$500,000.00			$ 3,000.00	$ 3,060.00	$ 3,121.20	$ 3,183.62	$ 3,247.30	$ 3,312.24	$ 3,378.49	$ 3,446.06	$ 3,514.98	$ 3,585.28	$ 26,263.89
Paid by developer														
Capital Outlay (Playlogue)														$ -
Total		$ -	$ -		$ 18,360.00	$ 18,727.20	$ 19,101.74	$ 19,483.78	$ 19,873.45	$ 20,270.92	$ 20,676.34	$ 21,089.87	$ 21,511.67	$ 157,583.31
Cash Reserve		$ -	$ -	$ -	$ 11,192.04	$ 22,607.97	$ 34,252.12	$ 46,129.20	$ 58,343.83	$ 70,900.74	$ 83,804.80	$ 96,860.93	$ 109,174.19	$ 422,291.50

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

ASSESSMENT INFORMATION		
2019-2029		
Assessment per $100,000	$180.00	$ 180.00
2027-Future		
Assessment per $100,000	$100.00	$ 100.00

A 21.646 ACRE TRACT IN THE SOUTHWEST QUARTER OF SECTION 43, BLOCK AK, E.L. & R.R. RR. CO. SURVEY, ABSTRACT NO. 184, LUBBOCK COUNTY, TEXAS

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THENCE N. 88° 08' 47" W., at a distance of 1085.42 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of said Upland Avenue, continuing for a total distance of 1140.42 feet to the **Point of Beginning.** Bearings and coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The convergence angle to True North is -1° 53' 35.55" and the combined scale factor is 0.99975986. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed August 31, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

STATE OF TEXAS
REGISTERED
NORRIS STEVENS
4339
PROFESSIONAL
LAND SURVEYOR

NS

2-01-2023

**Revised 1/20/2022 – Corrected the bearing on the 8th call

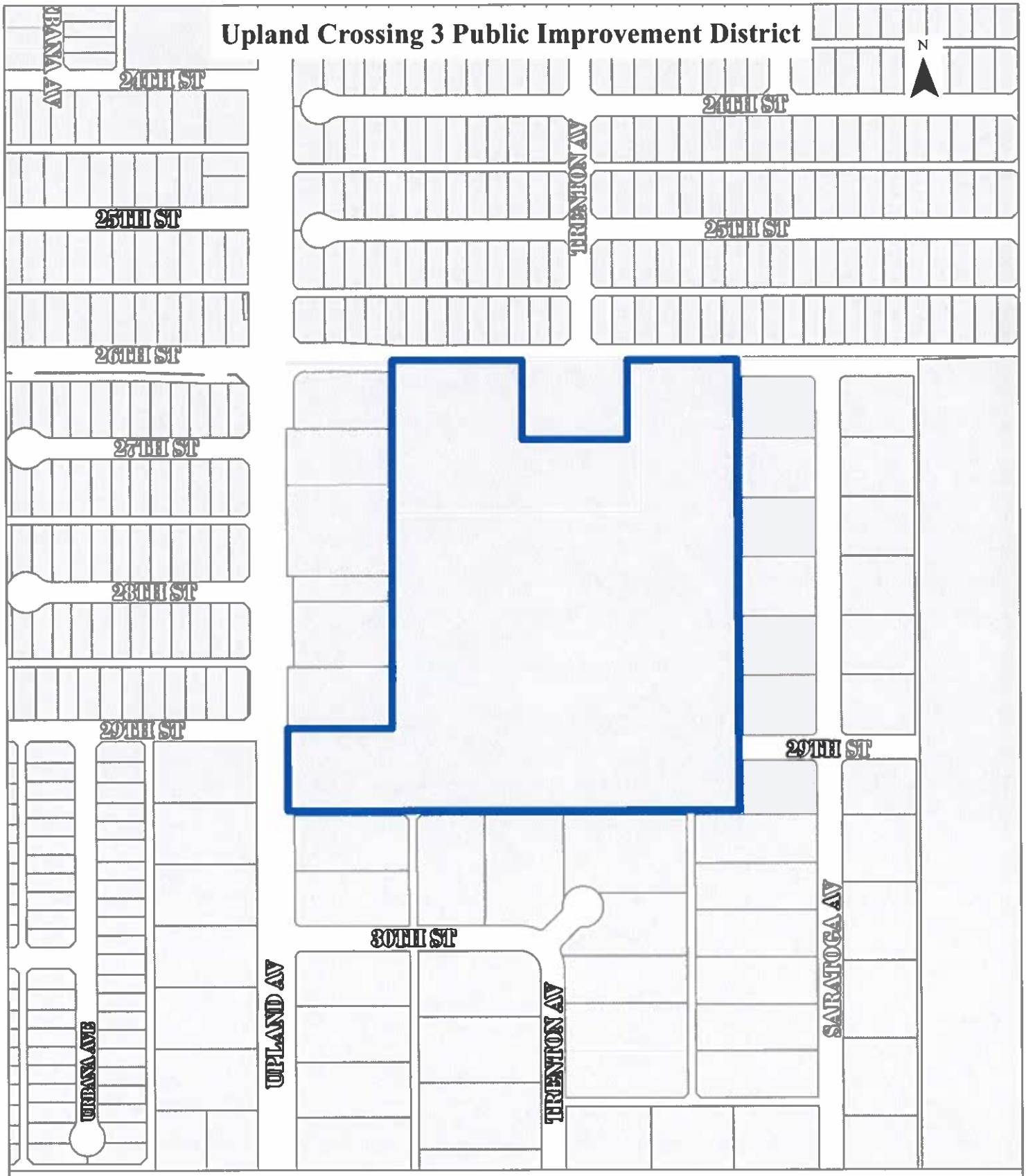
210574 Sec 43 Blk AK, Turner Tract.

6515 68th Street, Suite 300
Lubbock, Texas 79424

TBPE Reg. # F-9197
TBPLS Reg. #101785-00

Office: (806) 771-5976
Fax: (806) 771-7625

Upland Crossing 3 Public Improvement District



Upland Crossing 3 PID

Parcels

Lot-Block Lines

0 125 250 500 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1/31/2023

Upland Crossing 3
Public Improvement District

2023 SERVICE AND ASSESSMENT PLAN

FEBRUARY 16, 2023

City of Lubbock TEXAS

City of Lubbock, Texas
Finance Department
Upland Crossing 3 Public Improvement District
Service and Assessment Plan
February 16, 2023

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Section VI: Terms of the Assessments 6

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City of Lubbock, Texas
Finance Department
Upland Crossing 3 Public Improvement District
Service and Assessment Plan
February 16, 2023

Plan Description and Defined Terms

A. Introduction

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties" (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. The City of Lubbock created the Upland Crossing 3 Public Improvement District (the "PID") to maintain the public improvements associated with the Upland Crossing 3 planned development and for the benefit of certain property in the PID, all of which is located within the City. (Capitalized terms used herein shall have the meanings ascribed to them in Section I.B of this Service and Assessment Plan.)

This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan is included in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that "an assessment plan must be included in the annual service plan." The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act states that "the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Costs of the improvements to the property in the PID is included in Sections V and VI of this Service and Assessment Plan.

Section 372.016 of the PID Act states that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as ***Exhibit C*** of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

The City Council shall make all determinations necessary herein.

The City Council intends for the obligations, covenants and burdens on the owner of the Assessed Property, including without limitation such owner's obligations related to the payment of the Assessments, to constitute a covenant running with the land. The Assessments levied hereby

shall be binding upon the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns. The Assessments shall have lien priority as specified in the PID Act.

This Service and Assessment Plan provides for maintenance of improvements benefiting the entire area of the Upland Crossing 3 PID.

B. Definitions

The terms used herein shall have the following meanings.

"Annual Service Plan Amendment" has the meaning set forth in the first paragraph of Section IV of this Service and Assessment Plan.

"Assessed Property" means, for any year, parcels within the PID.

"Assessment" means, with respect to each Parcel, the assessment imposed against such Parcel pursuant to the Assessment Ordinance and the provisions therein, as shown on the Assessment Roll, subject to reallocation among Parcels and reduction according to the provisions herein and the PID Act.

"Assessment Ordinance" means the Assessment Ordinance approved by the City Council approving and adopting this Service and Assessment Plan.

"Assessment Roll" means the document included in this Service and Assessment Plan as ***Exhibit C***, as updated, modified, or amended annually in accordance with the procedures set forth herein and in the PID Act.

"City" means City of Lubbock, Texas.

"City Council" means the duly elected governing body of the City.

"Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the maintenance of the public improvements, operation, and other supplemental services, as described in ***Exhibit B*** of this Service and Assessment Plan.

"Developer" means Betenbough Homes, Inc.

"Legal Description" means the metes and bounds legal description of the PID area included as ***Exhibit A*** to the Service and Assessment Plan.

"Improvement Project" means the maintenance of the public improvements that will provide a special benefit to the property in the PID and described in ***Exhibit B*** of this Service and Assessment Plan and Section 372.003 of the PID Act.

"Parcel" means a parcel identifed by either a tax map identification number assigned by the Lubbock County Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Lubbock County, Texas or identified by any other reasonable means determined by the City Council.

"PID" has the meaning set forth in the second paragraph of Section I.A of this Service and Assessment Plan.

"PID Act" means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Map" means the map included as ***Exhibit A*** to the Service and Assessment Plan identifying the property included in the PID.

"Service and Assessment Plan" means this Service and Assessment Plan prepared for the PID pursuant to Section 372.013, 372,014, 372.015, and 372.016 of the PID Act.

Section II
Property Included in the PID

The PID is located in the City of Lubbock, Texas. A map of the property included in the PID and a legal description is shown on Exhibit A to this Service and Assessment Plan.

The 21.646 acre development is expected to consist of approximately 100 residential units, drainage basin, and associated rights of way, landscaping, and infrastructure.

An explanation of the method of assessing property is included in Section V.

Section III
Description of the Improvement Project

The general nature of the proposed public improvements is: (i) acquisition, contruction, or drainage facilities or improvements, (ii) the design, construction, and maintenance of Parks and green spaces together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and green

spaces; landscaping, hardscape and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District.

The public improvements will be constructed by the Developer with no reimbursement from the PID. After analyzing the maintenance, operation, and other supplemental services related to the Public Improvements, the City has determined that the maintenance of the public improvements authorized by the PID Act, shown in Exhibit B, should be performed by the City and has further determined that these maintenance activities will be of special benefit to all the Assessed Property within the PID.

A. Maintenance of Public Improvements

The cost of the maintenance, operation and other supplemental services to be funded through assessments on Assessed Property is estimated at $10,000 in the first year and increases to $31,524 in the 5th year, with 2 percent annual growth thereafter. The budget for the maintenance, operation, and other supplemental services will be determined annually by the City and will be included in a Service Plan Amendment along with amendments to the Assessment Roll reflecting assessments (the "Maintenance Assessment") based on such budget for maintenance, operation and necessary supplemental services.

Section IV
Service Plan/Sources and Uses of Funds

Section 372.013 of the PID Act requires this Service and Assessment Plan to "cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The Developer plans to make improvements at a cost of $250,000. The PID will not reimburse the Developer for those improvements. The PID will maintain the public improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for maintenance." Such annual update to this Service and Assessment Plan is herein referred to as the "Annual Service Plan Amendment." The Upland Crossing 3 PID will have no indebtedness and the PID assessments will fund the maintenance of the public improvements, operation, and other supplemental services. The table below shows estimated sources and uses of funds including the projected cost of maintaining the public improvements.

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	58,165	17,559,328	17,910,515	18,268,725	18,634,100	18,634,100
Discounted Property Values	52,349	15,803,395	16,119,463	16,441,853	16,770,690	16,770,690
Fiscal Year Revenues	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals***
Interest Earnings	$ -	-	71	47	21	$ 139
Assessment @ $0.18	94	28,446	29,015	29,595	30,187	117,338
Total	**$ 94**	**28,446**	**29,086**	**29,642**	**30,208**	**$ 117,477**
Expenses						
Basin Park Maintenance	$ -	-	15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	4,000	9,000	9,180	9,364	9,551	41,094
Total	**$ 10,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 117,730**
Cash Reserve	$ (9,906)	3,540	2,326	1,062	1,011	$ 1,011
Assessment Information for $100,000 Home	$180					

The sources and uses of funds table is subject to revision each year.

Section V
Assessment Plan

The PID was created and the assessment is being levied pursuant to Section 372.015 of the PID Act, "Determination of Assessment."

A. Allocation of assessment
- Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
- Assessment will be $0.18 per $100 valuation
- All property will be assessed based on the final 2023 "net taxable value".

Section VI
Terms of the Assessments

The annual assessment for each parcel within the PID shall be shown on the assessment roll. The amount of the assessment could change each year when the Service and Assessment Plan are

adopted due to increased value on a parcel or the estimated cost of maintaining the public improvements, repair or replacement costs, and operational or administrative costs.

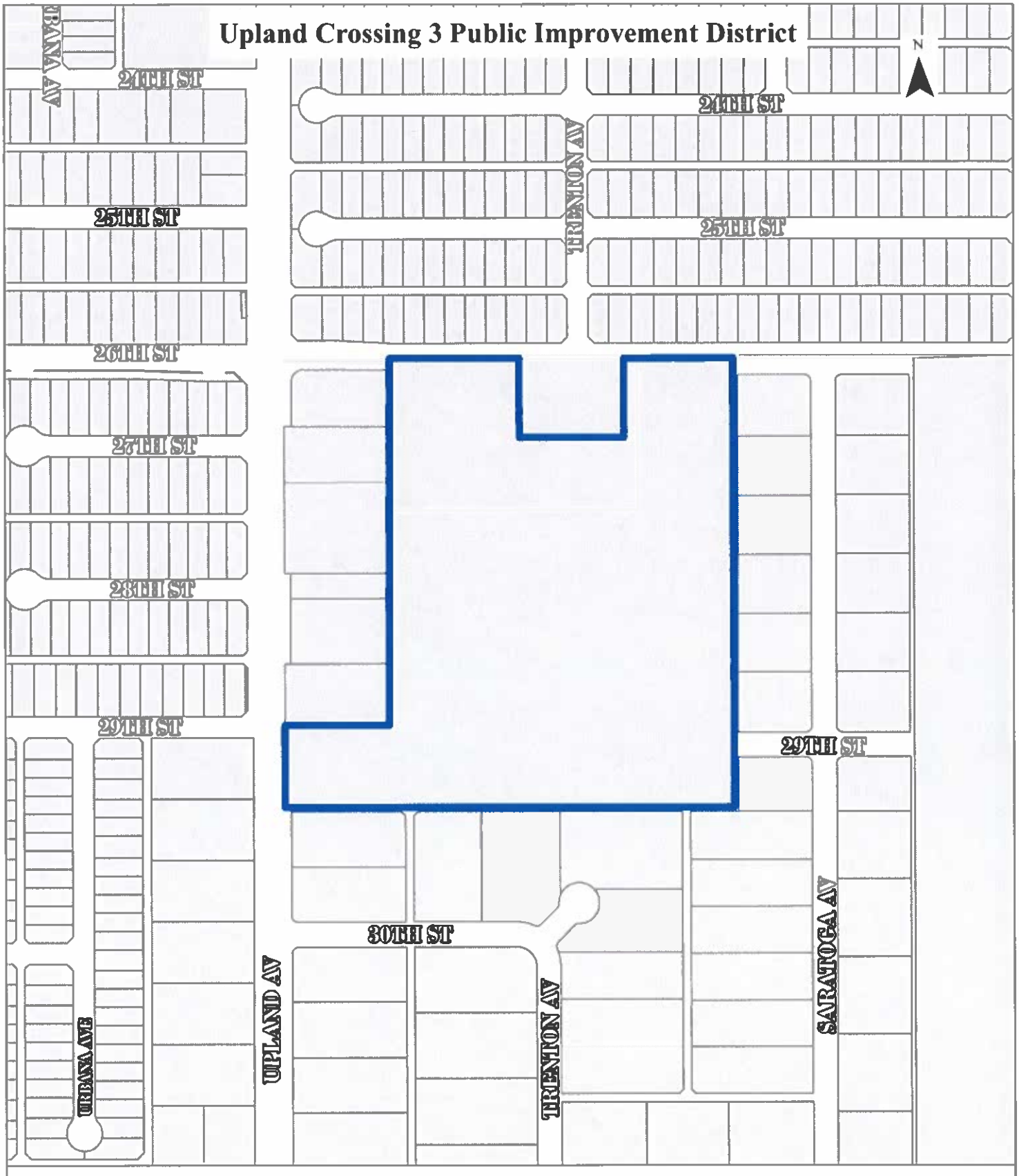
List of Exhibits

Exhibit A PID Legal Description and Map

Exhibit B Service Plan – Five Year Plan

Exhibit C Assessment Roll

Upland Crossing 3 Public Improvement District



Upland Crossing 3 PID

Parcels

Lot-Block Lines

0 125 250 500 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1/31/2023

A 21.646 ACRE TRACT IN THE SOUTHWEST QUARTER OF SECTION 43, BLOCK AK, E.L. & R.R. RR. CO. SURVEY, ABSTRACT NO. 184, LUBBOCK COUNTY, TEXAS

A 21.646 acre tract of land located in the Southwest Quarter (SW/4) of Section 43, Block AK, E.L. & R.R. RR. Co. Survey, Abstract Number 184, Lubbock County, Texas, being all of that certain tract of land described as 17.70 acres in a Warranty Deed recorded in Volume 1472, Page 646 of the Deed Records of Lubbock County, Texas, and a portion of that certain tract of land described as 4.25 acres in a Warranty Deed recorded in Volume 6043, Page 101 of the Real Property Records of Lubbock County, Texas, said 21.646 acre tract being further described by metes and bounds as follows:

BEGINNING at a "MAG" nail set in the centerline of Upland Avenue and in the west line of said Section 43 at the southwest corner of said 17.70 acre tract, same being the most westerly northwest corner of the plat limits of Pine Hills Addition, a subdivision according to the map, plat and/or dedication deed thereof recorded in Volume 1709, Page 661 of the Deed Records of Lubbock County, Texas, and for the southwest corner of these plat limits, having coordinates of Northing: 7,270,725.47 and Easting: 910,383.41 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the southwest corner of said Section 43 bears S. 01° 52' 44" W. a distance of 1539.75 feet, said section corner having coordinates of Northing: 7,269,186.91 and Easting: 910,332.94 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 52' 44" E., along the centerline of Upland Avenue and the west line of said Section 43 at a distance of 170.25 feet pass a railroad spike found, continuing for a total distance of 204.33 feet to a "MAG" nail set for the most westerly northwest corner of these plat limits, same being the southwest corner of that certain 1.00 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2018003570 of the Official Public Records of Lubbock County, Texas;

THENCE S. 88° 08' 32" E., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of Upland Avenue, herein dedicated, continuing at a distance of 55.61 feet pass a 1/2" iron rod with a green broken cap found, continuing for a total distance of 296.24 feet to a 1/2" iron rod with a cap marked "RPLS 4460" found at the southeast corner of said 1.00 acre tract for an ell corner of these plat limits;

THENCE N. 01° 48' 47" E., along the east lines of five tracts of land, being: (1) said 1.00 acre tract, (2) Lynch Addition, Lots 1-A and 1-B, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 8252, Page 220 of the Official Public Records of Lubbock County, Texas, (3) that certain 1.50 acre tract of land described in a Warranty Deed recorded in Volume 2783, Page 126 of the Real Property Records of Lubbock County, Texas, (4) that certain 0.94 acre tract of land described in a Warranty Deed recorded in Volume 4827, Page 188 of the Real Property Records of Lubbock County, Texas, and (5) Crenwelge Addition, Lot 1, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 5116, Page 195 of the Real Property Records of Lubbock County, Texas, at a distance of 868.45 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of 26th Street, herein dedicated, continuing for a total distance a distance of 900.45 feet to a 1/2" iron rod with a cap marked "AMD ENG" set in the north line of said Southwest Quarter (SW/4) for the northwest corner of said 4.25 acre tract and the most northerly northwest corner of these plat limits, having coordinates of Northing: 7,271,819.82 and Easting: 910,714.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a cotton spindle found in the centerline of said Upland Avenue at the west quarter corner of said Section 43 bears N. 88° 11' 07" W. a distance of 295.21 feet, said quarter section corner having coordinates of Northing: 7,271,829.17 and Easting: 910,419.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 317.51 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for a corner of these plat limits;

THENCE S. 01° 54' 23" W., at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENG" set in the south right-of-way line of said 26th Street, continuing for a total distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

THENCE S. 88° 11' 07" E. a distance of 256.23 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

THENCE N. 01° 54' 23" E., at a distance of 168.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing for a total distance a distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the north line of said Southwest Quarter (SW/4) for a corner of these plat limits;

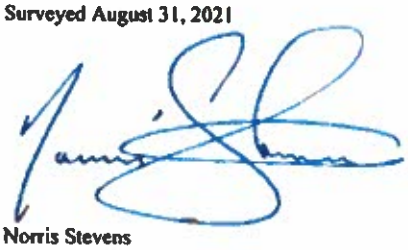
THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 272.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for the northeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,271,793.04 and Easting: 911,559.72 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

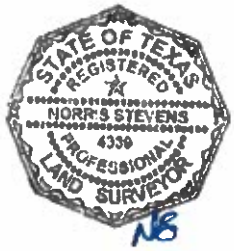
THENCE S. 01° 54' 23" W., along the west plat limits of said Pine Hills Addition at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing at a distance of 45.69 feet pass the south right-of-way line of 26th Street as dedicated with the plat of said Pine Hills Addition, continuing for a total distance of 1105.33 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set at an ell corner of the plat limits of said Pine Hills Addition for the southeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,270,688.59 and Easting: 911,522.96 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 08' 47" W., at a distance of 1085.42 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of said Upland Avenue, continuing for a total distance of 1140.42 feet to the **Point of Beginning.** Bearings and coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The convergence angle to True North is -1° 53' 35.55" and the combined scale factor is 0.99975986. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed August 31, 2021





Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

NS
2-01-2023

**Revised 1/20/2022 – Corrected the bearing on the 8th call

210574 Sec 43 Blk AK, Turner Tract.

Exhibit B
City of Lubbock, TX
Finance Department
Upland Crossing 3 Public Improvement District
2023 Preliminary Service Plan
February 16, 2023

Service Plan

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	58,165	17,559,328	17,910,515	18,268,725	18,634,100	18,634,100
Discounted Property Values	52,349	15,803,395	16,119,463	16,441,853	16,770,690	16,770,690
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Interest Earnings	$ -	-	71	47	21	$ 139
Assessment @ $0.18	94	28,446	29,015	29,595	30,187	117,338
Total	**$ 94**	**28,446**	**29,086**	**29,642**	**30,208**	**$ 117,477**
Expenses						
Basin Park Maintenance	$ -	-	15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	4,000	9,000	9,180	9,364	9,551	41,094
Total	**$ 10,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 117,730**
Cash Reserve	**$ (9,906)**	**3,540**	**2,326**	**1,062**	**1,011**	**$ 1,011**

Assessment Information for $100,000 Home $180

Attachment 1

2023 Service and Assessment Plan Required Attachment

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS

CONCERNING THE FOLLOWING PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality or county, as applicable), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

CONCERNING THE FOLLOWING HOTEL PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

Added by Acts 2005, 79th Leg., Ch. 1085 (H.B. 1919), Sec. 1, eff. January 1, 2006.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 20.002, eff. September 1, 2009.

Acts 2021, 87th Leg., R.S., Ch. 253 (H.B. 1543), Sec. 3, eff. September 1, 2021.

Exhibit C
City of Lubbock, TX
Upland Crossing 3 Public Improvement District
2023 Assessment Roll
(Provided by LCAD 2-8-23)

Property ID	PartyName	PartyAddress	SitusAddress	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R150427	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 13A AC: 3.8235	16,059	16,059	$ 28.91
R32832	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 1 ACS: 17.7	42,106	42,106	75.79
					58,165	**58,165**	**$ 104.70**

Exhibit B – Ordinance Adopting the Upland Crossing 3 Public Improvement District Service Plan

First Reading
April 11, 2023
Item No. 7.3

EXHIBIT B

Second Reading
April 25, 2023
Item No. 6.6

ORDINANCE NO. 2023-O0038

AN ORDINANCE ADOPTING A SERVICE PLAN FOR THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT, WITH SUCH SERVICE PLAN INCLUDING AN ASSESSMENT PLAN FOR SAID PUBLIC IMPROVEMENT DISTRICT; ESTABLISHING REASONABLE CLASSIFICATIONS AND FORMULAS FOR THE APPORTIONMENT OF THE COST BETWEEN THE CITY OF LUBBOCK, TEXAS AND THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT, AND THE METHODS OF ASSESSING SPECIAL BENEFITS FOR VARIOUS CLASSES OF IMPROVEMENTS OF PROPERTY WITHIN THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING, AND FILING WITH THE CITY SECRETARY OF THE CITY OF LUBBOCK, TEXAS AN ASSESSMENT ROLL FOR THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT; AND, LEVYING THE ASSESSMENT FOR THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT AS A SPECIAL ASSESSMENT, SPECIFYING THE METHOD OF PAYMENT OF THE ASSESSMENT, AND FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT AND AGAINST THE OWNERS OF PROPERTY WITHIN THE UPLAND CROSSING 3 PUBLIC IMPROVEMENT DISTRICT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") provides the process by which the City of Lubbock, Texas (the "City") may create a public improvement district; and

WHEREAS, through Resolution No. 2023-R0145 the City Council of the City (the "Council") authorized the Upland Crossing 3 Public Improvement District (the "PID"); established the boundaries of the PID; approved the estimated costs, method of assessment, and apportionment of costs for the PID; and created the governing board for the PID; and

WHEREAS, through Resolution No. 2023-R0147, the Council directed City staff to:

(1) Prepare a Service Plan for the PID according to the Act with such Service Plan covering a period of at least five (5) years, defining the annual indebtedness of the PID, projecting the costs for improvements in the PID, and including an assessment plan for the PID;

(2) Prepare an assessment roll for the PID that states the assessment against each parcel of land in the PID, with such proposed assessment roll to be filed with the municipal secretary and being made available for public inspection; and

(3) Send and publish notice of a public hearing according to the Act concerning the Service Plan; and

WHEREAS, City staff has prepared a Service Plan for the PID according to the Act, prepared an assessment roll for the PID, and has sent and published notice of a public hearing to be held at two in the afternoon (2:00 PM), Tuesday, April 11, 2023, at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas, to consider the proposed apportionment and assessment for the PID; and

WHEREAS, at the adjournment of the public hearing the Council desires to hear and pass on any objections to the proposed assessment for the PID and, through this Ordinance, to establish reasonable classifications and formulas for the apportionment of the costs for the services and improvements of the PID between the City and the PID, to approve, adopt, and file with the City Secretary the Service Plan for the PID that includes an assessment plan and assessment roll for the PID, and to levy an assessment as a special assessment on the property within the PID; and **NOW, THEREFORE;**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the Council has reviewed the Service Plan for the PID, which is attached to this Ordinance as "Exhibit 1", and finds that it: covers a period of at least five (5) years; defines the annual indebtedness of the PID; estimates the costs for improvements in the PID; and, includes an assessment plan for the PID.

SECTION 3: THAT the Council hereby finds that the assessment rate provided in the Service Plan for the PID is feasible and sound and will serve the needs and desires of the property owners within the PID, and the Council hereby adopts the assessment rate of eighteen cents ($0.18) per one hundred dollars ($100) of net taxable value for tax year 2023, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the PID.

SECTION 4: THAT the Council finds that the assessment plan included in the Service Plan for the PID provides for the apportionment of the cost of improvements to be assessed against the property within the PID on the basis of special benefits accruing to the property within the PID because of the improvements, and the Council hereby establishes the reasonable classifications and formulas for the apportionment of the costs between the City and the PID and the methods of assessment of the special benefits for the various classes of improvements within the PID as such classifications, formulas, and methods are provided for in the assessment plan.

SECTION 5: THAT the Council hereby approves, adopts, and files with the City Secretary the assessment roll that is attached to this Ordinance as "Exhibit 2", with such assessment roll stating an estimate of the assessment to be levied against the property within the PID, and with the City Secretary filing the assessment roll in the official records of the City and being subject to public inspection.

SECTION 6: THAT the Council finds that the assessments should be made and levied against the property within the PID and against the owners thereof, and that such assessments are in proportion to the benefits to the property by means of the services and improvements in the PID for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the Act.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the PID, and against the real and true owners thereof, whether such owners be correctly named or not, the sums of money calculated by applying the assessment rate to in the manner described in the assessment plan and assessment roll.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on April 11 **, 2023.**

Passed by the City Council on second reading on April 25 **, 2023.**

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Exhibit 1

Upland Crossing 3
Public Improvement District

2023 SERVICE AND ASSESSMENT PLAN

FEBRUARY 16, 2023

City of Lubbock TEXAS

Exhibit 1

City of Lubbock, Texas
Finance Department
Upland Crossing 3 Public Improvement District
Service and Assessment Plan
February 16, 2023

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Exhibit 1
City of Lubbock, Texas
Finance Department
Upland Crossing 3 Public Improvement District
Service and Assessment Plan
February 16, 2023

Plan Description and Defined Terms

A. Introduction

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties" (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. The City of Lubbock created the Upland Crossing 3 Public Improvement District (the "PID") to maintain the public improvements associated with the Upland Crossing 3 planned development and for the benefit of certain property in the PID, all of which is located within the City. (Capitalized terms used herein shall have the meanings ascribed to them in Section I.B of this Service and Assessment Plan.)

This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan is included in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that "an assessment plan must be included in the annual service plan." The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act states that "the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Costs of the improvements to the property in the PID is included in Sections V and VI of this Service and Assessment Plan.

Section 372.016 of the PID Act states that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as ***Exhibit C*** of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

The City Council shall make all determinations necessary herein.

The City Council intends for the obligations, covenants and burdens on the owner of the Assessed Property, including without limitation such owner's obligations related to the payment of the Assessments, to constitute a covenant running with the land. The Assessments levied hereby

shall be binding upon the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns. The Assessments shall have lien priority as specified in the PID Act.

This Service and Assessment Plan provides for maintenance of improvements benefiting the entire area of the Upland Crossing 3 PID.

B. Definitions

The terms used herein shall have the following meanings.

"Annual Service Plan Amendment" has the meaning set forth in the first paragraph of Section IV of this Service and Assessment Plan.

"Assessed Property" means, for any year, parcels within the PID.

"Assessment" means, with respect to each Parcel, the assessment imposed against such Parcel pursuant to the Assessment Ordinance and the provisions therein, as shown on the Assessment Roll, subject to reallocation among Parcels and reduction according to the provisions herein and the PID Act.

"Assessment Ordinance" means the Assessment Ordinance approved by the City Council approving and adopting this Service and Assessment Plan.

"Assessment Roll" means the document included in this Service and Assessment Plan as ***Exhibit C***, as updated, modified, or amended annually in accordance with the procedures set forth herein and in the PID Act.

"City" means City of Lubbock, Texas.

"City Council" means the duly elected governing body of the City.

"Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the maintenance of the public improvements, operation, and other supplemental services, as described in ***Exhibit B*** of this Service and Assessment Plan.

"Developer" means Betenbough Homes, Inc.

"Legal Description" means the metes and bounds legal description of the PID area included as ***Exhibit A*** to the Service and Assessment Plan.

"Improvement Project" means the maintenance of the public improvements that will provide a special benefit to the property in the PID and described in ***Exhibit B*** of this Service and Assessment Plan and Section 372.003 of the PID Act.

"Parcel" means a parcel identifed by either a tax map identification number assigned by the Lubbock County Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Lubbock County, Texas or identified by any other reasonable means determined by the City Council.

"PID" has the meaning set forth in the second paragraph of Section I.A of this Service and Assessment Plan.

"PID Act" means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Map" means the map included as ***Exhibit A*** to the Service and Assessment Plan identifying the property included in the PID.

"Service and Assessment Plan" means this Service and Assessment Plan prepared for the PID pursuant to Section 372.013, 372,014, 372.015, and 372.016 of the PID Act.

Section II
Property Included in the PID

The PID is located in the City of Lubbock, Texas. A map of the property included in the PID and a legal description is shown on Exhibit A to this Service and Assessment Plan.

The 21.646 acre development is expected to consist of approximately 100 residential units, drainage basin, and associated rights of way, landscaping, and infrastructure.

An explanation of the method of assessing property is included in Section V.

Section III
Description of the Improvement Project

The general nature of the proposed public improvements is: (i) acquisition, contruction, or drainage facilities or improvements, (ii) the design, construction, and maintenance of Parks and green spaces together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and green

spaces; landscaping, hardscape and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District.

The public improvements will be constructed by the Developer with no reimbursement from the PID. After analyzing the maintenance, operation, and other supplemental services related to the Public Improvements, the City has determined that the maintenance of the public improvements authorized by the PID Act, shown in Exhibit B, should be performed by the City and has further determined that these maintenance activities will be of special benefit to all the Assessed Property within the PID.

A. Maintenance of Public Improvements

The cost of the maintenance, operation and other supplemental services to be funded through assessments on Assessed Property is estimated at $10,000 in the first year and increases to $31,524 in the 5th year, with 2 percent annual growth thereafter. The budget for the maintenance, operation, and other supplemental services will be determined annually by the City and will be included in a Service Plan Amendment along with amendments to the Assessment Roll reflecting assessments (the "Maintenance Assessment") based on such budget for maintenance, operation and necessary supplemental services.

Section IV
Service Plan/Sources and Uses of Funds

Section 372.013 of the PID Act requires this Service and Assessment Plan to "cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The Developer plans to make improvements at a cost of $250,000. The PID will not reimburse the Developer for those improvements. The PID will maintain the public improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for maintenance." Such annual update to this Service and Assessment Plan is herein referred to as the "Annual Service Plan Amendment." The Upland Crossing 3 PID will have no indebtedness and the PID assessments will fund the maintenance of the public improvements, operation, and other supplemental services. The table below shows estimated sources and uses of funds including the projected cost of maintaining the public improvements.

Exhibit 1
City of Lubbock, Texas
Finance Department
Upland Crossing 3 Public Improvement District
Service and Assessment Plan
February 16, 2023

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	58,165	17,559,328	17,910,515	18,268,725	18,634,100	18,634,100
Discounted Property Values	52,349	15,803,395	16,119,463	16,441,853	16,770,690	16,770,690
Fiscal Year Revenues	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals***
Interest Earnings	$ -	-	71	47	21	$ 139
Assessment @ $0.18	94	28,446	29,015	29,595	30,187	117,338
Total	**$ 94**	**28,446**	**29,086**	**29,642**	**30,208**	**$ 117,477**
Expenses						
Basin Park Maintenance	$ -	-	15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	4,000	9,000	9,180	9,364	9,551	41,094
Total	**$ 10,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 117,730**
Cash Reserve	$ (9,906)	3,540	2,326	1,062	1,011	$ 1,011
Assessment Information for $100,000 Home	$180					

The sources and uses of funds table is subject to revision each year.

Section V
Assessment Plan

The PID was created and the assessment is being levied pursuant to Section 372.015 of the PID Act, "Determination of Assessment."

A. Allocation of assessment
- Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
- Assessment will be $0.18 per $100 valuation
- All property will be assessed based on the final 2023 "net taxable value".

Section VI
Terms of the Assessments

The annual assessment for each parcel within the PID shall be shown on the assessment roll. The amount of the assessment could change each year when the Service and Assessment Plan are

adopted due to increased value on a parcel or the estimated cost of maintaining the public improvements, repair or replacement costs, and operational or administrative costs.

List of Exhibits

Exhibit A	PID Legal Description and Map
Exhibit B	Service Plan – Five Year Plan
Exhibit C	Assessment Roll

Exhibit A

Upland Crossing 3 Public Improvement District

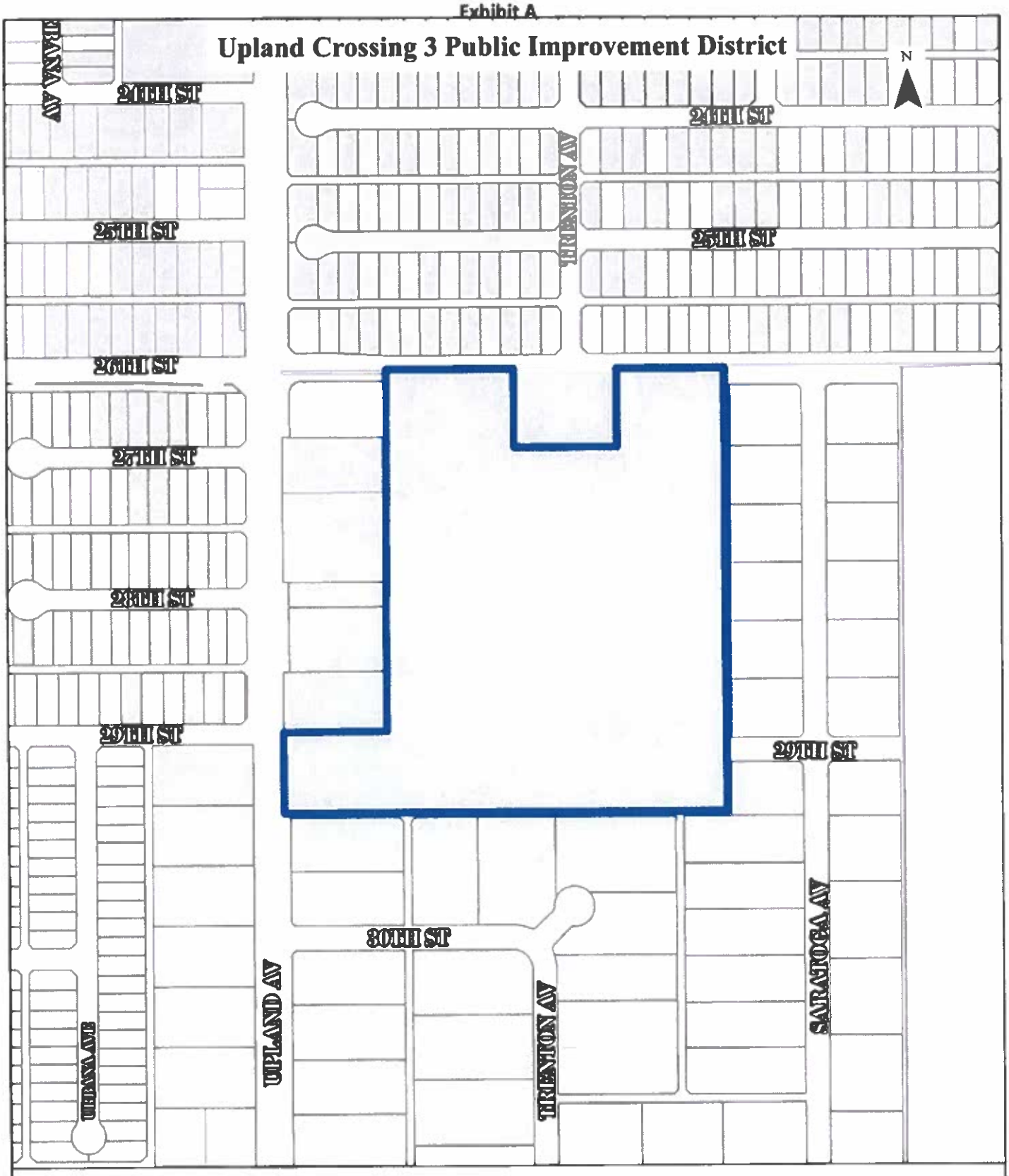

Exhibit A

AMD Engineering and Surveying

A 21.646 ACRE TRACT IN THE SOUTHWEST QUARTER OF SECTION 43, BLOCK AK, E.L. & R.R. RR. CO. SURVEY, ABSTRACT NO. 184, LUBBOCK COUNTY, TEXAS

A 21.646 acre tract of land located in the Southwest Quarter (SW/4) of Section 43, Block AK, E.L. & R.R. RR. Co. Survey, Abstract Number 184, Lubbock County, Texas, being all of that certain tract of land described as 17.70 acres in a Warranty Deed recorded in Volume 1472, Page 646 of the Deed Records of Lubbock County, Texas, and a portion of that certain tract of land described as 4.25 acres in a Warranty Deed recorded in Volume 6043, Page 101 of the Real Property Records of Lubbock County, Texas, said 21.646 acre tract being further described by metes and bounds as follows:

BEGINNING at a "MAG" nail set in the centerline of Upland Avenue and in the west line of said Section 43 at the southwest corner of said 17.70 acre tract, same being the most westerly northwest corner of the plat limits of Pine Hills Addition, a subdivision according to the map, plat and/or dedication deed thereof recorded in Volume 1709, Page 661 of the Deed Records of Lubbock County, Texas, and for the southwest corner of these plat limits, having coordinates of Northing: 7,270,725.47 and Easting: 910,383.41 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found at the southwest corner of said Section 43 bears S. 01° 52' 44" W. a distance of 1539.75 feet, said section corner having coordinates of Northing: 7,269,186.91 and Easting: 910,332.94 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 52' 44" E., along the centerline of Upland Avenue and the west line of said Section 43 at a distance of 170.25 feet pass a railroad spike found, continuing for a total distance of 204.33 feet to a "MAG" nail set for the most westerly northwest corner of these plat limits, same being the southwest corner of that certain 1.00 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2018003570 of the Official Public Records of Lubbock County, Texas;

THENCE S. 88° 08' 32" E., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of Upland Avenue, herein dedicated, continuing at a distance of 55.61 feet pass a 1/2" iron rod with a green broken cap found, continuing for a total distance of 296.24 feet to a 1/2" iron rod with a cap marked "RPLS 4460" found at the southeast corner of said 1.00 acre tract for an ell corner of these plat limits;

THENCE N. 01° 48' 47" E., along the east lines of five tracts of land, being: (1) said 1.00 acre tract, (2) Lynch Addition, Lots 1-A and 1-B, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 8252, Page 220 of the Official Public Records of Lubbock County, Texas, (3) that certain 1.50 acre tract of land described in a Warranty Deed recorded in Volume 2783, Page 126 of the Real Property Records of Lubbock County, Texas, (4) that certain 0.94 acre tract of land described in a Warranty Deed recorded in Volume 4827, Page 188 of the Real Property Records of Lubbock County, Texas, and (5) Crenwelge Addition, Lot 1, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 5116, Page 195 of the Real Property Records of Lubbock County, Texas, at a distance of 868.45 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of 26th Street, herein dedicated, continuing for a total distance a distance of 900.45 feet to a 1/2" iron rod with a cap marked "AMD ENG" set in the north line of said Southwest Quarter (SW/4) for the northwest corner of said 4.25 acre tract and the most northerly northwest corner of these plat limits, having coordinates of Northing: 7,271,819.82 and Easting: 910,714.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a cotton spindle found in the centerline of said Upland Avenue at the west quarter corner of said Section 43 bears N. 88° 11' 07" W. a distance of 295.21 feet, said quarter section corner having coordinates of Northing: 7,271,829.17 and Easting: 910,419.61 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 317.51 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for a corner of these plat limits;

THENCE S. 01° 54' 23" W., at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENG" set in the south right-of-way line of said 26th Street, continuing for a total distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

6515 68th Street, Suite 300
Lubbock, Texas 79424

TBPE Reg. # F-9197
TBPELS Reg. #101785-00

Office: (806) 771-5976
Fax: (806) 771-7625

AMD Engineering and Surveying

THENCE S. 88° 11' 07" E. a distance of 256.23 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for an ell corner of these plat limits;

THENCE N. 01° 54' 23" E., at a distance of 168.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing for a total distance a distance of 200.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the north line of said Southwest Quarter (SW/4) for a corner of these plat limits;

THENCE S. 88° 11' 07" E., along the north line of said Southwest Quarter (SW/4), a distance of 272.00 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set for the northeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,271,793.04 and Easting: 911,559.72 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 54' 23" W., along the west plat limits of said Pine Hills Addition at a distance of 32.00 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the south right-of-way line of said 26th Street, continuing at a distance of 45.69 feet pass the south right-of-way line of 26th Street as dedicated with the plat of said Pine Hills Addition, continuing for a total distance of 1105.33 feet to a 1/2" iron rod with a cap marked "AMD ENGINEERING" set at an ell corner of the plat limits of said Pine Hills Addition for the southeast corner of said 17.70 acre tract and these plat limits, having coordinates of Northing: 7,270,688.59 and Easting: 911,522.96 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 08' 47" W., at a distance of 1085.42 feet pass a 1/2" iron rod with a cap marked "AMD ENGINEERING" set in the east right-of-way line of said Upland Avenue, continuing for a total distance of 1140.42 feet to the **Point of Beginning.** Bearings and coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The convergence angle to True North is -1° 53' 35.55" and the combined scale factor is 0.99975986. Distances are at surface, in U.S. survey feet.

I, Norris Stevens, Registered Professional Land Surveyor, do hereby certify that this description was prepared from an actual survey of the property and that the information hereon represents the findings of this survey to the best of my knowledge and belief.

Surveyed August 31, 2021

Norris Stevens
Registered Professional Land Surveyor,
State of Texas, Seal No. 4339

STATE OF TEXAS
REGISTERED
NORRIS STEVENS
4339
PROFESSIONAL
LAND SURVEYOR

NB
2-01-2023

**Revised 1/20/2022 – Corrected the bearing on the 8th call

210534 Sec 43 Blk AK, Turner Tract

6515 68th Street, Suite 300
Lubbock, Texas 79424

TBPE Reg. # F-9197
TBPELS Reg. #101785-00

Office: (806) 771-5976
Fax: (806) 771-7625

Exhibit B
City of Lubbock, TX
Finance Department
Upland Crossing 3 Public Improvement District
2023 Preliminary Service Plan
February 16, 2023

Service Plan

	Proposed Budget	Projected				
Tax Year	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable) *	58,165	17,559,328	17,910,515	18,268,725	18,634,100	18,634,100
Discounted Property Values	52,349	15,803,395	16,119,463	16,441,853	16,770,690	16,770,690
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Interest Earnings	$ -	-	71	47	21	$ 139
Assessment @ $0.18	94	28,446	29,015	29,595	30,187	117,338
Total	**$ 94**	**28,446**	**29,086**	**29,642**	**30,208**	**$ 117,477**
Expenses						
Basin Park Maintenance	$ -	-	15,000	15,300	15,606	$ 45,906
Annual Operating Cost	6,000	6,000	6,120	6,242	6,367	30,730
Administrative Costs	4,000	9,000	9,180	9,364	9,551	41,094
Total	**$ 10,000**	**15,000**	**30,300**	**30,906**	**31,524**	**$ 117,730**
Cash Reserve	$ (9,906)	3,540	2,326	1,062	1,011	$ 1,011

Assessment Information for $100,000 Home $180

Exhibit C
City of Lubbock, TX
Upland Crossing 3 Public Improvement District
2023 Assessment Roll
(Provided by LCAD 2-8-23)

Property ID	PartyName	PartyAddress	SitusAddress	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R150427	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 13A AC: 3.8235	16,059	16,059	$ 28.91
R32832	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 1 ACS: 17.7	42,106	42,106	75.79
					58,165	**58,165**	**$ 104.70**

Attachment 1

2023 Service and Assessment Plan Required Attachment

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS

CONCERNING THE FOLLOWING PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality or county, as applicable), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS

CONCERNING THE FOLLOWING HOTEL PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice.

Added by Acts 2005, 79th Leg., Ch. 1085 (H.B. 1919), Sec. 1, eff. January 1, 2006.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 20.002, eff. September 1, 2009.

Acts 2021, 87th Leg., R.S., Ch. 253 (H.B. 1543), Sec. 3, eff. September 1, 2021.

Exhibit 2
City of Lubbock, TX
Upland Crossing 3 Public Improvement District
2023 Assessment Roll
(Provided by LCAD 2-8-23)

Property ID	PartyName	PartyAddress	SitusAddress	LegalDescription	2023 Market Value	2023 Estimated Taxable Value	2023 Estimated Assessment
R150427	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 13A AC: 3.8235	16,059	16,059	$ 28.91
R32832	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK AK SEC 43 AB 184 TR 1 ACS: 17.7	42,106	42,106	75.79
					58,165	**58,165**	**$ 104.70**

RESOLUTION

WHEREAS, the City of Lubbock, Texas pursuant to Chapter 372 Texas Local Government Code has created the Upland Crossing 3 Public Improvement District; and,

WHEREAS, the City of Lubbock is desirous of contracting with the Lubbock Central Appraisal District to provide all services necessary for the collection of assessments levied within the Upland Crossing 3 PID; and,

WHEREAS, the Lubbock Central Appraisal District is able and willing to perform said collection services, and is desirous of contracting with the City of Lubbock to provide such services;

NOW THEREFORE:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LUBBOCK CENTRAL APPRAISAL DISTRICT:

THAT, the Chairman of the Board of the Lubbock Central Appraisal District **BE** and is hereby authorized and directed to execute an interlocal agreement titled "Interlocal Agreement for the Collection of Assessments Levied on Property within the Upland Crossing 3 Public Improvement District" with the City of Lubbock.

Passed by the Board of Directors this 26th day of July, 2023.

Greg Jones, Chairman
Board of Directors

ATTEST:

Bobby McQueen, Secretary
Board of Directors

AI# 11852
Regular City Council Meeting
08/22/2023:

6. 8.

Information

Agenda Item

Resolution - Finance: Consider a resolution authorizing the approval of the Lubbock Emergency Communications District Budget for Fiscal Year 2023-24.

Item Summary

Lubbock Emergency Communication District (LECD) is required to submit the annual budget for approval by the governing bodies within the boundaries of the district. As authorized by the Texas Health and Safety Code, Section 772.301 through 772.329, the LECD Board of Managers approved the LECD proposed FY 2023-24 Budget. It is the opinion of the LECD Board of Managers, that the proposed FY 2023-24 Budget represents a fair and prudent financial plan to accomplish the LECD mission of providing enhanced 9-1-1 service to Lubbock County citizens.

Fiscal Impact

None

Staff/Board Recommending

D . Blu Kostelich, Chief Financial Officer
Lubbock Emergency Communication District Board of Managers

Attachments

LECD Ordinance
LECD Budget

RESOLUTION

WHEREAS, under the authority of Texas Health and Safety Code Section 772.301 through 772.329, Lubbock County voters approved in a Lubbock County election, April 5, 1986, the creation of the Lubbock Emergency Communication District; and

WHEREAS, the Lubbock Emergency Communication District Board of Managers approved a proposed budget for FY 2023-24 acting under the authority of Texas Health and Safety Code Section 772.301 through 772.329; NOW THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the City Council of the City of Lubbock hereby approves the Lubbock Emergency Communication District proposed budget for FY 2023-24. Said budget is attached hereto and incorporated as if fully set forth herein.

Passed by the City Council this _____ day of _____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Amy L. Sims, Assistant City Attorney

ccdocsII/LECD Budget Resolution 23-24

LUBBOCK EMERGENCY COMMUNICATION DISTRICT

6032 43rd Street · Lubbock, Texas 79407-3711
806.747.6911 · www.lubbock911.org

July 12, 2023

City Of Lubbock
Mayor Tray Payne
P.O. Box 2000
Lubbock, TX 79457-2000

The Lubbock Emergency Communication District Board of Managers has approved for distribution the LECD proposed budget for fiscal year 2023-2024 commencing October 1, 2023. The proposed budget represents a fair and prudent financial plan to accomplish the LECD mission of providing the best possible Enhanced 9-1-1 service to the citizens of the District.

Attached is a copy of the proposed budget. Under Health and Safety Code 772.309, LECD is required to submit its proposed budget for review to the governing bodies within the boundaries of the District, and the reviewing entities may provide comments to the LECD Board of Managers. Comments on this proposed budget will become part of the record at the September 13, 2023 Board Meeting.

Please notify us if you would like a representative from the District to attend your meeting. If you need additional information, please feel free to contact Operations Manager, Annie Wall, at 806-761-4983 or by email at annie.wall@lubbock911.org.

We appreciate the opportunity to serve you and your constituents.

Sincerely,

Nathan Kizer, ENP
Executive Director

Attachments

Proposed Budget

Fiscal Year 2023-2024

Lubbock Emergency Communication District

"...to provide the best possible, trouble free 9-1-1 network for the citizens we serve..."

LUBBOCK EMERGENCY COMMUNICATION DISTRICT

BUDGET FY 2023-2024

ITEM	TOTAL BUDGET 2022-2023	TOTAL BUDGET 2023-2024
PERSONNEL EXPENSE		
Compensation - Full Time	$840,818	$815,747
Compensation - Part Time	$3,200	$3,200
Retirement Expense	$145,000	$145,000
Insurance Benefit	$138,000	$158,000
Workers' Compensation	$4,400	$4,400
Unemployment	$4,000	$4,000
FICA Tax	$75,000	$76,500
Payroll Service	$4,400	$4,500
Employment Expense	$3,000	$3,000
Accrued Benefit	$100,000	$125,000
TOTAL PERSONNEL EXPENSE	**$1,317,818**	**$1,339,347**
OFFICE SUPPLIES EXPENSE		
Office/Operating Supplies	$2,100	$2,200
Other Supplies	$7,050	$8,100
Educational Supplies	$400	$400
Postage	$645	$400
Mapping Supplies	$200	$650
Printing	$510	$500
TOTAL OFFICE SUPPLIES EXPENSE	**$10,905**	**$12,250**
OFFICE EQUIPMENT MAINTENANCE	$0	
Office/Communication Equipment Maintenance	$1,100	$950
Computer Equipment Maintenance	$2,900	$4,000
Tools & Equipment	$300	$550
Rent/Lease Machinery	$3,200	$3,500
TOTAL OFFICE EQUPMENT MAINTENANCE	**$7,500**	**$9,000**
BUILDING SERVICES/MAINTENANCE		
Contract Services	$25,675	$26,550
Maintenance/Repair	$28,922	$40,240
Utilities	$46,000	$51,500
Building Supplies/Tools	$4,925	$5,150
Building Insurance	$19,000	$24,000
Building Contingency	$50,000	$50,000
Building Replacement/Repair Fund	$125,000	$125,000
TOTAL BUILDING SERVICES/MAINTENANCE	**$299,522**	**$322,440**
OTHER SERVICES EXPENSE		
Texas 9-1-1 Alliance	$18,600	$18,020
Legal Services	$5,000	$7,000
Accounting Services	$15,000	$16,000
Public Education	$18,260	$32,400
Professional Services	$2,000	$1,620
Communication Services	$4,425	$5,650
Professional Dues and Memberships	$5,100	$5,400
Travel	$33,400	$39,000
Training	$9,450	$9,890
Liability/Property Insurance	$9,450	$10,000
Vehicle Expense	$10,100	$11,000
TOTAL OTHER SERVICES EXPENSE	**$130,585**	**$155,980**
CAPITAL		
Office Furniture	$1,000	$1,000
Communication Equipment	$1,000	$1,000
Computer Equipment	$2,860	$300
Equipment Replacement - LECD	$8,175	$5,000
TOTAL CAPITAL	**$13,035**	**$7,300**
TOTAL DISTRICT OPERATIONS	**$1,779,365**	**$1,846,317**

LUBBOCK EMERGENCY COMMUNICATION DISTRICT

BUDGET FY 2023-2024

ITEM	TOTAL BUDGET 2022-2023	TOTAL BUDGET 2023-2024
PSAP SUPPORT		
Recurring Charges	$467,450	$757,317
Maintenance Charges	$317,550	$329,675
9-1-1 System Technician	$33,000	$33,550
PSAP Training/Travel	$28,000	$31,000
Catastrophic Contingency	$100,000	$100,000
Equipment Insurance	$4,000	$8,600
PSAP Emergency Response Support	$11,000	$11,000
Intergovernmental Aerial Mapping	$5,000	$5,000
PSAP Communication Services	$11,500	$7,880
Equipment Replacement - PSAP	$300,000	$200,000
Total PSAP Support	**$1,289,500**	**$1,484,022**
PROJECTS		
Next Generation\Emerging Technologies	$200,000	$35,000
PSAP Grant Program	$100,000	$100,000
TOTAL PROJECTS	**$300,000**	**$135,000**
TOTAL	**$3,368,865**	**$3,465,339**

Agency Overview

Background

The creation of the Lubbock Emergency Communication District *(LECD)* was approved by an overwhelming vote of the public in 1986. The authority to create the District was provided in Vernon's Texas Civil Statute 1432e. It was later codified in Texas Health and Safety Code, Section 772.301 through 772.329, the Emergency Telephone Number Act for counties with population over 20,000.

The District's mission upon creation was to establish 9-1-1 as the primary phone number to be used in an emergency in Lubbock County as well as the Emergency Telephone Network associated to provide Enhanced 9-1-1 service. All political subdivisions within Lubbock County assisted in this mission by originally establishing eight (8) Public Safety Answering Points *(PSAPs)* to receive emergency 9-1-1 calls. Our mission continues, but now in a different form:

> *"The mission of the Lubbock Emergency Communication District is to provide the best possible, trouble-free network for the citizens we serve to access emergency services by dialing 9-1-1; to provide the best tools (equipment and information) to each service provider agency that will enhance their ability to provide public safety services; and to educate the public on the effective and appropriate use of the 9-1-1 network."*

The City of Plainview joined the Lubbock Emergency Communication District through an interlocal agreement in January 1989.

A six-member Board of Managers oversees the Lubbock Emergency Communication District. Two appointments to the Board are made by the City of Lubbock, one by the County of Lubbock, one by the City of Slaton, one at-large appointment made by the other Board Members, and one ex-officio *(non-voting)* member representing AT&T, the primary telephone service provider in Lubbock County.

Enhanced 9-1-1 *(E9-1-1)* operations started within LECD boundaries on January 27, 1989. Since that time, millions of 9-1-1 calls have been handled by the PSAPs supported by LECD. Currently, approximately 90% of all 9-1-1 calls originate from a wireless device.

All the major wireless service providers in the District provide Wireless E9-1-1 Phase II service. This service provides the telecommunicator with the latitude and longitude of the caller. With the help of mapping software, this assists the telecommunicator in locating the caller.

The District continues to be actively involved in the design, development, and implementation of Next Generation 9-1-1 *(NG9-1-1)* in the state of Texas. NG9-1-1 changes the architecture of the network, allowing better access for current and future communication devices, no matter what platform they use. The goal of NG9-1-1 can be summed up in one slogan: *"Emergency Help. Anytime, anywhere, any device."* The transition is much more complex than any other transition undertaken to date. While in the past 9-1-1 networks could be managed as stand-alone systems, the hierarchical network architecture that is the foundation of any NG9-1-1 system will require

cooperation and collaboration at local, regional, state, national and global levels in degrees not previously experienced.

The District utilizes a Host-Remote system for delivering 9-1-1 calls. In place of individual backroom equipment at each PSAP, two geo-diverse Hosts process calls for the entire District. This centralized system provides reliability and redundancy, allowing PSAP personnel to answer calls from any of the District PSAP locations. This system is monitored and maintained by District Staff. The software is regularly updated, and the specialized hardware is replaced every five years.

The PSAPs within the District are connected by a fully redundant, public safety grade IP network. All call traffic within the District is transported over this private IP network, providing the PSAPs with the ability to transfer calls to various locations independent of the public telephone network. This unique 9-1-1 system also provides the ability to transfer a 9-1-1 call to multiple PSAPs at the same time.

In October of 2015, the District relocated to a new facility, which was designed and constructed to the District's specifications. This 10,000-square foot building includes a data center capable of housing fourteen cabinets of equipment, a six position Training Center which doubles as a back-up PSAP, and a building-wide UPS, all housed inside an EF5 rated structure. A diesel fueled generator, as well as connectivity for a secondary generator, provides necessary emergency power in the event of a disaster. The data center houses one of the two Hosts for the 9-1-1 network and serves as a primary network monitoring location.

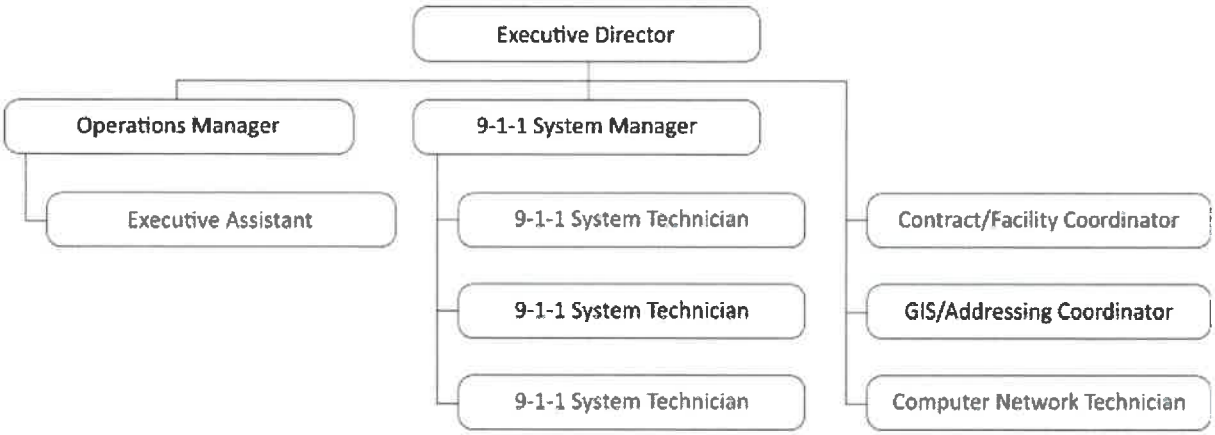
In May 2018, the District began implementation of an IP Selective Router (IPSR), which replaced the legacy AT&T selective router with a Next-Generation 9-1-1 (NG9-1-1) solution. The District data center houses a portion of this NG9-1-1 equipment and serves as one of the two redundant Hosts for several other entities in Texas.

With the implementation of modern technologies and the evolution of the NG9-1-1 network, the need for cybersecurity increased dramatically. The District has implemented various layers of maintenance, monitoring, and alerting to protect the 9-1-1 system. It is an ongoing effort to thwart potential attacks and preserve the overall health of the network.

The Staff of LECD and the Board of Managers are continually looking forward, researching new equipment, technologies, software, techniques, and training to assist the public safety telecommunicator in doing a more efficient job of providing emergency help to people calling 9-1-1. As the District moves towards NG9-1-1, the landscape continues to change. While there is still a need to invest in hardware and products, many facets of NG9-1-1 are moving to a service-oriented model. These services represent both recurring and increasing costs.

Staff

In addition to the Board of Managers, the District has a staff of ten full-time positions.



Executive Director
Has total oversight of the operation of the District. Is responsible to the Board of Managers for carrying out the mission of the District.

Operations Manager
Oversees the day-to-day operations of the District, including Human Resources, accounts payable, financial reporting, and PSAP personnel training.

Executive Assistant
Provides clerical and general office support to the District Staff. Responsible for various areas of the operations of the District including public education and records management.

Contract/Facility Coordinator
Manages the various contractual agreements utilized by the District. Responsible for maintaining the buildings and grounds, including management of vendors providing services and duties.

GIS/Addressing Coordinator
Responsible for maintaining a county-wide geographic information system and associated databases. Also assigns addresses for rural Lubbock County.

Computer Network Technician
Administers the internal computer network, including all devices and infrastructure. Assists Staff in use of hardware and software.

9-1-1 System Manager
Responsible for the repair and maintenance of the 9-1-1 network components, call handling equipment, and software used in the PSAPs. Tests, evaluates, and implements new hardware and software solutions in the PSAPs.

9-1-1 System Technician
Assists with repair, maintenance, and upgrade of the 9-1-1 equipment. Also assists in the testing of new hardware and software.

Responsibilities

The following are noteworthy responsibilities and benefits the District provides the citizens of Lubbock County and the Cities of Abernathy and Plainview:

9-1-1 Service Fee
The District is responsible for receiving and tracking service fee revenue collected from the service providers doing business within its jurisdiction. The District directly collects a service fee on all wireline and VoIP lines. In addition, each wireless subscriber in the state of Texas is assessed a service fee which is remitted to the State. These wireless service fees are then distributed to each 9-1-1 entity in Texas based on population.

9-1-1 Network
The District maintains a resilient and highly redundant network which interconnects its PSAPs. LECD works closely with service providers to monitor and assess equipment, as well as resolve issues when they occur. Proactive monitoring, detailed Service Level Agreements, and rapid response times ensure quick resolutions to issues within this critical infrastructure.

Call Handling Equipment
The District provides the equipment and software used to receive and answer 9-1-1 calls at each PSAP. Mapping software displays the location information associated with the call. Logging equipment at each PSAP records the audio for every 9-1-1 call handled. Specialized software collects information on all aspects of each call and stores it for daily analysis. The District also maintains an internal website which provides links to reference material, user tips, and a portal into the internal trouble ticket system. All call handling equipment is monitored remotely by the equipment vendors, as well as an internal monitoring system.

Telecommunicator Training
District Staff facilitates training opportunities for all PSAP personnel. New call takers are trained on various aspects of 9-1-1, the call handling equipment, mapping information, ADA requirements, and third-party resources, such as Poison Control and interpretation services. As new technology and software becomes available, the District Staff works to educate all call takers and provide training materials. Throughout the year, web-based training classes are offered, and the District provides funds for PSAP personnel to participate in other training opportunities.

Mapping
The District maintains a Geographic Information System *(GIS)* of the Lubbock area. Starting as a road centerline map, this data is used by PSAPs to locate 9-1-1 callers graphically on a map display. Other map data sources useful to public safety are aggregated into this dataset. The District is responsible for staying abreast of any changes and works with other entities to make sure the GIS data is as accurate as possible.

Databases
The District maintains several databases important to 9-1-1 service. In relation to addressing, the District maintains both an Automatic Location Identification *(ALI)* database and a Master Street Address Guide *(MSAG)*. The ALI database contains address information for every landline in the District, which aids the call taker in locating the caller. The MSAG is a set of rules for maintaining valid addresses in the District. In addition to addressing, the District uses Management Information Software *(MIS)* to track all aspects of 9-1-1 calls.

Rural Addressing
The Lubbock County Commissioner's Court appointed the District as the sole addressing authority for all unincorporated areas of Lubbock County. LECD works with other entities to maintain accurate addressing through new construction, the creation of subdivisions, and city annexations. The GIS/Addressing Coordinator uses specialized mapping software to verify locations and help assign addresses.

Street Signs
Through a partnership with Lubbock County, the District pays for the manufacture of street signs for the unincorporated areas of the County. Once ordered, the Lubbock County Sign Crew installs the signs in the proper location. These signs provide direction for emergency responders, as well as U.S. Postal and other delivery services. An online database provides LECD Staff and County personnel with a convenient method of working together in ordering and installing road signs throughout the County.

Server Provider Compliance
LECD is responsible for contracting with telephone service providers to ensure they are providing proper 9-1-1 service to their customers that reside within the District. Approximately 90 service providers remit service fees directly to the District. This includes Local Exchange Carriers *(LECs)* and Voice over the Internet Service Providers *(VSPs)*. LECD also works with service providers in implementing and testing the latest technology to facilitate locating 9-1-1 callers.

Public Education
The District is the primary supplier of educational material and public training programs on the use of 9-1-1. LECD organizes a group of call takers known as the Road Show Team which delivers presentations in schools and at civic events within the community.

Meetings

Each month, the District hosts a Board of Managers meeting to keep the Board abreast of project developments and the financial status of the District. LECD also hosts a monthly User Group meeting consisting of representatives from each of the District PSAPs. This provides an opportunity to address issues with 9-1-1 equipment and share information between agencies. Periodically, the District holds a Legislative Briefing designed to update elected officials on issues pertaining to 9-1-1. In addition to these gatherings, LECD provides the facility for various PSAP-hosted training opportunities.

Research and Planning

District Staff is continually researching newly available communication technology as it pertains to 9-1-1. This new technology includes the current development of a NG9-1-1 system benefitting not only the District, but also neighboring regions and the State of Texas. This future system will be able to deliver voice, text, images, and video to the call taker from any device.

Legislation Monitoring

District Staff monitors Federal, State, and local legislation for any issues which may impact the provision of 9-1-1 service within the District. The District participates in the Texas 9-1-1 Alliance, which is an interlocal cooperation of Emergency Communication Districts across Texas. This group works to present a unified effort on behalf of Texas 9-1-1 entities.

Significant Activities for FY 2023-2024

In addition to the routine duties of the District, LECD plans to continue working on the following significant activities within the next fiscal year.

Next Generation 9-1-1

Routing is one of the core features of the 9-1-1 system. This feature automatically directs calls to the proper PSAP. The District has fully migrated away from the legacy 9-1-1 system as part of the move towards Next Generation 9-1-1. Implementation of this new system is a large undertaking, spanning several years and multiple phases. The District will continue to implement technology as it becomes available. This includes routing emergency calls based on geospatial information, integrating supplemental data sources for 9-1-1 callers, and the delivery of images and video.

9-1-1 Equipment/Network Maintenance

The District continues to provide 24x7 maintenance on all LECD-provided equipment directly related to the handling of 9-1-1 calls. Three 9-1-1 System Technicians are employed to be able to quickly respond to service disruptions of the 9-1-1 equipment or network. A focus on up-to-date training and education for all technicians continues to be a priority. The District continues to optimize and monitor the IP network to ensure its optimum performance.

Equipment Replacement

This fiscal year, the District intends to replace all workstation monitors at the PSAPs, KVM extenders, data cabinets to house critical equipment, and netclocks.

Legislation

The District continues to monitor federal, state, and local legislation for issues which may impact the 9-1-1 industry. District participation in the Texas 9-1-1 Alliance is especially beneficial in this area. Leading into the next legislative session, the Alliance will continue to educate legislators on the need to adequately fund the move to Next Generation 9-1-1 in Texas. The District also continues to participate in 9-1-1 Goes to Austin. These events provide opportunities for 9-1-1 professionals to interact with and educate federal and state legislators.

Information

Agenda Item

Resolution - Business Development: Consider a resolution authorizing a Commercial Revitalization Grant Program (Facade) expenditure of Market Lubbock, Inc., to be provided to Caprock Laundry Center, pursuant to Article IV, Section 5, of the Amended and Restated Bylaws of Market Lubbock Development Corporation.

Item Summary

In May of 2023, the City Council authorized the continuation of the Lubbock East Neighborhood Empowerment Zone and the establishment of the 34th Street Empowerment Zone and the North University Empowerment Zone. This action was taken to encourage redevelopment and revitalization within the City of Lubbock, through the promotion of economic development within the Zones. Through the establishment of the three Zones, Market Lubbock, Inc. has geographic boundaries within which it can implement its Commercial Revitalization Grant Program.

Caprock Laundry Center is renovating their property at 2611 34th Street, located within the 34th Street Empowerment Zone, as designated by the City of Lubbock. The scope of the facade project includes exterior paint, brick repair, and new bollards. The cost of the project is estimated to be $50,000, and the requested grant amount is $25,000. The Market Lubbock, Inc. Board of Directors approved this amount at their July 26, 2023 Board Meeting, and recommend approval by the City Council.

Fiscal Impact

The total cost of the project is estimated to be $50,000, with $25,000 to be paid upon completion by Market Lubbock, Inc. with the requested grant.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Market Lubbock, Inc. Board of Directors

Attachments

Resolution
Market Lubbock Resolution
Market Lubbock Support Documentation

RESOLUTION

WHEREAS, pursuant to Article IV, Section 5 of the Amended and Restated Bylaws of the Market Lubbock Economic Development Corporation (the "Corporation"), the City Council of the City of Lubbock (the "City Council"), as the Corporation's authorizing unit, has the authority to approve all programs and expenditures of the Corporation; and

WHEREAS, the City Council finds that it is in the best interest of the public to approve the program or expenditure, as proposed to the City Council by the Corporation, as set forth in Exhibit "A" attached hereto and incorporated herein by reference; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Commercial Revitalization Façade Grant program or expenditure of the Corporation, in the amount set forth in Exhibit "A" attached hereto and incorporated herein by reference, to be provided to Caprock Laundry Center, is hereby approved pursuant to Section 5 of the Amended and Restated Bylaws of the Corporation.

Passed by the City Council on _____.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Brianna Brown, Business Development Director

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES. Market Lubbock CRG Facade Expenditure – caprock laundry
8.4.23

RE 23-40

RESOLUTION APPROVING
CAPROCK LAUNDRY CENTER AT 2611 34TH STREET
COMMERCIAL REVITALIZATION FACADE AND PERMITABLE GRANT

THE STATE OF TEXAS

COUNTY OF LUBBOCK

At a regular meeting of the Board of Directors of MARKET LUBBOCK ECONOMIC DEVELOPMENT CORPORATION, INC., a Texas nonprofit corporation (MLI), on Wednesday, July 26, 2023, held in conformity with the bylaws, after due notice as therein provided, a quorum being present and acting, the following resolution was unanimously adopted:

WHEREAS, MLI presented to members of the Board the proposal of a possible Economic Development Grant and Contract to Caprock Laundry, LLC, dba Caprock Laundry Center, is renovating its property at 2611 34th St., located within the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock. Caprock Laundry Center is a family-owned business based in Lubbock, Texas. They work to provide the best laundry experience possible and is a pleasant and easy experience. They are committed to providing a clean, friendly and well-maintained laundromat and proud to be part of the Lubbock community.

The scope of permittable work includes new glass windows and doors at $14,390 in permittable expenses and the façade work will include exterior paint, brick repair, and bollards totaling $50,000 in façade expenses and a grand total of $64,390 in expenses.

The MLI Board is being asked to consider a Commercial Revitalization Grant Program façade grant for Caprock Laundry, LLC totaling $25,000 and a permittable grant of $1,439 at 2611 34th St.

The terms and conditions of such Economic Development Grant and Contract, other than the normal terms and conditions applicable to all such Economic Development Grant and Contracts by the Corporation, are described generally as follows, to wit:

Grant a Downtown Facade Grant for Caprock Laundry, LLC , totaling $25,000 and a Permittable Grant totaling $1,439 at 2611 34th Street, which is in the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock, once proof of payment has been submitted.

WHEREAS, The Board of Directors of MLI finds that an Economic Development Grant and Contract offering the incentive for providing assistance for renovations to their property, meet and comply with the qualifications and purposes of the Corporation for the granting of such Economic Development Grants and Contracts.

Upon Motion by Director, Mr. Chris Carpenter, and Seconded by Director, Dr. John Opperman.

IT WAS RESOLVED that MLI offer and, if accepted by Recipient, enter into an Economic Grant and Contract with Caprock Laundry, LLC, for improvements to the property at 2611, 34th Street, Lubbock, Texas. This Economic Development Grant and Contract will be on the normal terms and conditions of such Commercial Revitalization Grant Program and Contract offered by MLI to existing businesses and business prospects and authorize the CEO to enter into and execute all documents related to the Economic Grant and Contract.

John Osborne, President & CEO

Linda Davis, Secretary

MARKET LUBBOCK, INC.

COMMERCIAL REVITALIZATION GRANT PROGRAM

2611 34th St.

(Caprock Laundry Center)

TOTAL SCOPE OF WORK = $64,390

TOTAL GRANTS = $26,439

TOTAL FAÇADE SCOPE OF WORK = $50,000

FAÇADE GRANT = $25,000

TOTAL PERMITTABLE SCOPE OF WORK = $14,390

PERMITTABLE GRANT = $1,439

MARKET LUBBOCK

Commercial Revitalization Grant Program
Presented to MLI Board
July 26, 2023

Project 2611 34th St. (Façade)

Caprock Laundry, LLC, dba Caprock Laundry Center, is renovating its property at 2611 34th St., located within the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock.

Caprock Laundry Center is a family-owned business based in Lubbock, Texas. They work to provide the best laundry experience possible and is a pleasant and easy experience. They are committed to providing a clean, friendly and well-maintained laundromat and proud to be part of the Lubbock community.

The scope of permittable work includes new glass windows and doors at $14,390 in permittable expenses and the façade work will include exterior paint, brick repair, and bollards totaling $50,000 in façade expenses and a grand total of $64,390 in expenses.

The MLI Board is being asked to consider a Commercial Revitalization Grant Program façade grant for Caprock Laundry, LLC totaling $25,000 and a permittable grant of $1,439 at 2611 34th St.

MARKET LUBBOCK

Commercial Revitalization Grant - Application

The information requested on this form will be used by Market Lubbock, Inc. for analysis of your project.

MLI CONTACT INFORMATION

Jorge Quirino - Special Projects
Market Lubbock, Inc.
1500 Broadway, Sixth Floor, Lubbock, TX 79401

Phone: 806.23.8241
Email: jorge@marketlubbock.org

Date Initial Application Submitted (Due prior to start of construction or permits assigned)	06/29/23
Projected Project Start Date	09/01/23
Project Property Address	2611 34th St, Lubbock, TX 79410
Property LCAD R#	121963

GENERAL INFORMATION ABOUT THE COMPANY

Company Name	Caprock Laundry LLC
Street Address	913 Texas Ave
City, State, Zip	Lubbock, TX 79401

GENERAL INFORMATION ABOUT THE COMPANY CONTACT

Name	Clayton Bevers
Title	Manager
Phone Number	806-777-1444
Email	clayton@beversholding.com

INFORMATION ABOUT THE PROJECT

Property Ownership: Own ☑ Lease ☐ Owner Approved ☐

Grant Type (May choose both if applicable): Permittable ☐ Façade ☑

Detailed Project Summary (including projected start date) and Description of Work:

Aluminum storefront with 1" clear Low-E insulted glass units. Single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. Includes 2 horizontals and 3 individual pieces of glass per window bay. Exterior painting, brick repair, and install u shaped bollards.

Summary of Expenses (detailed bids attached)	Projected	MLI Approved Reimbursement
Storefront glass windows and doors.	$14,390	$1,439
Permittable Total	*$14,390*	*$1,439*
Storefront glass windows and doors.	$23,290	$11,645
Exterior Paint	$11,425	$5,713
Brick repair	$1,500	$750
U Bollards	$13,785	$6,893
Façade Total	*$50,000*	*$25,000*
TOTAL	**$64,390**	**$26,439**

Final bids will be used to calculate the project cost and grant amount.

COMPANY BACKGROUND

List any person or entity that has at least 5% ownership in the Applicant Company:

Name	Percent	Name	Percent
Gerald & Kim Bevers	50%	WMAO LLC	25%
Bevers Holdings, LP	25%		

Is the firm registered with the Secretary of State's Office to do business in Texas? Yes

Are you in good standing with the State of Texas? Yes

If you answered "No" to either of the above two questions, please explain

Is the firm and/or principals delinquent on any federal, state or local tax obligations? No

Has the company or principals of the company had prior bankruptcies or lawsuits? No

If you answered "Yes" to either of the above two questions, please explain

Is the firm receiving tax revenue from any government agency? No

APPLICANT'S RESPONSIBILITIES (PROPERTY OWNER OR LEASEE)

City of Lubbock requirements:

City of Lubbock - Planning Department 806-775-2108

Contact the City of Lubbock to determine the following:

- [x] Scope of work meets East Side/34th St./N. University standards and guidelines?
- [ ] Are permits required for any aspect of the scope of work?
- [ ] Are public improvements required?
- [x] Is there a current Certificate of Occupancy on file for this property?

Market Lubbock, Inc. (MLI) requirements:

Manager of Downtown & Special Projects (Jorge Quirino) 806-749-4500

Application Packet:

- [ ] Initial application (page one of this document) must be received by MLI prior to the start of construction and/or before permits are assigned

All remaining documents must be received and an application packet presented to the MLI Board no more than three months after the initial application is received by MLI.

Date Final Documents Received:_____

- [ ] Copies of City permits or City approval
- [ ] Copy of Current Certificate of Occupancy
- [ ] Detailed Construction Bids or Schedule of Values
- [ ] Before Picture (prior to construction beginning)
- [ ] Architectural Plans (if applicable)
- [ ] Architectural Renderings (if applicable)

After completion of construction:

- [ ] Certificate of Occupancy or Similar City Document Approving Completion *(Applicant responsible for final scope of work matching approved scope)*

Proof of Payment:

- [ ] PAID Invoices (must reference the approved project)
- [ ] Processed Checks, Bank or Credit Card Statements matching PAID invoices (legible copies)

Overview

- An Applicant must be a valid Owner or Tenant (Lessee) of the property needing improvements
- Properties must fall within the East Side, 34th St., or N. Lubbock Neighborhood Empowerment Zones
- Single-Family residences and duplexes are excluded.
- An Applicant is eligible to receive a permittable grant and/or façade grant per property (LCAD R# or Development Lot), per enterprise, per year. Must wait one year from approval to apply again for the same property. (Expenses used in one application cannot be used in another application.)
- Applicant is not eligible for grant program funding if delinquent in property taxes according to LCAD records - includes all LCAD properties listed in the applicant's name
- MLI disbursements are characterized as "reimbursable grants" - Applicant pays expenses first
- Expenses eligible for reimbursement must relate to reasonable costs or expenses.
- Receipt of an application is not a guarantee of grant approval.

Grant Types

- **Permittable Projects**
  - Improvements require a City of Lubbock permit
  - Improvements may be made to the exterior and/or interior of the property
  - Improvements must total a minimum of $5,000
  - The permittable grant reimburses 10% of approved expenses up to a $50,000 grant
  - Permittable scope of work that may be considered:
    - HVAC
    - Plumbing
    - Electrical
    - Structural
    - Any other work requring a City of Lubbock permit

- **Façade Projects**
  - Improvements may or may not require a City of Lubbock permit
  - Improvements must be made to the exterior of the property facing the most prominent street
  - Improvements must total a minimum of $1,000
  - The façade grant reimburses 50% of approved expenses up to a $25,000 grant
  - Façade scope of work that may be considered:
    - Painting
    - New windows and doors
    - Signage
    - Landscaping
    - Parking lots
    - Awnings
    - Any other work that improves the appearnce of the façade

Signature (not required for electronic submittals): _____

Date: _____

ESTIMATE

REDEMPTION ROAD
CUSTOM HOMES AND RENOVATIONS LLC
(806) 589-8712
(806) 702-0374
"Building A Family Legacy One Home At A Time"

Prepared For

Caprock Laundry 34th
2611 34th St
Lubbock, TX 79410
(806) 777-1444

Redemption Road Custom Homes and Renovations, LLC

P.O. Box 751
Lorenzo, TX 79343
Phone: (806) 589-8712
Email: lance.rrch@gmail.com

Estimate # CAPROCK 34TH 2023 - 2
Date 06/28/2023

Description	Total
Glass Windows • 2" x 4 1/2" Dark Bronze anodized aluminum storefront with 1" clear Low-E insulated glass units. • 1- 380" x 101" including 3070 single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. • 1- 392" x 101" including 3070 single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. • Price includes 2 horizontals and 3 individual pieces of glass per window bay.	$37,680.00
Exterior Painting Power Wash Exterior Scrape Areas Where Peeling Paint Brick and Cinderblock Exterior Walls	$11,425.00
Brick Repair	$1,500.00
U Bollards Price Below is for all Material, Labor and Equipment needed to furnish, fabricate and install FIVE (6 foot wide x 6' 6" foot tall U Bollards out of 8 inch Schedule 40 pipe) with the U Bollard Painted with a Metal Paint Coating (Furnished by Owner). The U Bollard will be 30 inches above Grade. Price is good for the U Bollard being set in Concrete and or Asphalt. All U Bollards are 6 foot wide in Width lengths. Holes will be filled back with Concrete	$13,785.00

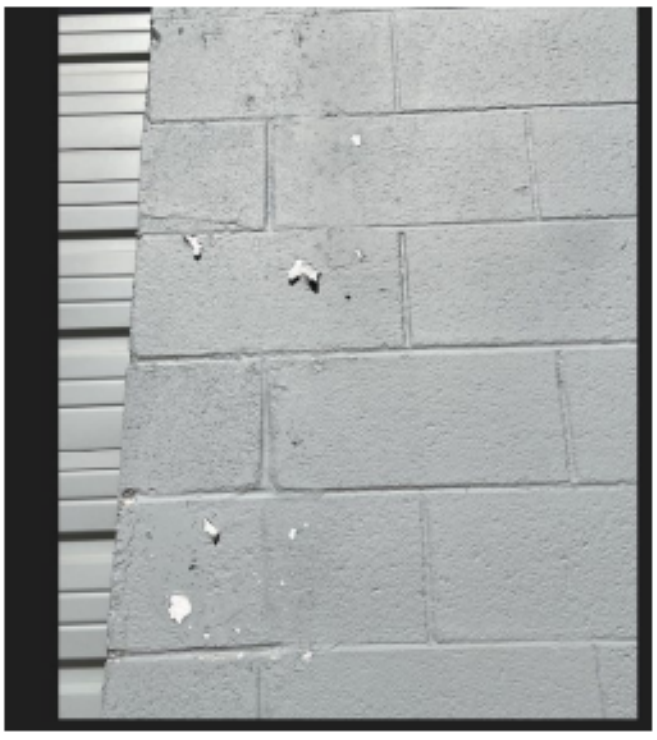
Subtotal	$64,390.00
Total	**$64,390.00**

We Accept Cash, Check, and All Major Credit Cards

If You Would Like To Pay With Debit / Credit Card Please Let Me Know.

In An Effort To Maintain Quality Service Without Imposing Price Increases We Will Charge A Convenience Fee of 3% On All Debit and Credit Card Transactions.

2611 34th St. – Before Pictures



AI# 11807
Regular City Council Meeting 6. 10.
08/22/2023:

Information

Agenda Item

Resolution - Business Development: Consider a resolution authorizing a Commercial Revitalization Grant Program (Permittable) expenditure of Market Lubbock, Inc., to be provided to Caprock Laundry Center, pursuant to Article IV, Section 5, of the Amended and Restated Bylaws of Market Lubbock Development Corporation.

Item Summary

In May 2023, the City Council authorized the continuation of the Lubbock East Neighborhood Empowerment Zone, and the establishment of the 34th Street Empowerment Zone and the North University Empowerment Zone. This action was taken to encourage redevelopment and revitalization within the City of Lubbock, through the promotion of economic development within the Zones. Through the establishment of the three Zones, Market Lubbock, Inc. has geographic boundaries within which it can implement its Commercial Revitalization Grant Program.

Caprock Laundry Center is renovating their property at 2611 34th Street, located within the 34th Street Empowerment Zone, as designated by the City of Lubbock. The scope of the permittable project includes new glass windows and doors. The cost of the project is estimated to be $14,390, and the requested grant amount is $1,439. The Market Lubbock, Inc. Board of Directors approved this amount at their July 26, 2023 Board Meeting, and recommend approval by the City Council.

Fiscal Impact

The total cost of the project is estimated to be $14,390, with $1,439 to be paid upon completion by Market Lubbock, Inc. with the requested grant.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Market Lubbock, Inc. Board of Directors

Attachments

Resolution
Market Lubbock Resolution
Market Lubbock Support Documentation

RESOLUTION

WHEREAS, pursuant to Article IV, Section 5 of the Amended and Restated Bylaws of the Market Lubbock Economic Development Corporation (the "Corporation"), the City Council of the City of Lubbock (the "City Council"), as the Corporation's authorizing unit, has the authority to approve all programs and expenditures of the Corporation; and

WHEREAS, the City Council finds that it is in the best interest of the public to approve the program or expenditure, as proposed to the City Council by the Corporation, as set forth in Exhibit "A" attached hereto and incorporated herein by reference; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Commercial Revitalization Permittable Grant program or expenditure of the Corporation, in the amount set forth in Exhibit "A" attached hereto and incorporated herein by reference, to be provided to Caprock Laundry Center, is hereby approved pursuant to Section 5 of the Amended and Restated Bylaws of the Corporation.

Passed by the City Council on _____.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Brianna Brown, Business Development Director

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES. Market Lubbock CR Permittable Grant – caprock laundry
8.4.23

RE 23-40

RESOLUTION APPROVING
CAPROCK LAUNDRY CENTER AT 2611 34TH STREET
COMMERCIAL REVITALIZATION FACADE AND PERMITABLE GRANT

THE STATE OF TEXAS

COUNTY OF LUBBOCK

At a regular meeting of the Board of Directors of MARKET LUBBOCK ECONOMIC DEVELOPMENT CORPORATION, INC., a Texas nonprofit corporation (MLI), on Wednesday, July 26, 2023, held in conformity with the bylaws, after due notice as therein provided, a quorum being present and acting, the following resolution was unanimously adopted:

WHEREAS, MLI presented to members of the Board the proposal of a possible Economic Development Grant and Contract to Caprock Laundry, LLC, dba Caprock Laundry Center, is renovating its property at 2611 34th St., located within the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock. Caprock Laundry Center is a family-owned business based in Lubbock, Texas. They work to provide the best laundry experience possible and is a pleasant and easy experience. They are committed to providing a clean, friendly and well-maintained laundromat and proud to be part of the Lubbock community.

The scope of permittable work includes new glass windows and doors at $14,390 in permittable expenses and the façade work will include exterior paint, brick repair, and bollards totaling $50,000 in façade expenses and a grand total of $64,390 in expenses.

The MLI Board is being asked to consider a Commercial Revitalization Grant Program façade grant for Caprock Laundry, LLC totaling $25,000 and a permittable grant of $1,439 at 2611 34th St.

The terms and conditions of such Economic Development Grant and Contract, other than the normal terms and conditions applicable to all such Economic Development Grant and Contracts by the Corporation, are described generally as follows, to wit:

Grant a Downtown Facade Grant for Caprock Laundry, LLC , totaling $25,000 and a Permittable Grant totaling $1,439 at 2611 34th Street, which is in the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock, once proof of payment has been submitted.

WHEREAS, The Board of Directors of MLI finds that an Economic Development Grant and Contract offering the incentive for providing assistance for renovations to their property, meet and comply with the qualifications and purposes of the Corporation for the granting of such Economic Development Grants and Contracts.

Upon Motion by Director, Mr. Chris Carpenter, and Seconded by Director, Dr. John Opperman.

IT WAS RESOLVED that MLI offer and, if accepted by Recipient, enter into an Economic Grant and Contract with Caprock Laundry, LLC, for improvements to the property at 2611, 34th Street, Lubbock, Texas. This Economic Development Grant and Contract will be on the normal terms and conditions of such Commercial Revitalization Grant Program and Contract offered by MLI to existing businesses and business prospects and authorize the CEO to enter into and execute all documents related to the Economic Grant and Contract.

John Osborne, President & CEO

Linda Davis, Secretary

MARKET LUBBOCK, INC.

COMMERCIAL REVITALIZATION GRANT PROGRAM

2611 34th St.

(Caprock Laundry Center)

TOTAL SCOPE OF WORK = $64,390

TOTAL GRANTS = $26,439

TOTAL FAÇADE SCOPE OF WORK = $50,000

FAÇADE GRANT = $25,000

TOTAL PERMITTABLE SCOPE OF WORK = $14,390

PERMITTABLE GRANT = $1,439

MARKET LUBBOCK

Commercial Revitalization Grant Program
Presented to MLI Board
July 26, 2023

Project 2611 34th St. (Façade)

Caprock Laundry, LLC, dba Caprock Laundry Center, is renovating its property at 2611 34th St., located within the Lubbock Neighborhood Empowerment Zone as designated by the City of Lubbock.

Caprock Laundry Center is a family-owned business based in Lubbock, Texas. They work to provide the best laundry experience possible and is a pleasant and easy experience. They are committed to providing a clean, friendly and well-maintained laundromat and proud to be part of the Lubbock community.

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The MLI Board is being asked to consider a Commercial Revitalization Grant Program façade grant for Caprock Laundry, LLC totaling $25,000 and a permittable grant of $1,439 at 2611 34th St.

MARKET LUBBOCK

Commercial Revitalization Grant - Application

The information requested on this form will be used by Market Lubbock, Inc. for analysis of your project.

MLI CONTACT INFORMATION

Jorge Quirino - Special Projects
Market Lubbock, Inc.
1500 Broadway, Sixth Floor, Lubbock, TX 79401

Phone: 806.23.8241
Email: jorge@marketlubbock.org

Date Initial Application Submitted (Due prior to start of construction or permits assigned)	06/29/23
Projected Project Start Date	09/01/23
Project Property Address	2611 34th St, Lubbock, TX 79410
Property LCAD R#	121963

GENERAL INFORMATION ABOUT THE COMPANY

Company Name	Caprock Laundry LLC
Street Address	913 Texas Ave
City, State, Zip	Lubbock, TX 79401

GENERAL INFORMATION ABOUT THE COMPANY CONTACT

Name	Clayton Bevers
Title	Manager
Phone Number	806-777-1444
Email	clayton@beversholding.com

INFORMATION ABOUT THE PROJECT

Property Ownership: Own ☑ Lease ☐ Owner Approved ☐

Grant Type (May choose both if applicable): Permittable ☐ Façade ☑

Detailed Project Summary (including projected start date) and Description of Work:

Aluminum storefront with 1" clear Low-E insulted glass units. Single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. Includes 2 horizontals and 3 individual pieces of glass per window bay. Exterior painting, brick repair, and install u shaped bollards.

Summary of Expenses (detailed bids attached)	Projected	MLI Approved Reimbursement
Storefront glass windows and doors.	$14,390	$1,439
Permittable Total	*$14,390*	*$1,439*
Storefront glass windows and doors.	$23,290	$11,645
Exterior Paint	$11,425	$5,713
Brick repair	$1,500	$750
U Bollards	$13,785	$6,893
Façade Total	*$50,000*	*$25,000*
TOTAL	**$64,390**	**$26,439**

Final bids will be used to calculate the project cost and grant amount.

COMPANY BACKGROUND

List any person or entity that has at least 5% ownership in the Applicant Company:

Name	Percent	Name	Percent
Gerald & Kim Bevers	50%	WMAO LLC	25%
Bevers Holdings, LP	25%		

Is the firm registered with the Secretary of State's Office to do business in Texas? Yes

Are you in good standing with the State of Texas? Yes

If you answered "No" to either of the above two questions, please explain

Is the firm and/or principals delinquent on any federal, state or local tax obligations? No

Has the company or principals of the company had prior bankruptcies or lawsuits? No

If you answered "Yes" to either of the above two questions, please explain

Is the firm receiving tax revenue from any government agency? No

APPLICANT'S RESPONSIBILITIES (PROPERTY OWNER OR LEASEE)

City of Lubbock requirements:

City of Lubbock - Planning Department 806-775-2108

Contact the City of Lubbock to determine the following:

- [x] Scope of work meets East Side/34th St./N. University standards and guidelines?
- [ ] Are permits required for any aspect of the scope of work?
- [ ] Are public improvements required?
- [x] Is there a current Certificate of Occupancy on file for this property?

Market Lubbock, Inc. (MLI) requirements:

Manager of Downtown & Special Projects (Jorge Quirino) 806-749-4500

Application Packet:

- [ ] Initial application (page one of this document) must be received by MLI prior to the start of construction and/or before permits are assigned

All remaining documents must be received and an application packet presented to the MLI Board no more than three months after the initial application is received by MLI.

Date Final Documents Received:_____

- [ ] Copies of City permits or City approval
- [ ] Copy of Current Certificate of Occupancy
- [ ] Detailed Construction Bids or Schedule of Values
- [ ] Before Picture (prior to construction beginning)
- [ ] Architectural Plans (if applicable)
- [ ] Architectural Renderings (if applicable)

After completion of construction:

- [ ] Certificate of Occupancy or Similar City Document Approving Completion *(Applicant responsible for final scope of work matching approved scope)*

Proof of Payment:

- [ ] PAID Invoices (must reference the approved project)
- [ ] Processed Checks, Bank or Credit Card Statements matching PAID invoices (legible copies)

Overview

- An Applicant must be a valid Owner or Tenant (Lessee) of the property needing improvements
- Properties must fall within the East Side, 34th St., or N. Lubbock Neighborhood Empowerment Zones
- Single-Family residences and duplexes are excluded.
- An Applicant is eligible to receive a permittable grant and/or façade grant per property (LCAD R# or Development Lot), per enterprise, per year. Must wait one year from approval to apply again for the same property. (Expenses used in one application cannot be used in another application.)
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- MLI disbursements are characterized as "reimbursable grants" - Applicant pays expenses first
- Expenses eligible for reimbursement must relate to reasonable costs or expenses.
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Grant Types

- **Permittable Projects**
  - Improvements require a City of Lubbock permit
  - Improvements may be made to the exterior and/or interior of the property
  - Improvements must total a minimum of $5,000
  - The permittable grant reimburses 10% of approved expenses up to a $50,000 grant
  - Permittable scope of work that may be considered:
    - HVAC
    - Plumbing
    - Electrical
    - Structural
    - Any other work requring a City of Lubbock permit

- **Façade Projects**
  - Improvements may or may not require a City of Lubbock permit
  - Improvements must be made to the exterior of the property facing the most prominent street
  - Improvements must total a minimum of $1,000
  - The façade grant reimburses 50% of approved expenses up to a $25,000 grant
  - Façade scope of work that may be considered:
    - Painting
    - New windows and doors
    - Signage
    - Landscaping
    - Parking lots
    - Awnings
    - Any other work that improves the appearnce of the façade

Signature (not required for electronic submittals): _____

Date: _____

ESTIMATE

REDEMPTION ROAD
CUSTOM HOMES AND RENOVATIONS LLC
(806) 589-8712
(806) 702-0374
"Building A Family Legacy One Home At A Time"

Prepared For

Caprock Laundry 34th
2611 34th St
Lubbock, TX 79410
(806) 777-1444

Redemption Road Custom Homes and Renovations, LLC

P.O. Box 751
Lorenzo, TX 79343
Phone: (806) 589-8712
Email: lance.rrch@gmail.com

Estimate # CAPROCK 34TH 2023 - 2
Date 06/28/2023

Description	Total
Glass Windows • 2" x 4 1/2" Dark Bronze anodized aluminum storefront with 1" clear Low-E insulated glass units. • 1- 380" x 101" including 3070 single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. • 1- 392" x 101" including 3070 single narrow style door with transom, offset pivot hinges, standard push/pull handles, MS lockset, threshold, sweeps and closer. • Price includes 2 horizontals and 3 individual pieces of glass per window bay.	$37,680.00
Exterior Painting Power Wash Exterior Scrape Areas Where Peeling Paint Brick and Cinderblock Exterior Walls	$11,425.00
Brick Repair	$1,500.00
U Bollards Price Below is for all Material, Labor and Equipment needed to furnish, fabricate and install FIVE (6 foot wide x 6' 6" foot tall U Bollards out of 8 inch Schedule 40 pipe) with the U Bollard Painted with a Metal Paint Coating (Furnished by Owner). The U Bollard will be 30 inches above Grade. Price is good for the U Bollard being set in Concrete and or Asphalt. All U Bollards are 6 foot wide in Width lengths. Holes will be filled back with Concrete	$13,785.00

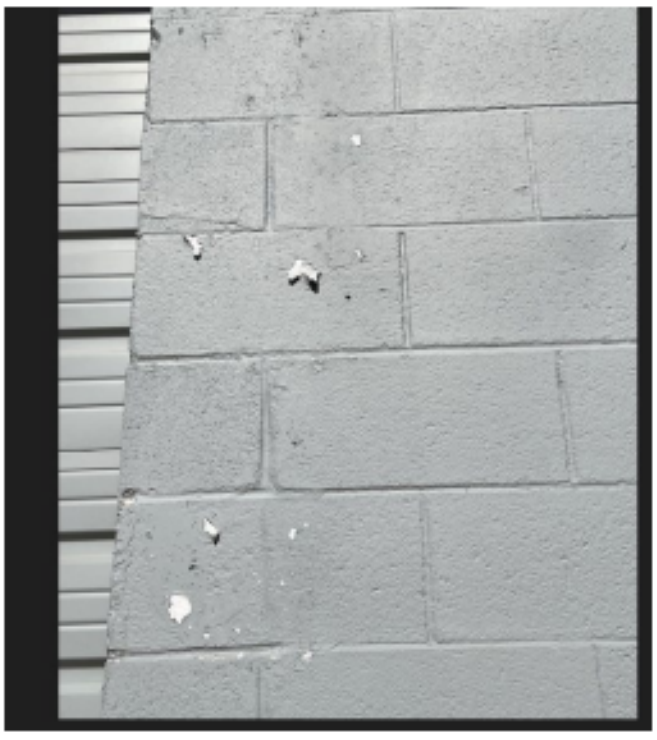
Subtotal	$64,390.00
Total	**$64,390.00**

We Accept Cash, Check, and All Major Credit Cards

If You Would Like To Pay With Debit / Credit Card Please Let Me Know.

In An Effort To Maintain Quality Service Without Imposing Price Increases We Will Charge A Convenience Fee of 3% On All Debit and Credit Card Transactions.

2611 34th St. – Before Pictures



Information

Agenda Item

Resolution - Business Development: Consider an amendment to Resolution 2023-R0116, delegating authority to the City Manager to execute all documents to effectuate the purchase of real property on behalf of the North Point Public Improvement District (PID).

Item Summary

On March 27, 2023, the City Council approved Contract 17169 for the purchase of real property, on behalf of the North Point Public Improvement District (PID). The property owner was required to plat the properties prior to the closing of the sale. The final plat has now been filed, and the property is eligible for closing. This amendment delegates authority to the City Manager to execute all documents to effectuate the closing of the property.

Fiscal Impact

None.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Resolution

RESOLUTION

WHEREAS, the City Council of the City of Lubbock ("City Council") approved Contract No. 17169 for the purchase of certain real property on behalf of the North Point Public Improvement District ("NPPID") through Resolution No. 2023-R0116; and

WHEREAS, now city staff requests an amendment to Resolution No. 2023-R0116 in order that City Council delegate signing authority to the City Manager to complete the sale of this property on behalf of the NPPID.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the City Council finds it to be in the best interest of the citizens of the City of Lubbock, in order to expedite the purchase and closing of the property from NWP EB-5 Project LLC, to delegate authority to execute any and all documents to effectuate the sale herein to the City Manager of the City of Lubbock.

THAT Resolution No. 2023-R0116 is hereby amended.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES. Amended Resolution Contract for the Sale of Real Property NPPID 8.17.23

AI# 11835
Regular City Council Meeting
08/22/2023:

6. 12.

Information

Agenda Item

Resolution - Right-of-Way: Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, one Street Dedication Deed, in connection with certain real property located in the Southeast 1/4 of Section 6, Block A, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project.

Item Summary

Frontier Land & Cattle Co. LLC, is dedicating an 18,034 square-foot tract of land for street right-of-way purposes to be utilized for unpaved road improvements project located at the north half of Erskine Street from Mulberry Avenue to Idalou Road. The total consideration of $5,000, as valued in appraisal reports, is subject to final approval by the City Council and approval of title.

Fiscal Impact

The total cost of the land acquisition is $5,000 plus closing costs, and is funded in Capital Improvements Project 92712, Transportation Improvements/Unpaved.

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Michael G. Keenum, P.E., Division Director of Engineering/City Engineer

Attachments

Resolution - SDD Sec. 6, Blk. A
Signed Deed & Exhibit - Frontier Land & Cattle
92712 Budget Detail
92712 CIP Detail

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to accept for and on behalf of the City of Lubbock one (1) Street Dedication Deed in connection with certain real property located in the Southeast ¼ of Section 6, Block A, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project, and all related documents. Said Deeds are attached hereto and incorporated in this Resolution as if fully set forth herein and shall be included in the minutes of the Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Michael Keenum, P.E., Division Director of Engineering/City Engineer

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

RES. Street and ROW Deeds- Section 6, Block A
07.28.23

STREET DEDICATION DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LUBBOCK §

THAT **FRONTIER LAND & CATTLE CO. LLC**, herein called "GRANTOR", for and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS and other good and valuable consideration, to **him/her** in hand paid by the **CITY OF LUBBOCK, TEXAS**, a Home Rule Municipal Corporation, does hereby dedicate to the public for public use forever and for street right-of-way purposes, the following described tract of land situated in Lubbock County, Texas, as more particularly described in the attached Exhibit "A".

TO HAVE AND TO HOLD this above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said public forever so long as said premises are used for public street purposes.

WITNESS MY HAND this 18th day of July, 2023

FRONTIER LAND & CATTLE CO. LLC

By: Greg Collier

Print: Greg Collier

Title: president

THE STATE OF TEXAS §
COUNTY OF ~~LUBBOCK~~ Tarrant §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity herein stated as the act and deed of said **FRONTIER LAND & CATTLE CO. LLC.**

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of July, 2023

Dale M Allison

Notary Public in and for the State of Texas
My Commission Expires: _____

DALE M. ALLISON
Notary Public, State of Texas
Comm. Expires 10-09-2025
Notary ID 10924761

Parkhill

EXHIBIT
tabbies
"A"

A 0.414-ACRE TRACT OF LAND IN THE SOUTHEAST 1/4 OF SECTION 6, BLOCK A, TYLER TAP RR CO. SURVEY, ABSTRACT NO. 1216 LUBBOCK COUNTY, TEXAS

A 0.414-acre tract of land in the Southeast 1/4 of Section 6, Block A, Tyler Tap RR. Co. Survey, Abstract No. 1216, Lubbock County, Texas, being a portion of that certain 158.828-acre tract described in County Clerk File Number 2021034659 of the Official Public Records of Lubbock County, Texas; said 0.414-acre tract being more particularly described as follows and as surveyed on-the-ground under the supervision of Parkhill on July 27, 2022:

BEGINNING at a 1/2-inch iron rod set in Erskine Avenue in the south line of said Section 6, for a corner of said 158.828-acre tract, the southwest corner of that certain 0.067-acre tract surveyed this same day by Parkhill, being a portion of that certain 160-acre tract described in Volume 42, Page 437 of the Deed Records of Lubbock County, Texas, and the southeast corner hereof, and from which a 1.5-inch iron pipe found at the southeast corner of said Section 6 bears *South 88 degrees 29 minutes 28 seconds East* a distance of 260.12 feet, said beginning point having coordinates of NORTHING: 7283255.84 and EASTING: 968616.34, Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983;

(1) THENCE *North 88 degrees 29 minutes 28 seconds West* a distance of 899.00 feet along the south line of said Section 6 and the south line of said 158.828-acre tract to a bent 1/2 inch iron rod found in said Erskine Avenue at a corner of said 158.828-acre tract, the southeast corner of that certain tract described in County Clerk File Number 2016009920 of said Official Public Records, and the southeast corner of that certain 0.072-acre tract surveyed this same day by Parkhill, being a portion of said tract described in County Clerk File Number 2016009920, for the southwest corner hereof, and from which a "MAG" nail found at the southwest corner of said Section 6 bears *North 88 degrees 29 minutes 28 seconds West* a distance of 4115.63 feet;

(2) THENCE *North 01 degrees 30 minutes 32 seconds East* a distance of 20.15 feet crossing said 158.828-acre tract along the east line of said tract described in County Clerk File Number 2016009920 and the east line of said 0.072-acre tract to a 1/2-inch iron rod found at the northeast corner of said 0.072-acre tract, for the northwest corner hereof;

(3) THENCE *South 88 degrees 28 minutes 56 seconds East* a distance of 898.90 feet crossing said 158.828-acre tract to a 4-inch pipe brace post filled with concrete found in the east line of said 158.828-acre tract, at the southwest corner of that certain tract described in Volume 8856, Page 112 of said Official Public Records and the northwest corner of said 0.067-acre tract, for the northeast corner hereof;

(4) THENCE *South 01 degrees 13 minutes 10 seconds West* a distance of 20.01 feet along the west line of said 0.067-acre tract and the east line of said 158.828-acre tract to the POINT OF BEGINNING containing 0.414-acres of land, more or less, and as shown on certified plat herewith.

Note: Bearings and coordinates shown hereon are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983. Distances reported hereon are at surface. Areas reported hereon are based on calculations made from surface distances. A "1/2-inch iron rod set" is a 1/2-inch rebar with a plastic cap marked "PSC RPLS 6453". This survey is subject to any facts which may be disclosed by a full and accurate title search. Record documents other than those shown may affect this tract.

Surveyed by

Franklin Leamons

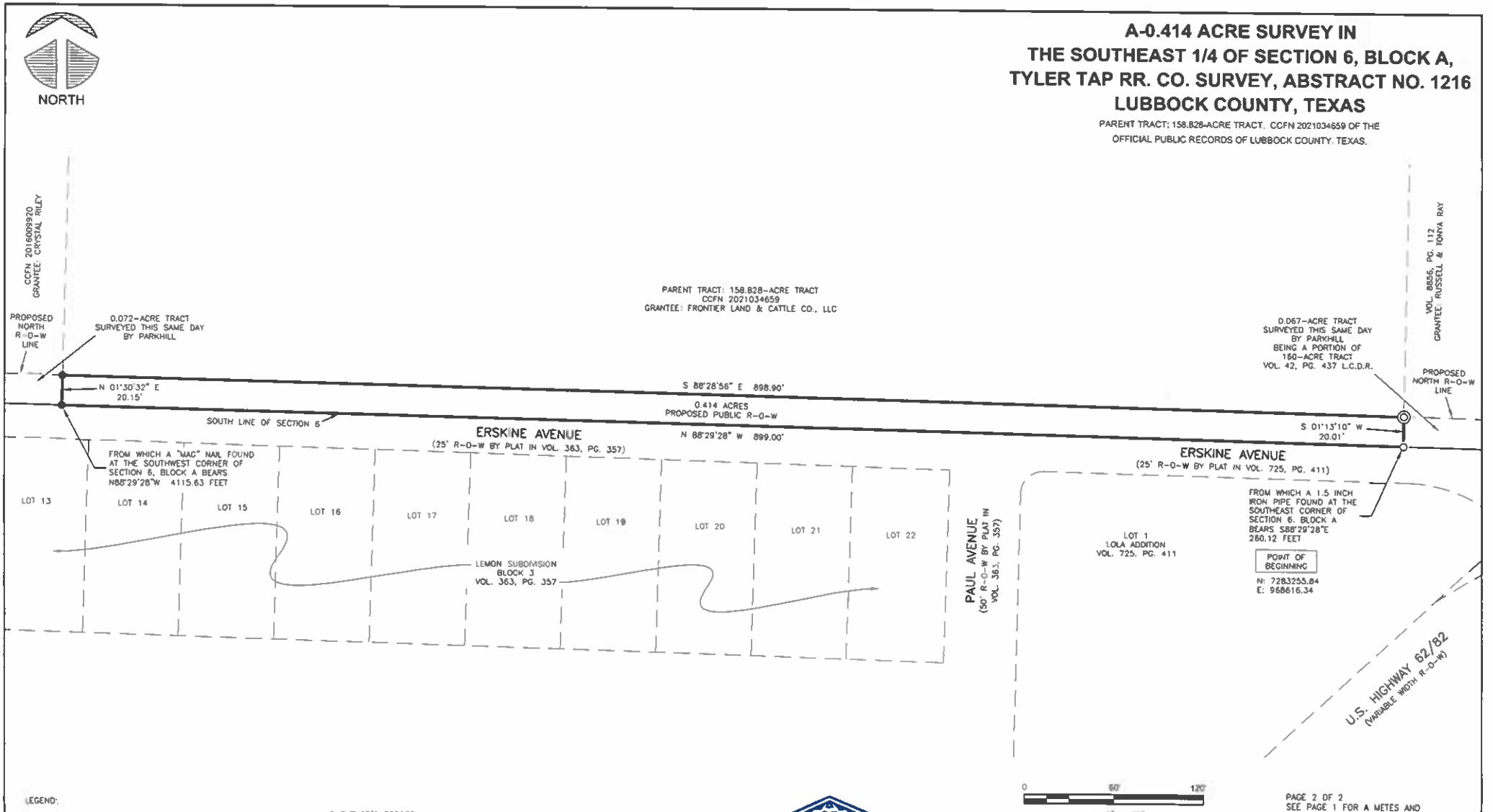
Franklin Leamons
Registered Professional Land Surveyor #6889
Date: August 5, 2022

STATE OF TEXAS
REGISTERED
FRANKLIN A. LEAMONS
6889
PROFESSIONAL
LAND SURVEYOR

EXHIBIT "A"

A-0.414 ACRE SURVEY IN THE SOUTHEAST 1/4 OF SECTION 6, BLOCK A, TYLER TAP RR. CO. SURVEY, ABSTRACT NO. 1216 LUBBOCK COUNTY, TEXAS

PARENT TRACT: 158.828-ACRE TRACT, CCFN 2021034659 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, TEXAS.



SCALE: 1" = 60'

LEGEND:

- ○ = SET 1/2" IRON ROD WITH CAP "PSC RPLS 6453"
- ● = FOUND 1/2" IRON ROD
- ◎ = FOUND 4" PIPE BRACE POST FILLED WITH CONCRETE
- ——— = TRACT LIMITS BOUNDARY LINE
- — — — = TRACT ADJOINER LINES
- ——— = SECTION LINE

SURVEYOR'S REPORT:

1. BEARINGS AND COORDINATES SHOWN HEREON ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202, NAD83.
2. DISTANCES REPORTED HEREON ARE AT SURFACE.
3. AREAS REPORTED HEREON ARE BASED ON CALCULATIONS MADE AT SURFACE DISTANCES.
4. THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT/COMMITMENT. THERE MAY BE EASEMENTS, RESTRICTIONS, AND/OR COVENANTS AFFECTING THIS PROPERTY, NOT SHOWN HEREON.
5. THIS PLAT IS INVALID UNLESS IT BEARS THE SURVEYOR'S ORIGINAL SEAL AND SIGNATURE.
6. A METES AND BOUNDS DESCRIPTION ACCOMPANIES THIS PLAT.

STATE OF TEXAS REGISTERED FRANKLIN A. LEAMONS 6889 PROFESSIONAL LAND SURVEYOR

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE PLAT AS SHOWN HEREON WAS PREPARED FROM AN ON-THE-GROUND SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND COMPLETED ON JULY 27, 2022; NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MY EXIST WITHIN THE BOUNDS OF THIS SURVEY.

Franklin Leamons

FRANKLIN LEAMONS
R.P.L.S. 6889

AUGUST 5, 2022
DATE

PAGE 2 OF 2
SEE PAGE 1 FOR A METES AND BOUNDS DESCRIPTION

Parkhill
Parkhill.com
TBPELS FIRM REGISTRATION NO. 10194091

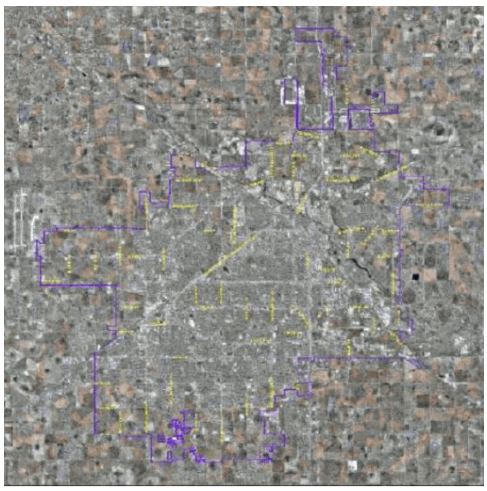
Project Name **Transportation Improvements/Unpaved Roads** *Project Number* **92712**

Managing Department **Unpaved Streets**

Project Manager **Josh Kristinek**

Project Classification **Upgrade/Major Maintenance**

Project Status **Approved**



Project Scope

This project will fund the paving and improvement of existing local residential and collector gravel roads in existing subdivisions where the roads were never improved by the developer. This project will fund the design and construction of various inadequate transportation elements within these areas of the City including unimproved roadway surfaces, unsafe roadway widths, drainage improvements, street lighting, and ADA compliance.

Project Justification

Areas of the City of Lubbock have existing local residential roadways that are gravel and not improved with a paved surface. These roadways were part of developments where the roads were never improved by the developer. These roadways do not meet the City's Standard Specifications and this project will help improve mobility and safety in these residential areas.

Project History

$9,000,000 was appropriated in FY 2020-21, Budget Amendment No. 35, Ord. No. 2020-O0077, July 13, 2021.

			Unappropriated Planning Years					
Appropriation Detail	Appropriation to Date	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Project Amount
Construction	9,000,000	0	0	0	0	0	0	9,000,000
Total Project Appropriation	9,000,000	0	0	0	0	0	0	9,000,000

			Unappropriated Planning Years					
Funding Detail	Funding to Date	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Funding
FY 2021 Tax Supported Revenue CO's	9,000,000	0	0	0	0	0	0	9,000,000
Total Funding Sources	9,000,000	0	0	0	0	0	0	9,000,000

		Unappropriated Planning Years					
Operating Budget Impact	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Impact
No Impact Anticipated	0	0	0	0	0	0	0
Total Operating Budget Impact	0	0	0	0	0	0	0

City of Lubbock
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92712
Capital Project Name:	Transportation Improvements/Unpaved Roads

	Budget
Encumbered/Expended	
Staff Time	$121,745
Professional Services Advertisement	631
System Capital Improvements Construction	39,053
Construction Contract 16211, West Texas Paving, Inc.,	1,346,097
PSA 16363 with Freese and Nichols	250,000
PSA 16440 with Kimley-Horn and Associates, Inc.	175,000
Surveying Services by Hugo Reed and Associates, Inc.	13,974
Construction Contract 17342, Lone Star Dirt & Paving	2,118,230
Amendment 1 to Contract 16363 with FNI	30,306
Lone Star Dirt & Paving, Contract 17342	3,925,215
Agenda Item August 22, 2023	
Street Dedication Deed Erskine Street	5,000
Encumbered/Expended To Date	8,025,251
Estimated Cost for Remaining Appropriation	
Unimproved Roadway Construction and Design	1,033,911
Remaining Appropriation	1,033,911
Total Appropriation	$9,059,162

AI# 11836
Regular City Council Meeting
08/22/2023:

6. 13.

Information

Agenda Item

Resolution - Right-of-Way: Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, one Street Dedication Deed, one Drainage Easement, and one Right-of-Way Deed, in connection with certain real property located in Section 7, Block JS, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project.

Item Summary

Gregory and Sherry Blanchard are dedicating irght-of-way and a drainage easement to the City of Lubbock, to be utilized for roadway improvements on the Erskine Street Capital Improvements Project, at the northeast corner of Erskine Street and Milwaukee Avenue.

The proponents will dedicate a 9,057 square feet drainage easement and 5,273 square feet of land for street right-of-way purpose, for the total consideration of $39,206, as valued in appraisal reports, subject to final approval by the City Council and approval of title.

In addition, at no cost to the City of Lubbock, certain segments of Milwaukee Avenue and Erskine Street right-of-way easements will be converted to Dedicated Street Right-of-Way.

Fiscal Impact

The total cost of the land acquisition is $39,206 plus closing costs, and is funded in Capital Improvements Project 92713, Erskine Street.

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Michael G. Keenum, P.E., Division Director of Engineering/City Engineer

Attachments

Resolution - Erskine St. Parcel 3 R-O-W, SDD and DRE
Right of Way Deed (Blanchard)
Drainage Easement (Blanchard)
Street Dedication Deed (Blanchard)
MAP Erskine St. Parcel 3 R-O-W and DRE
MAP Erskine St. Parcel 3 Street Dedication Deed
CIP 92713 Budget Detail 8.22.23
CIP 92713 Budget Sheet

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to accept for and on behalf of the City of Lubbock one (1) Street Dedication Deed, one (1) Drainage Easement, and one (1) Right of Way Deed in connection with certain real property located in Section 7, Block JS, Lubbock County, Texas, to be utilized for the Erskine Street Roadway Project, and all related documents. Said Deeds are attached hereto and incorporated in this Resolution as if fully set forth herein and shall be included in the minutes of the Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Michael Keenum, P.E., Division Director of Engineering/City Engineer

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

RES. Street and ROW Deeds-Section 7, Block JS
07.28.23

RIGHT OF WAY DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LUBBOCK §

THAT **GREGORY A. BLANCHARD, A SINGLE PERSON, THE HEIRS AND DEVISEES OF MARK BLANCHARD, DECEASED AND SHERRY BLANCHARD, A WIDOW**, herein called "GRANTOR", for and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS and other good and valuable consideration, to **him/her** in hand paid by the **CITY OF LUBBOCK, TEXAS**, a Home Rule Municipal Corporation, Grantor does hereby grant, sell, and convey to Grantee for public use forever and for street right-of-way purposes, the following described tract of land situated in Lubbock County, Texas, as more particularly described in the attached Exhibit "A".

TO HAVE AND TO HOLD this above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said public forever so long as said premises are used for public street purposes.

WITNESS MY HAND this 13 day of May, 2023

Gregory Blanchard

THE STATE OF TEXAS §

COUNTY OF LUBBOCK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared Gregory Blanchard, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of May, 2023.

Notary Public in and for the State of Texas
My Commission Expires: 10-6-2024

JILL NORRIS
Notary Public, State of Texas
Comm. Expires 10-06-2024
Notary ID 12903221-4

WITNESS MY HAND this 13 day of May, 2023

Sherry Blanchard

Sherry Blanchard

THE STATE OF TEXAS §

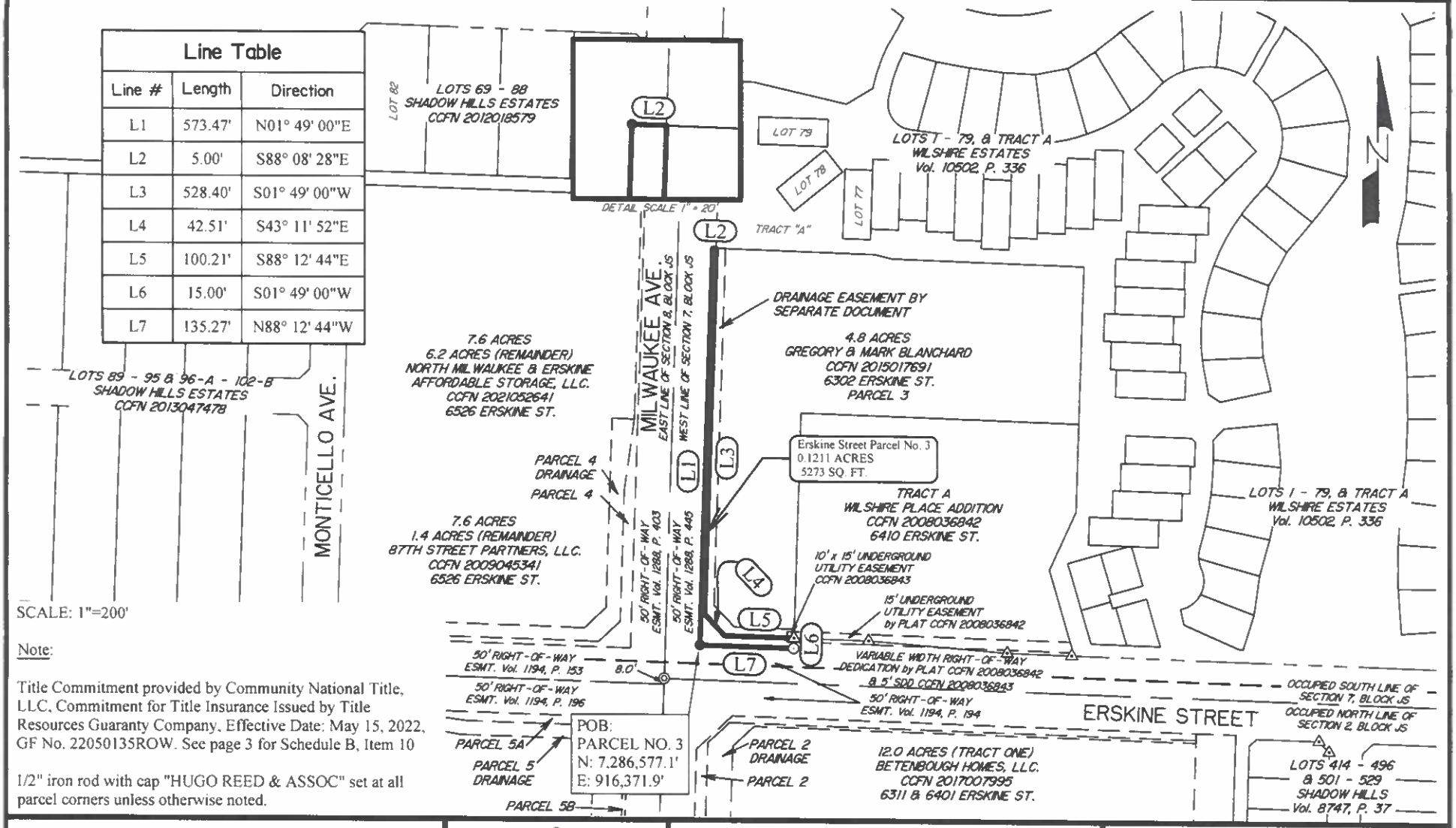
COUNTY OF LUBBOCK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared Sherry Blanchard, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of May, 2023.

Notary Public in and for the State of Texas
My Commission Expires: 10-6-2024

JILL NORRIS
Notary Public, State of Texas
Comm. Expires 10-06-2024
Notary ID 12903221-4



SCALE: 1"=200'

Note:

Title Commitment provided by Community National Title, LLC, Commitment for Title Insurance Issued by Title Resources Guaranty Company, Effective Date: May 15, 2022, GF No. 22050135ROW. See page 3 for Schedule B, Item 10

1/2" iron rod with cap "HUGO REED & ASSOC" set at all parcel corners unless otherwise noted.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3
PERIMETER SURVEY OF A
0.1211 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas

STATE OF TEXAS
REGISTERED
CYRIL HOWARD TURNER
6460
PROFESSIONAL
LAND SURVEYOR

Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.

LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760

1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

Bearings are relative to the Texas Coordinate System of 1983, North Central Zone, NAD 83 (2011), Epoch 2010.0
Distances and coordinates are surface, U.S. Survey feet.
Combined Scale Factor: 1.00023

Copyright 2023, Hugo Reed and Associates, Inc.

LEGEND:

- SURVEYED PROPERTY
- ADJACENT PROPERTY
- RIGHT-OF-WAY
- EASEMENT
- ◎ - FD. "MAG" NAIL W/SHINER (HRA)
- ● - FD. 1/2" IRON ROD w/CAP (AMD)
- △ - FD. 1/2" IRON ROD w/ORANGE CAP
- ○ - FD. MAG NAIL W/SHINER (AMD)

P.O.B.- POINT OF BEGINNING
CCFN- COUNTY CLERK FILE NUMBER
ESMT. - EASEMENT
SDD - STREET DEDICATION DEED

DESCRIPTION FOR PARCEL 3

METES AND BOUNDS DESCRIPTION of a 0.1211 acre (5273 sq. ft.) parcel located in Section 7, Block JS, Lubbock County, Texas, being a portion of that certain 4.78 acre tract (Blanchard tract) described under County Clerks File Number (CCFN) 2015017691, Official Public Records of Lubbock County, Texas (OPRLCT), said 0.1211 acres being further described as follows:

BEGINNING at a 1/2" iron rod with cap "AMD" found (N=7,286,577.1', E=916,371.9') at the intersection of the North Right-of-Way line of Erskine Street (50' easement) as described in Volume 1194, Page 194, Deed Records of Lubbock County, Texas (DRLCT) and the East Right-of-Way line of Milwaukee Avenue (50' easement) as described in Volume 1288, Page 445, DRLCT, for the Southwest corner of this parcel which bears S. 88°12'44" E. a distance of 50.00 feet and N. 01°49'00" E. a distance of 50.00 feet from a "MAG" nail and shiner stamped "HUGO REED & ASSOC" found at the occupied Southwest corner of Section 7, Block JS;

THENCE N. 01°49'00" E. with said East Right-of-Way line, parallel to and 50.00 feet East of the West line of Section 7, Block JS, a distance of 573.47 feet to a 1/2" iron rod with cap "AMD" found for the Northwest corner of this parcel;

THENCE S. 88°08'28" E. a distance of 5.00 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set at the most Westerly Southwest corner of Tract A, Wilshire Estates, according to the map, plat and/or dedication deed thereof recorded in Volume 10502, Page 336, OPRLCT, for the most Northerly Northeast corner of this parcel;

THENCE S. 01°49'00" W. parallel to and 55.00 feet East of the West line of said Section 7, Block JS, a distance of 528.40 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for an angle point of this parcel;

THENCE S. 43°11'52" E. a distance of 42.51 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for an angle point of this parcel;

THENCE S. 88°12'44" E. a distance of 100.21 feet to a 1/2" iron rod with orange cap found in the East line of said Blanchard tract, at the Southwest corner of Tract A, Wilshire Place Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in CCFN 2008036842, OPRLCT, for the most Easterly Northeast corner of this parcel;

THENCE S. 01°49'00" W. with the East line of said Blanchard tract a distance of 15.00 feet to a "MAG" nail and shiner stamped "AMD" found in the North Right-of-Way line of said Erskine Street for the Southeast corner of this parcel;

THENCE N. 88°12'44" W. with said North Right-of-Way line, parallel to and 50.00 feet North of the occupied South line of Section 7, Block JS, a distance of 135.27 feet to the Point of Beginning.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3
PERIMETER SURVEY OF A
0.1211 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas

Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

Bearings are relative to the Texas Coordinate System of 1983, North Central Zone, NAD 83 (2011), Epoch 2010.0
Distances and coordinates are surface, U.S. Survey feet.
Combined Scale Factor: 1.00023

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SCHEDULE B

a. Rights of parties in possession. - May affect, not a survey related matter.

b. Rights of tenants, as tenants only, under unrecorded leases or rental agreements. - May affect, not a survey related matter.

c. Rights of public, the State of Texas and the municipality in and to that portion of subject property, if any, lying within the boundaries of any roadway, public or private. - May affect, not a survey related matter.

d. Any visible and apparent easements on or across the property herein described, which are not shown of record. - May affect - none observed at time of survey.

e. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed. - May affect, not a survey related matter.

f. Easement as shown in instrument from P. T. Findley and Monnie R. Findley to Southwestern Public Service Company, dated January 8, 1947 and filed in Volume 427, Page 202, Deed Records of Lubbock County, Texas. - Does not affect.

g. Right of Way easement as shown in instrument from P. T. Findley to City of Lubbock, Texas, dated June 27, 1967 and filed in Volume 1194, Page 194, Deed Records of Lubbock County, Texas. - Easement adjacent to surveyed parcel.

h. Right of Way easement as shown in instrument from P. T. Findley and Monnie R. Findley to Lubbock County, dated December 2, 1971 and filed in Volume 1288, Page 445, Deed Records of Lubbock County, Texas. - Easement adjacent to surveyed parcel.

i. Terms and provisions of Easement Agreement by and between Wilshire Place, LLC and Public dated September 10, 2008, filed September 23, 2008, recorded in Clerk's File No. 2008036843, Official Public Records, Lubbock County, Texas. - Does affect - shown on Page 1.

j. Utility easement as shown in instrument from Wilshire Place, LLC, dated September 10, 2008, filed in Clerk's File No. 2008036843, Official Public Records, Lubbock County, Texas. - Does affect - shown on Page 1.

k. Mineral reservation as shown in instrument from Harold L. Hardesty and Shirle Hardesty and Betty Hardesty to Wilshire Development, LLC, dated February 27, 2004 and recorded in Volume 8996, Page 60, (aka CF# 2004010178) and Volume 8996, Page 63 (aka CF# 2004010179) Official Public Records of Lubbock County, Texas. Said mineral interest has not been researched since the date of said instrument. - May affect, not a survey related matter.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3
PERIMETER SURVEY OF A
0.1211 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas

Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

Bearings are relative to the Texas Coordinate System of 1983, North Central Zone, NAD 83 (2011), Epoch 2010.0
Distances and coordinates are surface, U.S. Survey feet.
Combined Scale Factor: 1.00023

Copyright 2023, Hugo Reed and Associates, Inc.

DRAINAGE EASEMENT

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LUBBOCK §

THAT **GREGORY A. BLANCHARD, A SINGLE PERSON, THE HEIRS AND DEVISEES OF MARK BLANCHARD, DECEASED AND SHERRY BLANCHARD, A WIDOW** herein called "GRANTOR", for and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS to GRANTOR in hand paid by the **CITY OF LUBBOCK,** a Home Rule Municipal Corporation of Lubbock County, Texas, the receipt and sufficiency of which is hereby acknowledged and confessed, and for the further good and valuable consideration in benefits accruing and to accrue to the remainder of GRANTOR'S property, has by these presents GRANTED, BARGAINED, SOLD and CONVEYED and by these presents does GRANT, BARGAIN, SELL and CONVEY unto the CITY OF LUBBOCK, its legal representatives, successors and assigns, for the use of the public as a perpetual and permanent drainage easement, the free and uninterrrupted use, liberty of passage in, on, along, over, upon, under, and across all that property lying and being situated in Lubbock County, Texas, and being more particularly described in the attached Exhibit "A."

SO LONG AS the public continues to use said property for the purposes herein stated, said easement includes, but is not limited to, the free and uninterruped use, liberty and privilege of passage in, along, over, across, under, upon and against the hereinafter described land for the purpose of constructing, reconstructing, maintaining, repairing, cleaning and clearing said premises for the free and unobstructed drainage of surface waters; together with the right of ingress, egress and regress for such purposes in, on, along, through and across all the property above described.

It is hereby covenanted and agreed that the CITY OF LUBBOCK retains and reserves the right to set and determine the drainage grade and direction of flow of surface waters on the real estate above described and buildings or like permanent structures shall not be erected, built, constructed or allowed to be erected, built or constructed in, upon, over, along or across the real estate above described, and if such erection, building or construction does occur in violation of this prohibition, the CITY OF LUBBOCK shall have the right to remove said building or structure from the aforesaid real estate.

TO HAVE AND TO HOLD the above described premises, together with all and singular, the rights and appurtenances thereto in anywise belonging perpetually unto the CITY OF LUBBOCK, its successors and assigns, for so long as the CITY OF LUBBOCK uses the same for the purposes herein granted.

WITNESS THE EXECUTION OF THIS INSTRUMENT this 13 day of May, 2023.

Gregory A. Blanchard

THE STATE OF TEXAS §

COUNTY OF LUBBOCK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared **Gregory A. Blanchard,** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of May 2023.

Notary Public in and for the State of Texas
My Commission Expires: 10-06-2024

JILL NORRIS
Notary Public, State of Texas
Comm. Expires 10-06-2024
Notary ID 12903221-4

WITNESS THE EXECUTION OF THIS INSTRUMENT this 13 day of May, 2023.

Sherry Blanchard

Sherry Blanchard

THE STATE OF TEXAS §

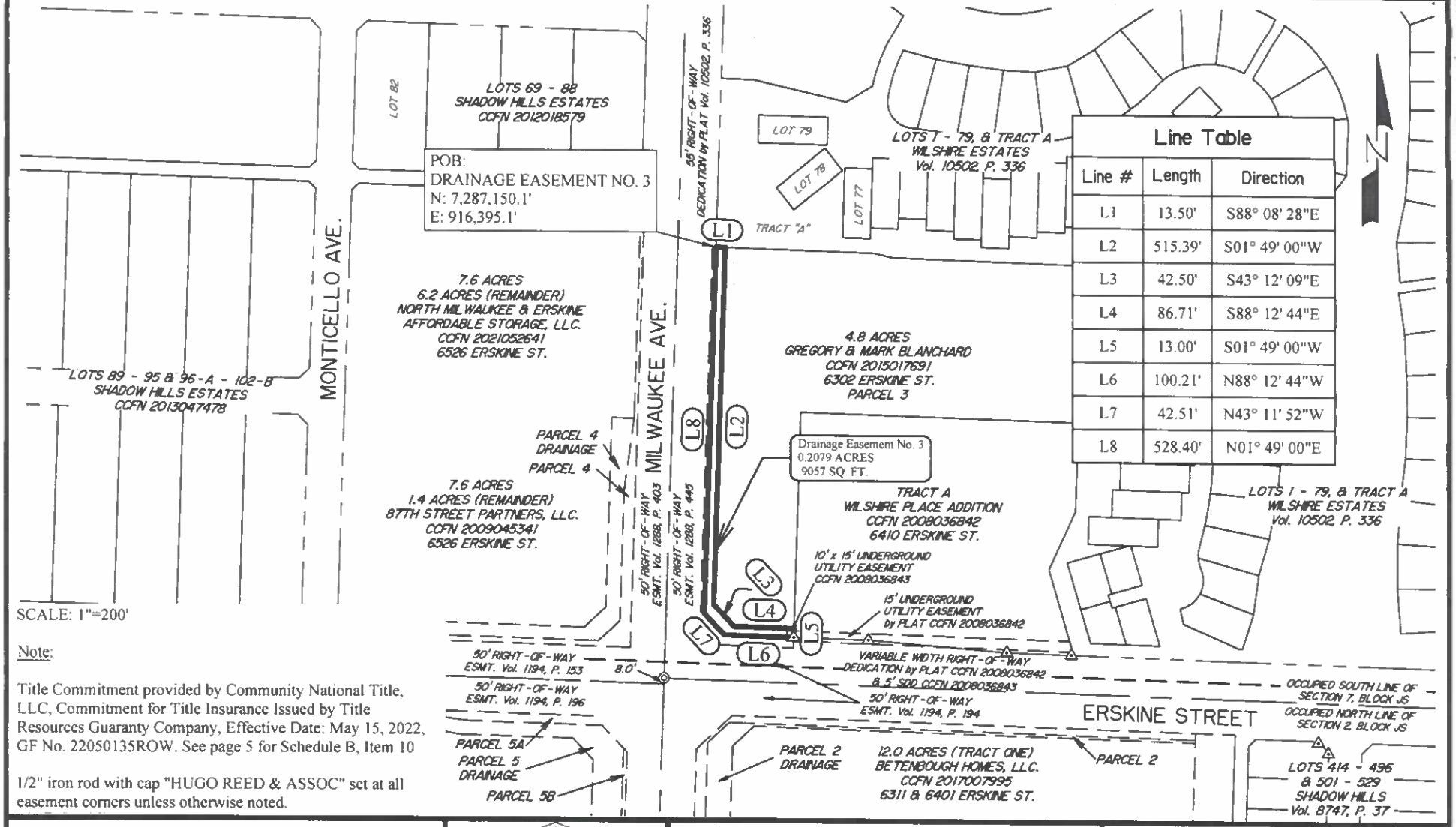
COUNTY OF LUBBOCK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared **Sherry Blanchard,** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of May 2023.

Notary Public in and for the State of Texas
My Commission Expires: 10-06-2024

JILL NORRIS
Notary Public, State of Texas
Comm. Expires 10-06-2024
Notary ID 12903221-4



Line Table		
Line #	Length	Direction
L1	13.50'	S88° 08' 28"E
L2	515.39'	S01° 49' 00"W
L3	42.50'	S43° 12' 09"E
L4	86.71'	S88° 12' 44"E
L5	13.00'	S01° 49' 00"W
L6	100.21'	N88° 12' 44"W
L7	42.51'	N43° 11' 52"W
L8	528.40'	N01° 49' 00"E

SCALE: 1"=200'

Note:

Title Commitment provided by Community National Title, LLC, Commitment for Title Insurance Issued by Title Resources Guaranty Company, Effective Date: May 15, 2022, GF No. 22050135ROW. See page 5 for Schedule B, Item 10

1/2" iron rod with cap "HUGO REED & ASSOC" set at all easement corners unless otherwise noted.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3 Drainage Easement
PERIMETER SURVEY OF A
0.2079 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas

STATE OF TEXAS
REGISTERED
CYRIL HOWARD TURNER
6460
PROFESSIONAL
LAND SURVEYOR

Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

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LEGEND:

- SURVEYED PROPERTY
- ADJACENT PROPERTY
- RIGHT-OF-WAY
- EASEMENT
- FD. "MAG" NAIL W/SHINER (HRA)
- FD. 1/2" IRON ROD w/CAP (AMD)
- FD. 1/2" IRON ROD w/ORANGE CAP
- FD. MAG NAIL W/SHINER (AMD)

P.O.B.- POINT OF BEGINNING
CCFN- COUNTY CLERK FILE NUMBER
ESMT. - EASEMENT
SDD - STREET DEDICATION DEED

DESCRIPTION FOR PARCEL 3 DRAINAGE EASEMENT

METES AND BOUNDS DESCRIPTION of a 0.2079 acre (9057 sq. ft.) parcel located in Section 7, Block JS, Lubbock County, Texas, being a portion of that certain 4.78 acre tract (Blanchard tract) described under County Clerks File Number (CCFN) 2015017691, Official Public Records of Lubbock County, Texas (OPRLCT), said 0.2079 acres being further described as follows:

BEGINNING at a 1/2" iron rod with cap "HUGO REED & ASSOC" set (N=7,287,150.1', E=916,395.1') in the East Right-of-Way line of Milwaukee Avenue (55' Right-of-Way) by plat recorded in Volume 10502, Page 336, OPRLCT, at the most Westerly Southwest corner of Tract A, Wilshire Estates, according to the map, plat and/or dedication deed thereof recorded in Volume 10502, Page 336, OPRLCT, for the Northwest corner of this parcel which bears S. 88°08'28" E. a distance of 55.00 feet and N. 01°49'00" E. a distance of 623.53 feet from a "MAG" nail and shiner stamped "HUGO REED & ASSOC" found at the occupied Southwest corner of Section 7, Block JS;

THENCE S. 88°08'28" E., along the South line of said Tract A, a distance of 13.50 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for the most Northerly Northeast corner of this parcel;

THENCE S. 01°49'00" W. parallel to and 68.50 feet East of the West line of said Section 7, Block JS, a distance of 515.39 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for an angle point of this parcel;

THENCE S. 43°12'09" E. a distance of 42.50 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for an angle point of this parcel;

THENCE S. 88°12'44" E. a distance of 86.71 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set in the East line of said Blanchard tract and the West line of Tract A, Wilshire Place Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in CCFN 2008036842, OPRLCT, for the most Easterly Northeast corner of this parcel;

THENCE S. 01°49'00" W. with the East line of said Blanchard tract and the West line of said Tract A, a distance of 13.00 feet to a 1/2" iron rod with orange cap found at the Southwest corner of said Tract A, Wilshire Place, for the Southeast corner of this parcel;

THENCE N. 88°12'44" W. with said North Right-of-Way line, parallel to and 50.00 feet North of the occupied South line of Section 7, Block JS, a distance of 100.21 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for the most Southerly Southwest corner of this parcel;

THENCE N. 43°11'52" W. a distance of 42.51 feet to a 1/2" iron rod with cap "HUGO REED & ASSOC" set for the most Westerly Southwest corner of this parcel;

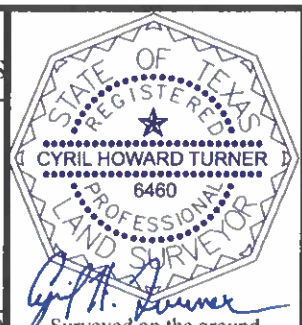
THENCE N. 01°49'00" E. parallel and 55.00 feet East of the West line of said Section 7, Block JS, a distance of 528.40 feet to the Point of Beginning.

Revised February 22, 2023 to correct distance in second THENCE call.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3 Drainage Easement
PERIMETER SURVEY OF A
0.2079 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas



Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
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SCHEDULE B

a. Rights of parties in possession. - May affect, not a survey related matter.

b. Rights of tenants, as tenants only, under unrecorded leases or rental agreements. - May affect, not a survey related matter.

c. Rights of public, the State of Texas and the municipality in and to that portion of subject property, if any, lying within the boundaries of any roadway, public or private. - May affect, not a survey related matter.

d. Any visible and apparent easements on or across the property herein described, which are not shown of record. - May affect - none observed at time of survey.

e. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed. - May affect, not a survey related matter.

f. Easement as shown in instrument from P. T. Findley and Monnie R. Findley to Southwestern Public Service Company, dated January 8, 1947 and filed in Volume 427, Page 202, Deed Records of Lubbock County, Texas. - Does not affect.

g. Right of Way easement as shown in instrument from P. T. Findley to City of Lubbock, Texas, dated June 27, 1967 and filed in Volume 1194, Page 194, Deed Records of Lubbock County, Texas. - Easement adjacent to surveyed parcel.

h. Right of Way easement as shown in instrument from P. T. Findley and Monnie R. Findley to Lubbock County, dated December 2, 1971 and filed in Volume 1288, Page 445, Deed Records of Lubbock County, Texas. - Easement adjacent to surveyed parcel.

i. Terms and provisions of Easement Agreement by and between Wilshire Place, LLC and Public dated September 10, 2008, filed September 23, 2008, recorded in Clerk's File No. 2008036843, Official Public Records, Lubbock County, Texas. - Does affect - shown on Page 1.

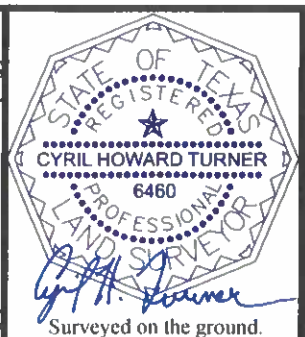
j. Utility easement as shown in instrument from Wilshire Place, LLC, dated September 10, 2008, filed in Clerk's File No. 2008036843, Official Public Records, Lubbock County, Texas. - Does affect - shown on Page 1.

k. Mineral reservation as shown in instrument from Harold L. Hardesty and Shirle Hardesty and Betty Hardesty to Wilshire Development, LLC, dated February 27, 2004 and recorded in Volume 8996, Page 60, (aka CF# 2004010178) and Volume 8996, Page 63 (aka CF# 2004010179) Official Public Records of Lubbock County, Texas. Said mineral interest has not been researched since the date of said instrument. - May affect, not a survey related matter.

ERSKINE STREET RECONSTRUCTION
FRANKFORD AVENUE TO WEST CITY LIMITS

Parcel 3 Drainage Easement
PERIMETER SURVEY OF A
0.2079 ACRE PARCEL LOCATED IN
SECTION 7, BLOCK JS
LUBBOCK COUNTY, TEXAS

Cyril H. Turner, Registered Professional Land Surveyor No.6460
State of Texas



Surveyed on the ground.
12/22/2022

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
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STREET DEDICATION DEED

THE STATE OF ~~TEXAS~~ §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF ~~LUBBOCK~~ §

THAT Gregory A. Blanchard and Sherry R. Blanchard, together herein called "**GRANTOR**", for and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS and other good and valuable consideration, to **him/her** in hand paid by the **CITY OF LUBBOCK, TEXAS**, a Home Rule Municipal Corporation, does hereby dedicate to the public for public use forever and for street right-of-way purposes, the following described tract of land situated in Lubbock County, Texas, as more particularly described in Volume 1194, Page 194, Deed Records of Lubbock County, Texas as attached Exhibit "A" and in Volume 1288, Page 455, Deed Records of Lubbock County, Texas as attached Exhibit "B".

TO HAVE AND TO HOLD this above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said public forever so long as said premises are used for public street purposes.

WITNESS MY HAND this 21 day of June, 2023.

Signature Page to Follow
(Intentionally Left Blank)

GRANTOR:
Gregory A. Blanchard

Gregory A. Blanchard

THE STATE OF ~~TEXAS~~ Louisiana §

COUNTY OF Acadian §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared Gregory A. Blanchard, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21 day of June, 2023.

Notary Public in and for the State of ~~Texas~~ Louisiana
My Commission Expires: Lifetime

PAMELA K ALONSO
LA Notary ID # 85498
Commission Is For Life

GRANTOR:
Sherry R. Blanchard

Sherry R Blanchard
Sherry R. Blanchard

THE STATE OF ~~TEXAS~~ Louisiana §

COUNTY OF Iberia §

BEFORE ME, the undersigned authority, a Notary Public in and for said County, Texas, on this day personally appeared Sherry R Blanchard, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21 day of June, 2023.

PAMELA K ALONSO
LA Notary ID # 85498
Commission Is For Life

Notary Public in and for the State of ~~Texas~~ Louisiana
My Commission Expires: At Death

EXHIBIT "A"

VOL 1194 PAGE 194

SINGLE ACKNOWLEDGEMENT

THE STATE OF TEXAS }
County of Lubbock }

Before me, Joyce Robertson, a notary public in and for said County and State, on this day personally appeared Mrs. Lloyd Croslin known to me (or proved to me on the oath of _____ a credible witness) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that She executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office, this the 25th day of February 19 69

NOTARY PUBLIC LUBBOCK COUNTY, TEXAS

Joyce Robertson

Notary Public in and for Lubbock County, Texas

REGISTERED
RECORDED
INDEXED
COMPARED

3241 2-25-69

Precinct No. 1
County Road 65
Highway No.
Sec. 2 Blk. JS Job.
Between Frankford West and 4 Miles FM 179

RIGHT-OF-WAY EASEMENT

BY MRS. LLOYD CROSLIN

TO LUBBOCK COUNTY, TEXAS

FILED
FEB 28 12 58 PM
Filed for Record
day of
at M.
This day of A. D. 19
Recorded
This day of A. D. 19 in
County, Texas, Records of Deeds, Book Page
County Clerk, Lubbock County, Texas
By Deputy
Clerk

Parcel # 2

RIGHT-OF-WAY EASEMENT

STATE OF TEXAS }
County of Lubbock }

KNOW ALL MEN BY THESE PRESENTS:

THAT P. T. Findley

of Lubbock County, in consideration of the sum of One Dollar and no/100 ($1.00) ---------- and other good and valuable consideration in hand paid by the County of Lubbock, Texas, receipt of which is hereby acknowledged, do by these presents grant, bargain, sell and convey unto the County of Lubbock, Texas, the free and uninterrupted use, liberty and privilege of the passage in, along, upon and across the following land(s) in Lubbock County, Texas, owned by P. T. Findley and being particularly described as follows, to-wit:

A strip of land 50 feet wide off the entire north side of the northwest quarter of Section 2, Block JS, E. L. & R. R. Railroad Company Survey, Lubbock County, Texas.

And a strip of land 50 feet wide off the entire south side of a 79.5 acre tract out of the southwest quarter of Section 7, Block JS, E. L. & R. R. Railroad Company Survey, Lubbock County, Texas.

Said strips of land include the land in the present county road.

For the purpose of opening, constructing and maintaining a permanent road in, along, upon and across said premises, with the right and privilege at all times of the grantee herein, his or its agents, employees, workmen and representatives having ingress, egress, and regress in, along, upon and across said premises for the pupose of making additions to, improvements on and repairs to the said road, or any part thereof.

It is specifically understood that the County of Lubbock, Texas and its assigns shall be vested with the title to and the right to take and use, without additional compensation, any stone, earth, gravel, caliche or any other materials or minerals upon, in and under said land, except oil, gas and sulphur, for the construction and maintenance of the County Road System of Lubbock County, Texas.

And it is further agreed that Lubbock County in consideration of the benefits above set out, will remove from the property above described such fences, buildings and other obstructions as may be found upon said premises.

TO HAVE AND TO HOLD unto the said County of Lubbock as aforesaid for the purposes aforesaid the premises above described.

Witness my hand, this the 27th day of June, A. D. 1967

P. T. Findley

SINGLE ACKNOWLEDGEMENT

THE STATE OF TEXAS
County of Lubbock

Before me, J. C. Hughes, a notary public in and for said County and State, on this day personally appeared P. T. FINDLEY, known to me (or proved to me on the oath of PUBLIC, a credible witness) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office, this the 27 day of JUNE 1967

(L. S.)

J. C. HUGHES
Notary Public, Lubbock Co., Texas
Notary Public in and for Lubbock County, Texas

3242

Precinct No. 1 6-27-67

County Road 65

Highway No.

Sec. 2 Blk JS Job

Between Frankford West and 4 Miles FM 179

RIGHT-OF-WAY EASEMENT

BY P. T. FINDLEY

TO LUBBOCK COUNTY, TEXAS

Filed for Record
This 6 day of Feb A. D. 19 67 at 12 o'clock M.
Recorded
This day of A. D. 19 in
County, Texas, Records of Deeds, Book Page
Clerk.
Deputy.

VOL 1194 PAGE 185

EXHIBIT "B"

H. C. Girod

REGISTERED
RECORDED
INDEXED
MAPPED

23785 2.5 Hwy

FILED FOR RECORD

Dec 8 9 25 AM '71

RIGHT-OF-WAY EASEMENT

STATE OF TEXAS }
County of Lubbock }

Frank Gruen
KNOW ALL MEN BY THESE PRESENTS:

THAT P. T. Findley & wife Mannie R. Findley

of Lubbock County, in consideration of the sum of

One dollar and no/100 ($1.00) and other good and valuable consideration in hand paid by the County of Lubbock, Texas, receipt of which is hereby acknowledged, do by these presents grant, bargain, sell and convey unto the County of Lubbock, Texas, the free and uninterrupted use, liberty and privilege of the passage in, along, upon and across the following land(s) in Lubbock County, Texas, owned by P. T. Findley & wife Mennie R. Findley and being particularly described as follows, to-wit:

A tract of land out of the S. W. part of Sec. 7, Blk. JS, Lubbock County, Texas, and being more particularly described as follows:

Beginning at a point 50 ft. north of the S. W. corner of said Sec. 7, Blk. JS--said point being in the west line of said Sec. 7;

Thence N. 0° 02' E. along the west line of Sec. 7 a distance of 2970 ft. to the N. W. corner of the P. T. Findley tract;

Thence East 50 ft.;

Thence S. 0° 02' W. a distance of 1230 ft. to a point 50 ft. north of an irrigation well;

Thence West 10 ft.;

Thence S. 0° 02' W. for 100 ft.;

Thence east 10 ft.;

Thence S. 0° 02' W. 1640 ft. to the north line of County Road 65; thence west 50 ft. to place of beginning; Containing 3.317 acres, including present County Road.

For the purpose of opening, constructing and maintaining a permanent road in, along, upon and across said premises, with the right and privilege at all times of the grantee herein, his or its agents, employees, workmen and representatives having ingress, egress, and regress in, along, upon and across said premises for the pupose of making additions to, improvements on and repairs to the said road, or any part thereof.

It is specifically understood that the County of Lubbock, Texas and its assigns shall be vested with the title to and the right to take and use, without additional compensation, any stone, earth, gravel, caliche or any other materials or minerals upon, in and under said land, except oil, gas and sulphur, for the construction and maintenance of the County Road System of Lubbock County, Texas.

And it is further agreed that Lubbock County in consideration of the benefits above set out, will remove from the property above described such fences, buildings and other obstructions as may be found upon said premises.

TO HAVE AND TO HOLD unto the said County of Lubbock as aforesaid for the purposes aforesaid the premises above described.

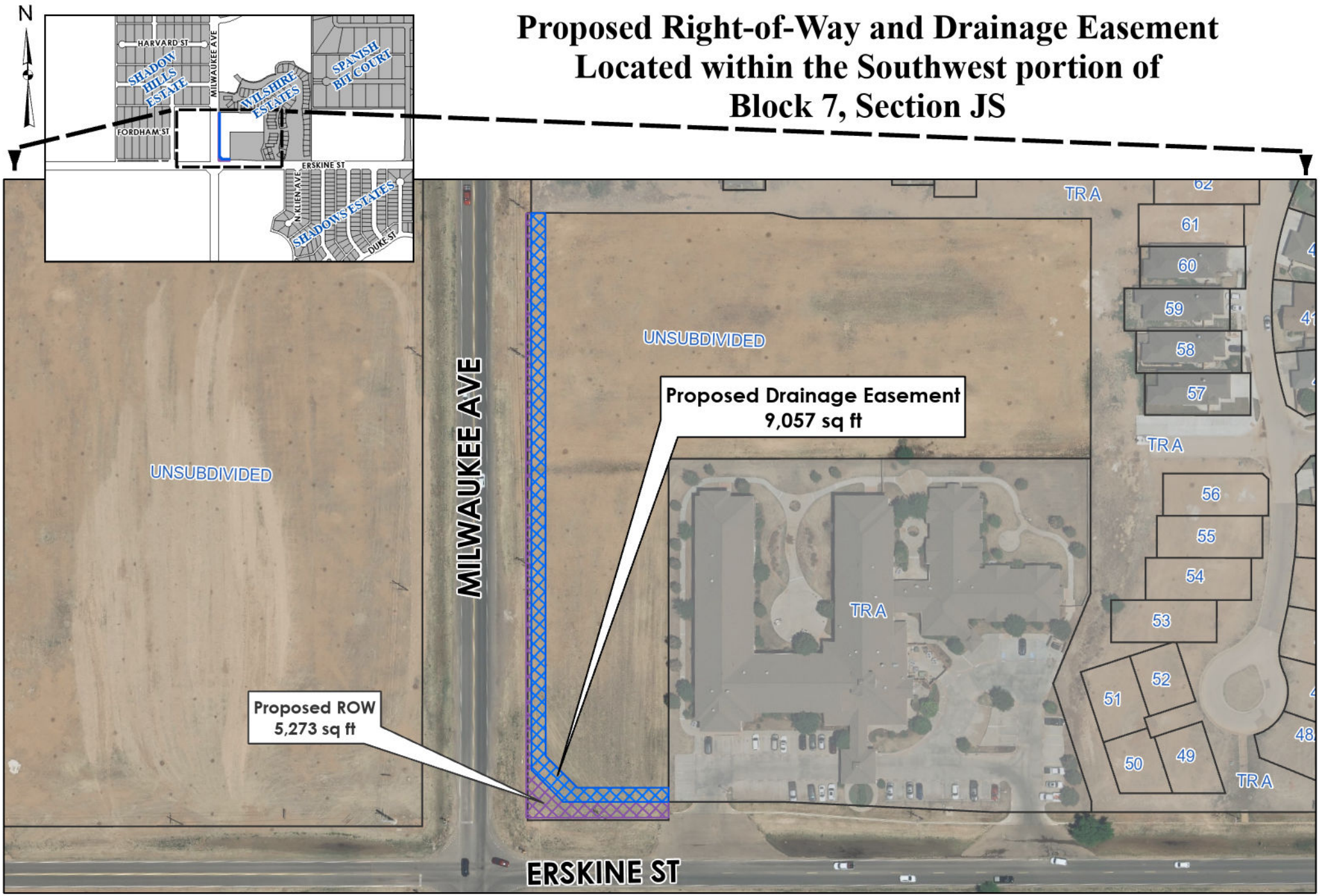
Witness OUR hand, this the 2ND day of Dec., A. D. 19 71

X P. T. Findley

Mannie R. Findley

vol. 1288 page 445

Proposed Right-of-Way and Drainage Easement Located within the Southwest portion of Block 7, Section JS



Feet

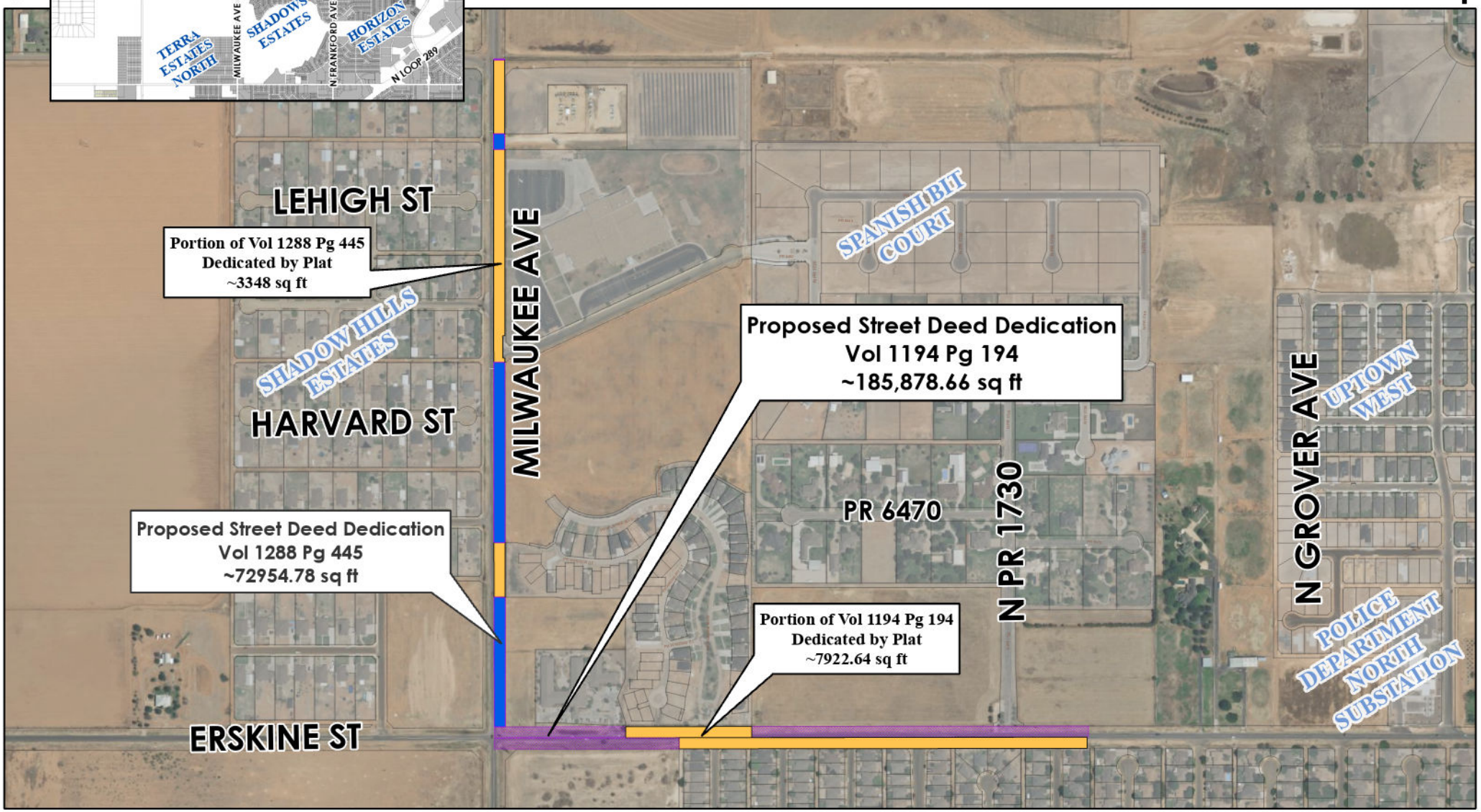
0 100 200 300 400 500

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

City of Lubbock TEXAS

Digital Orthophotography - May 2022

Proposed Street Deed Dedication
Located within the Southwest portion of
Block 7, Section JS



0 500 1,000 2,000 Feet

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Vol 1288 Pg 445
Vol 1194 Pg 194
Plat Dedicated

City of Lubbock TEXAS

Digital Orthophotography - May 2022

City of Lubbock
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92713
Capital Project Name:	Erskine Street

	Budget
Encumbered/Expended	
Staff time	$78,577
Electrical Pole Relocation	23,444
Contract 16180 with HDR Engineering, Inc.	1,544,635
Contract 16917 for Erskine Street Reconstruction	8,708,558
Agenda Item August 22, 2023	
ROW Acquisition Parcel 3	39,206
Encumbered/Expended To Date	10,394,420
Estimated cost for Remaining Appropriation	
Erskine Street Land Acquisition and Construction	905,580
Remaining Appropriation	-
Total Appropriation	$11,300,000

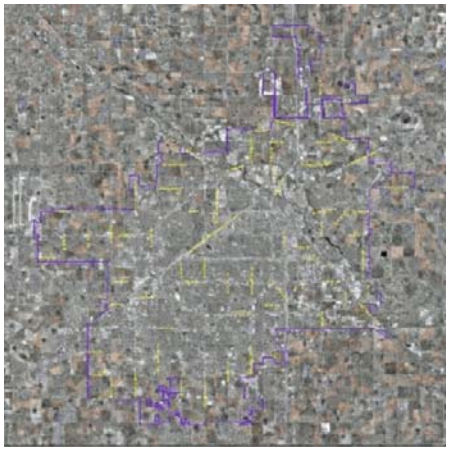
Project Name **Erskine Street** *Project Number* **92713**

Managing Department **Public Works Engineering**

Project Manager **Josh Kristinek**

Project Classification **New Roadways**

Project Status **Approved**



Project Scope

This project will fund the paving and improvement of existing local residential and collector gravel roads in existing subdivisions where the roads were never improved by the developer. This project will fund the design and construction of various inadequate transportation elements within these areas of the City including unimproved roadway surfaces, unsafe roadway widths, drainage improvements, street lighting, and ADA compliance.

Project Justification

Areas of the City of Lubbock have existing local residential roadways that are gravel and not improved with a paved surface. These roadways were part of developments where the roads were never improved by the developer. These roadways do not meet the City's Standard Specifications and this project will help improve mobility and safety in these residential areas.

Project History

$11,300,000 was appropriated in FY 2020-21, Budget Amendment No. 35, Ord. No. 2020-O0077, July 13, 2021.

		Unappropriated Planning Years						
Appropriation Detail	Appropriation to Date	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total Project Amount
Construction	11,300,000	0	0	0	0	0	0	11,300,000
Total Project Appropriation	11,300,000	0	0	0	0	0	0	11,300,000

		Unappropriated Planning Years						
Funding Detail	Funding to Date	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total Funding
FY 2021 Tax Supported Revenue CO's	11,300,000	0	0	0	0	0	0	11,300,000
Total Funding Sources	11,300,000	0	0	0	0	0	0	11,300,000

	Unappropriated Planning Years						
Operating Budget Impact	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total Impact
No Impact Anticipated	0	0	0	0	0	0	0
Total Operating Budget Impact	0	0	0	0	0	0	0

AI# 11837
Regular City Council Meeting
08/22/2023:

6. 14.

Information

Agenda Item

Resolution - Right-of-Way: Consider a resolution authorizing the Mayor to accept, for and on behalf of the City of Lubbock, a Dedication Deed, in connection with certain real property located in Tract "A-1", a replat of Tract "A", Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, to be utilized for street, curb, gutter, sidewalk, drainage right-of-way, public utilities, and other public purposes.

Item Summary

The City of Lubbock is re-platting Tract "A", Lubbock Animal Shelter Addition. This involves adding a 50' X 532' strip of land along the west side of the parcel and a 75' X 478' strip of land along the north side. This additional land will allow for the construction of additional pens and a site security fence.

The Lubbock Animal Shelter is located on the north side of Southeast Loop 289 between Guava Avenue and Southeast Drive. Please refer to the dedication deed, exhibit, and map for additional information.

Fiscal Impact

None

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Michael G. Keenum, P.E., Division Director of Engineering/City Engineer

Attachments

Resolution Lubbock Animal Shelter
LAS Dedication Deed
Ownership Certificate - LAS
Tax Certificate - LAS
Plat Map - LAS

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to accept for and on behalf of the City of Lubbock a Dedication Deed in connection with certain real property located in Tract "A-1", a replat of Tract "A", Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, to be utilized for street, curb, gutter, drainage right-of-way, public utilities and other public purposes, and all related documents. Said Dedication Deed is attached hereto and incorporated in this Resolution as if fully set forth herein and shall be included in the minutes of the Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Michael Keenum, P.E., Division Director of Engineering/City Engineer

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

DEDICATION DEED

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LUBBOCK §

That CITY OF LUBBOCK is the Owner (hereinafter referred to as the "Owner") of the following described real property:

METES AND BOUNDS DESCRIPTION for the plat limits of Tract "A-1", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, being a replat of Tract "A", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, and including a previously unplatted tract of land located in Section 3, Block S, Lubbock County, Texas, all being further described as follows:

BEGINNING at a 1/2" iron pipe found in the North right-of-way line of Southeast Loop 289, as described in Volume 687, Page 615, Deed Records of Lubbock County, Texas (DRLCT), at the Southeast corner of this tract, said point also being the original Southeast corner of Tract "A", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas;

THENCE Southwesterly, along the North right-of-way line of said Southeast Loop 289, along a curve to the right, said curve having a radius of 3669.83 feet, a central angle of 08°31'38", a chord distance of 545.68 feet and a chord bearing of S. 76°22'01" W. to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set for the Southwest corner of this tract;

THENCE N. 01°06'55" E. a distance of 532.61 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set for the Northwest corner of this tract;

THENCE S. 88°53'05" E. a distance of 527.70 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set in the West line of that tract of land described in Volume 1138, Page 249, DRLCT, for the Northeast corner of this tract;

THENCE S. 01°06'55" W., along the West line of said tract of land described in Volume 1138, Page 249, a distance of 393.70 feet to the **POINT OF BEGINNING** (the "Property).

That Owner does hereby plat and dedicate the Property into the lots, designating streets, alleys, easements and other public properties, as shown on and in accordance with the attached map prepared by CYRIL H. TURNER, a registered professional surveyor for the State of Texas, on the 24th day of May, 2023 and approved by the City Planning Commission of the City of Lubbock, County of Lubbock, State of Texas, on the _____ day of _____, 2023;

That Owner desires to have the Property platted, dedicated and duly filed for record as required by law, all as shown on the attached map; and

That in consideration of the premises and special benefits to the remainder of the Property in the area, Owner does hereby DEDICATE all the streets, alleys, easements and other public properties (surface and/or underground) thereon shown and designated upon said map to the PUBLIC FOR PUBLIC USE FOREVER; and by these presents does impress the name of "TRACT "A-1" LUBBOCK ANIMAL SHELTER ADDITION an Addition to the City of Lubbock, Lubbock County, Texas" upon the Property for the correct reference and description thereof as indicated upon the attached map, and does hereby adopt the name hereinabove stated and impress the same upon the Property, incorporating said map as a part of this dedication.

This instrument shall not be construed as an instrument of conveyance of any type, and the Owner shall continue to own, subsequent to the dedication and platting, the same interest in the same parcel as owned prior to this dedication and platting.

EXECUTED as of this _____ day of _____, 2023.

CITY OF LUBBOCK

BY: _____

TITLE: _____

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

Before me _____ on this day personally appeared _____, _____ of CITY OF LUBBOCK, known to me **OR** proved to me on the oath of _____ **OR** through _____ to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same on behalf of CITY OF LUBBOCK for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____ A.D., 2023.

_____
Notary Public, State of Texas

OWNERSHIP CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

RECORD OWNER OF SUBJECT PROPERTY:

CITY OF LUBBOCK

DESCRIPTION OF SUBJECT PROPERTY:

METES AND BOUNDS DESCRIPTION for the plat limits of Tract "A-1", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, being a replat of Tract "A", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, and including a previously unplatted tract of land located in Section 3, Block S, Lubbock County, Texas, all being further described as follows:

BEGINNING at a 1/2" iron pipe found in the North right-of-way line of Southeast Loop 289, as described in Volume 687, Page 615, Deed Records of Lubbock County, Texas (DRLCT), at the Southeast corner of this tract, said point also being the original Southeast corner of Tract "A", Lubbock Animal Shelter Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas;

THENCE Southwesterly, along the North right-of-way line of said Southeast Loop 289, along a curve to the right, said curve having a radius of 3669.83 feet, a central angle of 08°31'38", a chord distance of 545.68 feet and a chord bearing of S. 76°22'01" W. to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set for the Southwest corner of this tract;

THENCE N. 01°06'55" E. a distance of 532.61 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set for the Northwest corner of this tract;

THENCE S. 88°53'05" E. a distance of 527.70 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC." set in the West line of that tract of land described in Volume 1138, Page 249, DRLCT, for the Northeast corner of this tract;

THENCE S. 01°06'55" W., along the West line of said tract of land described in Volume 1138, Page 249, a distance of 393.70 feet to the **POINT OF BEGINNING**.

SUBJECT TO THE FOLLOWING:

LIENS:

NONE

TAX INFORMATION:

ATTACHED

JUDGMENT LIENS:

NONE

STATE TAX LIENS:

NONE

FEDERAL TAX LIEN:

NONE

RESTRICTIONS:

NONE

EXCEPTIONS:

1. Twenty Foot (20') Underground Utility Easement along the South boundary of the property, as shown on Plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

2. Minimum floor elevation requirement, as shown on plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

3. Blanket Garbage Collection Easement as shown on Plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

4. Blanket Underground Utility Easement, Transformer Pad Easement, and Switching Enclosure Easement granted to LUBBOCK POWER AND LIGHT COMPANY, SOUTHWESTERN PUBLIC SERVICE COMPANY (XCEL ENERGY), and SOUTH PLAINS ELECTRIC COOPERATIVE, as shown on Plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

5. Blanket Underground Utility Easement granted to A T & T and ATMOS ENERGY, as shown on Plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

6. Public Pedestrian Access Easement as shown on Plat with Dedication Deed recorded under Clerk's File No. 2011026023, Official Public Records of Lubbock County, Texas.

7. Ten Foot (10') Overhead Power Line Easement along the East side of the property by instrument recorded under Clerk's File No. 2011026025, Official Public Records of Lubbock County, Texas.

8. Twenty Foot (20') Underground Utility Easement along the West side of the property by instrument recorded under Clerk's File No. 2011026026, Official Public Records of Lubbock County, Texas.

This report of ownership is made only for purposes of platting and dedicating the Property. The information is solely for the use of the party requesting it and use by any other person or entity is unauthorized. Lubbock Abstract & Title Company's liability for errors and omissions in this information is in all respects limited to the amount paid for this report. By accepting this certificate, the party requesting the information agrees that the disclaimer of warranties and the liability limitation contained in this paragraph is a part of its contract with Lubbock Abstract & Title Company and shall cover all actions whether arising hereunder by statute in contract or in tort.

The information contained in this report is current through the 6th day of July, 2023 at 7:00 o'clock A. M.

EXECUTED this 21st day of July, 2023.

LUBBOCK ABSTRACT & TITLE COMPANY

BY: Andrea Wolf

ANDREA WOLF, Attorney

OC # 313

Issue Date : 7/18/2023

TAX CERTIFICATE

Lubbock Central Appraisal District

2109 Ave Q
PO Box 10568
Lubbock, TX 79408-3568
Phone: 806-762-5000 x6 Fax:

This certificate includes tax years up to 2022

Entities to which this certificate applies:

GLB - Lubbock County
SLB - Lubbock ISD
CLB - City Of Lubbock
HSP - Lubb Cnty Hospital
WHP - Hi Plains Water

Property Information

Property ID : R533655-00010-00000-000
Quick-Ref ID : R319395

3511 SE LOOP 289
LUBBOCK, TX 79404

LUBBOCK ANIMAL
SHELTER TR A

Value Information

Land HS	:	$0.00
Land NHS	:	$204,441.00
Imp HS	:	$0.00
Imp NHS	:	$3,130,702.00
Ag Mkt	:	$0.00
Ag Use	:	$0.00
Tim Mkt	:	$0.00
Tim Use	:	$0.00
HS Cap Adj	:	$0.00
Assessed	:	$0.00

Owner Information

Owner ID : OO10427

LUBBOCK CITY OF
PO BOX 2000
LUBBOCK, TX 79457-0001

Ownership: 100.00%

This is to certify that after a careful check of the tax records of this office, the following delinquent taxes, penalties, interest and any known costs and expenses as provided by Tax Code Section 33.48 are due on the described property for the following taxing unit(s)

Entity	Year	Tax	Discount	P&I	Atty Fee	TOTAL
CLB	2022	0.00	0.00	0.00	0.00	0.00
GLB	2022	0.00	0.00	0.00	0.00	0.00
HSP	2022	0.00	0.00	0.00	0.00	0.00
SLB	2022	0.00	0.00	0.00	0.00	0.00
WHP	2022	0.00	0.00	0.00	0.00	0.00

Total for current bills if paid by 7/31/2023 : $0.00
Total due on all bills 7/31/2023 : $0.00
2022 taxes paid for entity CLB $0.00
2022 taxes paid for entity GLB $0.00
2022 taxes paid for entity HSP $0.00
2022 taxes paid for entity SLB $0.00
2022 taxes paid for entity WHP $0.00
2022 Total Taxes Paid : $0.00

If applicable, the above-described property has / is receiving special appraisal based on its use, and additional rollback taxes may become due based on the provisions of the special appraisal (Comptroller Rule 9.3040) or property omitted from the appraisal roll as described under Tax Code Section 25.21 is not included in this certificate.

Signature of Authorized Officer of the Tax Office

LUBBOCK CENTRAL APPRAISAL DISTRICT

Date of Issue	:	07/18/2023
Requestor	:	LUBBOCK ABSTRACT
Ref Number	:	
Fee Paid	:	
Payer	:	

© 2003 Tyler Technologies, Inc.

Issue Date : 7/18/2023

TAX CERTIFICATE

Lubbock Central Appraisal District

2109 Ave Q
PO Box 10568
Lubbock, TX 79408-3568
Phone: 806-762-5000 x6 Fax:

This certificate includes tax years up to 2022

Entities to which this certificate applies:

GLB - Lubbock County
SLB - Lubbock ISD
CLB - City Of Lubbock
HSP - Lubb Cnty Hospital
WHP - Hi Plains Water

Property Information

Property ID : AC66003-90204-01320-000
Quick-Ref ID : R316834

3323 SE LOOP 289
LUBBOCK, TX 79404

BLK S SEC 3 AB 204 TR B3B
AC: 10.978

Value Information

Land HS	:	$0.00
Land NHS	:	$208,582.00
Imp HS	:	$0.00
Imp NHS	:	$0.00
Ag Mkt	:	$0.00
Ag Use	:	$0.00
Tim Mkt	:	$0.00
Tim Use	:	$0.00
HS Cap Adj	:	$0.00
Assessed	:	$0.00

Owner Information

Owner ID : OO10427

LUBBOCK CITY OF
PO BOX 2000
LUBBOCK, TX 79457-0001

Ownership: 100.00%

This is to certify that after a careful check of the tax records of this office, the following delinquent taxes, penalties, interest and any known costs and expenses as provided by Tax Code Section 33.48 are due on the described property for the following taxing unit(s)

Entity	Year	Tax	Discount	P&I	Atty Fee	TOTAL
CLB	2022	0.00	0.00	0.00	0.00	0.00
GLB	2022	0.00	0.00	0.00	0.00	0.00
HSP	2022	0.00	0.00	0.00	0.00	0.00
SLB	2022	0.00	0.00	0.00	0.00	0.00
WHP	2022	0.00	0.00	0.00	0.00	0.00

Total for current bills if paid by 7/31/2023 : $0.00
Total due on all bills 7/31/2023 : $0.00
2022 taxes paid for entity CLB $0.00
2022 taxes paid for entity GLB $0.00
2022 taxes paid for entity HSP $0.00
2022 taxes paid for entity SLB $0.00
2022 taxes paid for entity WHP $0.00
2022 Total Taxes Paid : $0.00

If applicable, the above-described property has / is receiving special appraisal based on its use, and additional rollback taxes may become due based on the provisions of the special appraisal (Comptroller Rule 9.3040) or property omitted from the appraisal roll as described under Tax Code Section 25.21 is not included in this certificate.

Signature of Authorized Officer of the Tax Office

LUBBOCK CENTRAL APPRAISAL DISTRICT

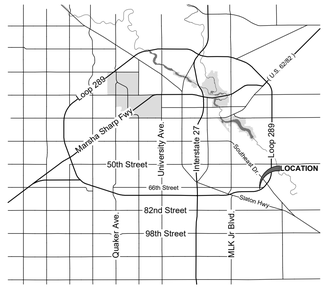
Date of Issue : 07/18/2023
Requestor : LUBBOCK ABSTRACT
Ref Number :
Fee Paid :
Payer :

© 2003 Tyler Technologies, Inc.

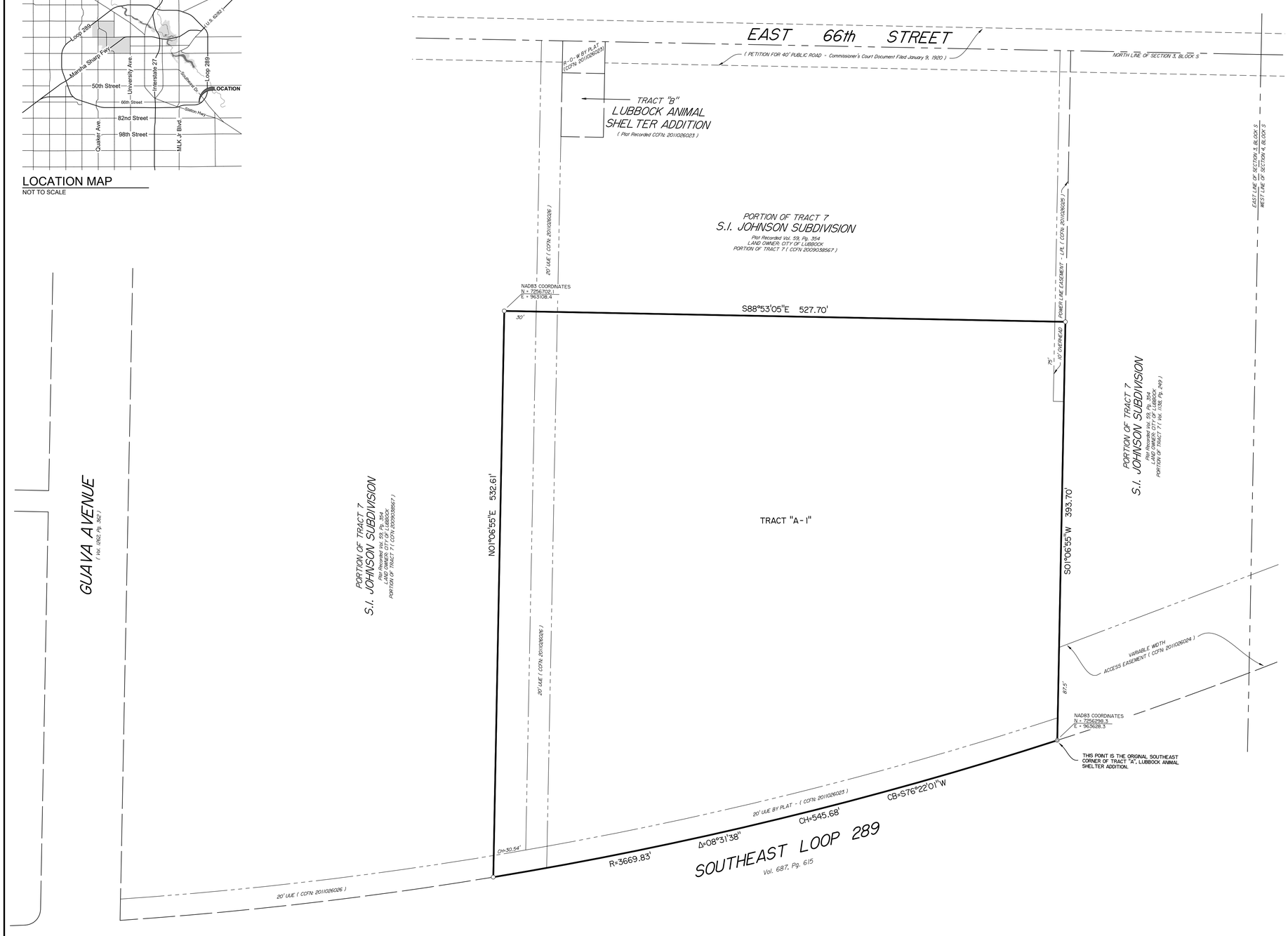
TRACT "A-1",
LUBBOCK ANIMAL SHELTER ADDITION

TO THE CITY OF LUBBOCK,
LUBBOCK COUNTY, TEXAS

A REPLAT OF TRACT "A", LUBBOCK ANIMAL SHELTER ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, AND INCLUDING A PREVIOUSLY UNPLATTED TRACT OF LAND LOCATED IN SECTION 3, BLOCK S, LUBBOCK COUNTY, TEXAS



LOCATION MAP
NOT TO SCALE



GENERAL NOTES:

Scale : 1"=50'

Heavy lines indicate plat limits.

All streets, alleys, and easements within plat limits are herein dedicated unless noted otherwise.

All easements herein granted shall entitle the City or the utility company using such easements to the right to remove, repair, or replace any lines, pipes, conduits, or poles within such easements as may be determined by the City or utility company without the City or utility company being responsible or liable for the replacement of improvements, paving, or surfacing of the easement necessitated by such removal, repair, or replacement. Easements designated or intended for vehicular passage (utility and emergency) or pedestrian access shall not be fenced or otherwise obstructed.

All utility service shall be in accordance with the Underground Utilities Policy Statement by the Planning and Zoning Commission of the City of Lubbock, Texas and the provisions of section 37.01.037 of the Lubbock Code of Ordinances.

Any relocation or revision of existing facilities shall be at the subdivider's expense. Compensation shall be made prior to the recording of this final plat.

All existing or proposed utility services to and on tracts indicated by this plat shall be contained in the public right-of-way and public or private utility easements. Utility service installation requested at a future date, and not within an easement indicated by this plat, shall be within a proper utility easement granted by the owner of said property by separate recorded instrument prior to the provision of such service. Such easements shall be at expense of the entity requesting such installation.

No building permit shall be issued on any survey certificate that is not in accordance with an approved final plat unless exception is provided by Planning and Zoning Commission policy or by the Lubbock Code of Ordinances.

Minimum floor elevations shall conform to the requirements of the Lubbock Drainage Criteria Manual, as adopted by Ord. 10022, as amended, and Sec. 28.09.131, Sec. 28.14.004, and Sec. 30.03.073 of the Lubbock Code of Ordinances.

Any easements or rights-of-way shown as "to be dedicated by separate instrument" are shown hereon for information purposes only. This plat does not dedicate said easements.

PREVIOUSLY RECORDED EASEMENTS

Blanket garbage collection easement as required for service as granted by plat recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas.

Blanket underground utility, transformer pad, and switching enclosure easement as required for service as granted to Lubbock Power and Light Co. by plat recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas.

Blanket underground utility easement as required for service as granted to AT&T and Atmos Energy by plat recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas.

Public pedestrian access easement as granted for persons traversing along the public parkway and needing to enter onto private property for the purpose of crossing a driveway as granted by plat recorded under County Clerk File Number 2011026023, Official Public Records of Lubbock County, Texas.

ADDITIONAL NOTES:

Contains: 5.696 acres
CCFN - County Clerk File Number
R-O-W - Right of Way
UUE - Underground Utility Easement
⊛ - Indicates found 1/2" iron pipe
○ - Indicates set 1/2" iron rod with cap marked "HUGO REED & ASSOC."

SURVEY CONTROL:

NAD83: Coordinates shown hereon as "NAD83" are relative to the Texas Coordinate System of 1983, North Central Zone datum as described in Texas Natural Resources Code, Title 2, Chapter 21, as amended. Coordinates are "grid" coordinates and may not necessarily compute to match the previously established bearings reported on this plat. Distances shown are surface, U.S. Survey feet.

Bearings are relative to the East line of Section 3, Block S, Lubbock County, Texas, being previously recognized as S01°06'55"W.

A legal description of even survey date herewith accompanies this plat.

No abstract of title or title commitment was provided to this surveyor for this proposed plat. Any record research done by this surveyor was made only for the purpose of determining the boundary of this property (and as it may relate to adjoining parcels or rights-of-way). Record documents other than those shown on this plat may exist and encumber this property. This plat does not constitute or imply a complete title examination and any such title examinations are not the responsibility of this surveyor.

Know all men by these presents:

That I, Cyril H. Turner, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments and/or other control shown thereon were properly placed under my personal supervision in accordance with the Subdivision Regulations of the City of Lubbock, Texas.

May 24, 2023

Registered Professional
Land Surveyor No. 6460
State of Texas

STATE OF TEXAS · REGISTERED · CYRIL HOWARD TURNER · 6460 · PROFESSIONAL · LAND SURVEYOR

Approved this _____ day of _____, 20 _____,
by the Planning and Zoning Commission of the City of Lubbock, Texas

Approved _____ Chairman

Attest _____ Director of Planning

SEAN

NORTH

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

O:\Lubbock Animal Shelter Addition\Tract A - 1\Plat\FP_LASA_A - 1.dwg

Information

Agenda Item

Resolution - Right-of-Way: Consider a resolution authorizing the Mayor to execute a Street Use License Agreement, by and between the City of Lubbock and the Texas Commission on Environmental Quality, for the right-of-way located on East Kemper Street, east of North Ash Avenue.

Item Summary

Texas Commission on Environmental Quality (TCEQ) is requesting a Street Use License for the purpose of installing between one and three monitoring wells for assessment activities in relation to a TCEQ Superfund site in the right-of-way on East Kemper Street east of North Ash Avenue.

The term of the license will be for five years, and will be automatically extended for successive five-year terms, not to exceed 20 years. Since TCEQ is a government entity and provides public benefit to the citizens of the City of Lubbock, TCEQ is granted this license at no cost.

Pursuant to the terms of the Street Use License and upon completion of the testing, TCEQ agrees to restore, at its cost and expense, the portion of the right-of-way utilized in this procedure to a condition which is equal to its existing condition.

Fiscal Impact

None

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Michael G. Keenum, P.E., Division Director of Engineering/City Engineer

Attachments

Resolution - TCEQ Monitoring Wells N Ash & E Kemper
Street Use License - TCEQ Monitoring Wells N Ash & E Kemper
Map Exhibit A - TCEQ Monitoring Wells

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, a Street Use License Agreement for the Right-of-Way located on East Kemper Street by and between the City of Lubbock and Texas Commission on Environmental Quality, and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Michael Keenum, P.E., Division Director of Engineering/City Engineer

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

RES.Street Use License Agreement-TCEQ- E. Kemper
7.21.23

STREET USE LICENSE

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LUBBOCK §

This License made this _____ day of _____, 2023, being the date of this Agreement between the **CITY OF LUBBOCK, TEXAS,** a Home Rule Municipal Corporation, and **TEXAS COMMISSION ON ENVIRONMENTAL QUALITY,** hereinafter called "LICENSEE."

WITNESSETH:

Subject to the terms, conditions, and provisions herein, the **CITY OF LUBBOCK** does hereby grant to the LICENSEE, the right, privilege and License to use a portion of a dedicated street for monitor wells for assessment activities in relation to a TCEQ Superfund site, and being further described as follows:

Block 1, Lot 10 of the Garlington Heights Addition to the City of Lubbock, Lubbock County Texas, Less E58';

Block 1, Lot 11 of the Garlington Heights Addition to the City of Lubbock, Lubbock County Texas; and

Block 1, Lot 12 of the Garlington Heights Addition to the City of Lubbock, Lubbock County Texas.

Said portion of a dedicated street being further described in the attached Exhibit "A".

The term of this License shall be for five (5) years from date hereof, and shall be automatically extended for successive five (5) year terms not to exceed twenty (20) years in any event unless either party shall give written notice of termination to the other party before the expiration of the first, second or third five (5) year term, as the case may be, and the CITY OF LUBBOCK retains the right at its election to cancel and revoke this License, with or without cause, upon thirty (30) days notice to LICENSEE. Said notice shall be deemed properly served if deposited in the post office, postage paid, addressed to LICENSEE at **12100 Park 35 Circle, Building D, Austin, Texas 78753,** or the last known address of LICENSEE.

Upon the expiration or cancellation and revocation of this License by the CITY OF LUBBOCK, or the abandonment of this License by the LICENSEE, the improvements that are permitted under this License shall be removed by the LICENSEE and the property shall be restored to its original condition at no cost or expense to the CITY OF LUBBOCK. In the event LICENSEE fails or refuses to remove such improvements after demand by the CITY OF LUBBOCK, the CITY OF LUBBOCK shall take possession and remove or cause to be removed such improvements, and the expense incurred shall be assessed against LICENSEE, for which LICENSEE shall be liable.

1. Because LICENSEE is a governmental entity and provides a public benefit to the citizens of the City of Lubbock, LICENSEE is granted this license at not cost. The CITY OF LUBBOCK shall notify the LICENSEE of any change in rates ninety (90) days before the start of the ten (10) year term to which such change in rate shall apply, and if such notification is not made, then the rate for the preceding ten (10) year term shall apply.

2. The LICENSEE agrees to pay all costs arising out of the exercise of this License herein granted including, but not limited to, the cost of cleanup of any oil, hazardous substance, or other material, the replacement and repair of paving, sidewalks and utilities of any nature damaged as a result of the construction authorized by the License.

3. In the event the CITY OF LUBBOCK determines that the License herein granted interferes with or causes the rerouting or realignment of any public utility, franchised utility or sanitary or storm sewer line constructed or to be constructed by the CITY OF LUBBOCK or franchised utility, LICENSEE agrees to reimburse the CITY OF LUBBOCK or such utility, as the case may be, for its expense in relocating or rerouting over and above the expense which would have been incurred except for LICENSEE'S use herein.

4. This License is not transferable by the LICENSEE without first receiving the written consent of the City Manager of the CITY OF LUBBOCK.

5. This License is made subject to the condition that should the LICENSEE exercise any right under this License and prepare or begin or complete any part of the construction as herein contemplated across any or all of the above described property, then and in that event, said LICENSEE, its successors and assigns, will at all time defend, indemnify and otherwise hold the CITY OF LUBBOCK, its agents, servants and employees harmless from any and all claims, demands, actions, causes of action and suits at law or in equity of whatsoever kind or nature which may grow out of or be related to the making of this License or the construction or maintenance use permitted herein. The CITY OF LUBBOCK, at its option, may require an agreement with any contractors hired by LICENSEE to perform the construction, repair or maintenance permitted herein, which agreement will indemnify the CITY OF LUBBOCK from and against all claims, liability, cost and expense growing out of the performance of the work to be done by such contractors. The CITY OF LUBBOCK may further require any of said contractors, when engaged in the construction, repair or maintenance permitted herein, to furnish, without expense to the CITY OF LUBBOCK, a reliable surety bond, in an amount and in a form satisfactory to the said CITY OF LUBBOCK, guaranteeing the faithful performance of all the terms, covenants and conditions contained in said agreement, and a certified copy of a policy of public liability insurance assumed by said contractors in said agreement with the CITY OF LUBBOCK. The CITY OF LUBBOCK agrees to give notice to LICENSEE prior to incurring any costs or expenses or the payment of any such claims or demands in order to give LICENSEE a reasonable opportunity to settle or adjust the same.

6. LICENSEE agrees and is required to furnish a policy of public liability and property damage insurance within limits specified by and in a form satisfactory to the City Attorney for the CITY OF LUBBOCK, and which names the CITY OF LUBBOCK as the insured, said policy covering the uses herein granted.

General Liability Insurance. Owner shall maintain general liability insurance with a combined single limit of a minimum of $100,000 per occurrence and such insurance shall include the following:

- Bodily Injury and Property Damage
- Broad Form Contractual Liability

Owner shall provide a Certificate of Insurance to the City of Lubbock as evidence of the required insurance coverage. The Certificate will provide 30 days notice of cancellation. Such Certificate of Insurance shall name the City of Lubbock as an additional insured and must include wording which states that the policy shall be primary with respect to any insurance carried by City of Lubbock and be endorsed to include a waiver of subrogation in favor of the City of Lubbock.

7. All of the covenants and provisions of this License shall be binding upon and inure to the benefit of the successors, legal representatives, assigns and the duly authorized agents and contractors of the parties hereto to the same extent and effect as the same are binding upon and inure to the benefit of the parties hereto, but no assignment hereof by the LICENSEE, its successors or assigns shall be binding upon the CITY OF LUBBOCK without the consent of the CITY OF LUBBOCK in each instance, except as specified in numbered paragraph four (4).

8. LICENSEE, by the acceptance of the uses permitted herein, understands and agrees that no interest, title or rights of possession are intended or implied except those expressly set forth herein, and LICENSEE waives any and all claims in and to the public way it is permitted to use hereby and agrees to give peaceful possession of said property covered herein upon termination or cancellation of this license. No interest for real property is conveyed or granted by this License.

9. The CITY OF LUBBOCK reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the CITY OF LUBBOCK shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

AGREED TO AND ACCEPTED this _____ day of _____, 2023.

CITY OF LUBBOCK:

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Michael Keenum, P.E., Division Director of Engineering/City Engineer

APPROVED AS TO FORM:

_____
Amy Sims, Deputy Assistant City Attorney

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:

By: APTIM/Consultant

Printed Name: Valeri Salinas

Title: Project Manager

THE STATE OF TEXAS §

COUNTY OF LUBBOCK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared **Tray Payne,** Mayor of the City of Lubbock, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2023.

_____
Notary Public in and for the State of Texas
My Commission Expires: _____

THE STATE OF TEXAS §

COUNTY OF Lubbock §

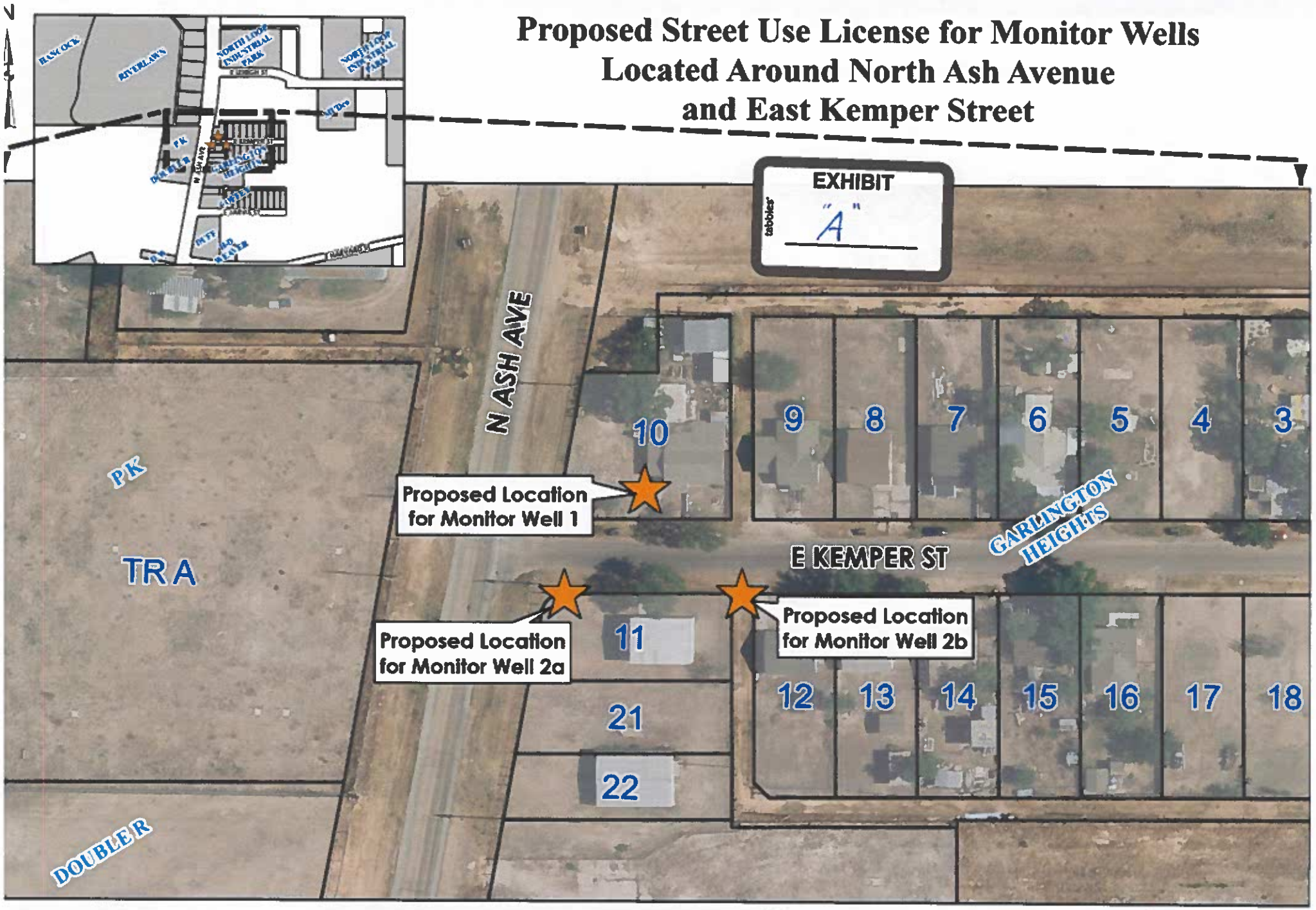
BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Valeri Salinas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and as an act and deed of said **Texas Commission on Environmental Quality**

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 24th day of July, 2023.

KENNETH W JERNBERG
Notary Public, State of Texas
Comm. Expires 04-14-2027
Notary ID 13430830-0

_____
Notary Public in and for the State of Texas
My Commission Expires: 4-14-2027

Proposed Street Use License for Monitor Wells Located Around North Ash Avenue and East Kemper Street



As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

City of Lubbock TEXAS

Digital Orthophotography - May 2022

Information

Agenda Item

Resolution - Engineering: Consider a resolution authorizing the Mayor to execute Professional Services Contract 17246, by and between the City of Lubbock and Freese and Nichols, Inc., for the Federal Emergency Management Agency (FEMA) Restudy - System B.

Item Summary

The City of Lubbock participates in the Federal Emergency Management Association's (FEMA) Flood Insurance Program that gives the citizens of Lubbock an opportunity to carry flood insurance on their homes and businesses at the lowest possible rates. FEMA periodically studies those cities that participate in the flood insurance program to determine special flood hazard areas that are subject to inundation by the 100-year, 24-hour storm event with existing development conditions. The current Flood Insurance Rate Maps (FIRM) for the City of Lubbock, became effective in September 2007, January 2013, and February 2017.

The City of Lubbock has reviewed the current maps, and has concluded a more extensive study of System B areas is needed. A major storm sewer system has been constructed and is now operational along a major portion of System B, which is contained primarily between Marshall Street to 4th Street, and Frankford Avenue to Quaker Avenue. After soliciting Statements of Qualifications from firms interested in providing consulting services to conduct a restudy of System B, the City received qualifications from the firms listed below.

In Response to a Request for Qualifications (RFQ) 23-17246-MA, two firms submitted qualifications, and were evaluated and ranked, based on the following criteria: Project Team Organization and Qualifications - 30 Points, Experience on Similar Projects - 30 points, Project Approach - 30 Points, and Overall Responsiveness to the RFQ - 10 points.

Consultants	Points
Freese and Nichols, Inc., Fort Worth, Texas	91.5
Hugo Reed and Associates, Inc., Lubbock, Texas	89.0

Staff recommends award of this contract to the highest ranked firm, Freese and Nichols, Inc. of Fort Worth Texas, for $450,110.

This contract is based upon fair and reasonable hourly rates agreed, for a total amount not to exceed $450,110, with a contract time of 18 months.

Fiscal Impact

This Professional Services Agreement for $450,110, is funded in Capital Improvements Project 8677, FEMA Restudy – System B.

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Michael G. Keenum, P.E., CFM Division Director of Engineering/City Engineer

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Attachments

Resolution
Professional Service Agreement
Map - Location Exhibit
Budget Detail
CIP Detail
Project Summary - FEMA Restudy System B

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Professional Services Agreement Contract No. 17246 for a FEMA restudy – System B, by and between the City of Lubbock and Freese and Nichols, Inc., and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Erik Rejino, Assistant City Manager

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.PSA-No. 17246 FNI FEMA restudy
8.9.23

PROFESSIONAL SERVICES AGREEMENT

STATE OF TEXAS §

COUNTY OF LUBBOCK §

This Professional Service Agreement ("Agreement") Contract No. 17246 is entered into this ___ day of _____, 2023, is by and between the City of Lubbock (the "City"), a Texas home rule municipal corporation, and Freese and Nichols, Inc., (the" Engineer"), a Texas corporation.

WITNESSETH

WHEREAS, The City desires to contract with the Engineer to provide professional services for FEMA Restudy – System B, (the "Activities"); and

WHEREAS, the Engineer has a professional staff experienced and is qualified to provide professional engineering services related to Activities, and will provide the services, as defined below, for the price provided herein, said price stipulated by the City and the Engineer to be a fair and reasonable price; and

WHEREAS, the City desires to contract with the Engineer to provide professional services related to the Activities, and Engineer desires to provide the Services related to same.

NOW THEREFORE, for and in consideration of the terms, covenants and conditions set forth in this Agreement, the City and the Engineer hereby agree as follows:

ARTICLE I. TERM

The term of this Agreement commences on the Effective Date and continues without interruption for a term of 18 months. If the Engineer determines that additional time is required to complete the Services, the City Engineer, may, but is not obligated to, in his or her discretion, execute an agreement to grant up to an additional six (6) months of time so long as the amount of the consideration does not increase. An amendment to this Agreement resulting in an increase in the amount of the consideration must be approved by the City acting through its governing body.

ARTICLE II. SERVICES AND COMPENSATION

A. The Engineer shall conduct all activities, and within such timeframes, as set forth on Exhibit "A", attached hereto (the "Services").

B. The Engineer shall receive as consideration to be paid for the performance of the Services, in an amount not to exceed $450,110.00, as set forth in Exhibit "B".

ARTICLE III. TERMINATION

A. General. The City may terminate this Agreement, for any reason or convenience, upon thirty (30) days written notice to the Engineer. In the event this Agreement is so terminated, the City shall only pay the Engineer for services actually performed by the Engineer up to the date the Engineer is deemed to have received notice of termination, as provided herein.

B. Termination and Remedies. In the event the Engineer breaches any term and/or provision of this Agreement, the City shall be entitled to exercise any right or remedy available to it by this Agreement, at law, equity, or otherwise, including without limitation, termination of this Agreement and assertion of an action for damages and/or injunctive relief. The exercise of any right or remedy shall not preclude the concurrent or subsequent exercise of any right or remedy and all rights and remedies shall be cumulative.

ARTICLE IV. NON - ARBITRATION

The City reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the City shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this Agreement, this provision shall control.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

A. Existence. The Engineer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas and is qualified to carry on its business in the State of Texas.

B. Corporate Power. The Engineer has the corporate power to enter into and perform this Agreement and all other activities contemplated hereby.

C. Authorization. Execution, delivery, and performance of this Agreement and the activities contemplated hereby have been duly and validly authorized by all the requisite corporate action on the part

of the Engineer. This Agreement constitutes legal, valid, and binding obligations of the Engineer and is enforceable in accordance with the terms thereof.

D. Engineer. The Engineer maintains a professional staff and employs, as needed, other qualified specialists experienced in providing the Services, and is familiar with all laws, rules, and regulations, both state and federal, including, without limitation the applicable laws, regarding the Activities contemplated hereby.

E. Performance. The Engineer will and shall conduct all activities contemplated by this Agreement in accordance with the standard of care, skill and diligence normally provided by a professional person in performance of similar professional services, and comply with all applicable laws, rules, and regulations, both state and federal, relating to professional services, as contemplated hereby.

F. Use of Copyrighted Material. The Engineer warrants that any materials provided by the Engineer for use by City pursuant to this Agreement shall not contain any proprietary material owned by any other party that is protected under the Copyright Act or any other law, statute, rule, order, regulation, ordinance or contractual obligation relating to the use or reproduction of materials. The Engineer shall be solely responsible for ensuring that any materials provided by the Engineer pursuant to this Agreement satisfy this requirement and the Engineer agrees to indemnify and hold City harmless from all liability or loss caused to City or to which City is exposed on account of the Engineer's failure to perform this duty.

ARTICLE VI. SCOPE OF WORK

The Engineer shall accomplish the following: Professional Services related to the Services, as provided in Exhibit "A", attached hereto and made a part hereof.

ARTICLE VII. INDEPENDENT CONTRACTOR STATUS

The Engineer and the City agree that the Engineer shall perform the duties under this Agreement as an independent contractor and shall be considered as independent contractor under this Agreement and/or in its activities hereunder for all purposes. The Engineer has the sole discretion to determine the manner in which the Services are to be performed. During the performance of the Services under this Agreement, the Engineer and the Engineer's employees and/or sub-consultants, will not be considered, for any purpose, employees or agents of the City within the meaning or the application of any federal, state or local law or regulation, including without limitation, laws, rules or regulations regarding or related to unemployment insurance, old age benefits, workers compensation, labor, personal injury or taxes of any kind.

ARTICLE VIII. INSURANCE

The Engineer shall procure and carry, at its sole cost and expense through the life of this Agreement, except as otherwise provided herein, insurance protection as hereinafter specified, in form and substance satisfactory to the City, carried with an insurance company authorized to transact business in the state of Texas, covering all aspects and risks of loss of all operations in connection with this Agreement, including without limitation, the indemnity obligations set forth herein. The Engineer shall obtain and maintain in full force and effect during the term of this Agreement, and shall cause each approved subcontractor or sub-consultant of the Engineer to obtain and maintain in full force and effect during the term of this Agreement, commercial general liability, professional liability and automobile liability coverage for non-owned and hired vehicles with insurance carriers admitted to do business in the state of Texas. The insurance companies must carry a Best's Rating of A-VII or better. Except for Professional Liability, the policies will be written on an occurrence basis, subject to the following minimum limits of liability:

Commercial General Liability:

Per Occurrence Single Limit: $1,000,000

General Aggregate Limit: $2,000,000

Professional Liability:

Combined Single Limit: $2,000,000

Automobile Liability:

Combined Single Limit for any auto: $1,000,000 Per Occurrence

Employer's Liability:

Per Occurrence Single Limit: $1,000,000

Worker's Compensation

Per Occurrence Single Limit: $500,000

The Engineer shall further cause any approved subcontractor or sub-consultant to procure and carry, during the term of this Agreement, the insurance coverage required of Engineer herein, including without limitation, Professional Liability coverage, protecting the City against losses caused by the professional negligence of the approved subcontractor or sub-consultant. The City shall be listed as a primary and noncontributory additional insured with respect to the Automobile Liability and Commercial General Liability and shall be granted a waiver of subrogation under those policies. The Engineer shall provide a Certificate of Insurance to the City as evidence of coverage.

The Certificate shall provide 30 days' notice of cancellation. A copy of the additional insured endorsement and waiver of subrogation attached to the policy shall be included in the Certificate. The Engineer shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, the Engineer shall maintain said coverage throughout the term of this Agreement and

shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that the Engineer maintains said coverage. The Engineer may maintain Occupational Accident and Disability Insurance in lieu of Worker's Compensation. In either event, the policy must be endorsed to include a waiver of subrogation in favor of the City. If at any time during the life of the Agreement or any extension hereof, the Engineer fails to maintain the required insurance in full force and effect, the Engineer shall be in breach hereof and all work under the Agreement shall be discontinued immediately.

Notwithstanding anything contained herein to the contrary, the professional liability policy shall be maintained at the Engineer's sole cost and expense. The retroactive date shall be no later than the commencement of the performance of this Agreement and the discovery period (possibly through tail coverage) shall be no less than 10 years after the completion of the Services provided for in this Agreement. The provisions of this Article VIII shall survive the termination or expiration of this Agreement.

ARTICLE IX. EMPLOYMENT OF AGENTS/RETAINING OF CONSULTANTS

The Engineer may employ or retain consultants, contractors, or third parties (any of which are referred to herein as "Sub-consultant"), to perform certain duties of Engineer, as set forth on Exhibit B, attached hereto, under this Agreement, provided that the City approves the retaining of Sub-consultants. The Engineer is at all times responsible to the City to perform the Services as provided in this Agreement and the Engineer is in no event relieved of any obligation under this Agreement upon retainage of any approved Sub-consultant. Any agent and/or Sub-consultant retained and/or employed by the Engineer shall be required by the Engineer to carry, for the protection and benefit of the City and the Engineer and naming said third parties as additional insureds, insurance as described above required to be carried by the Engineer in this Agreement.

The Engineer represents that such services are either under applicable value thresholds or are otherwise exempt from notice and/or bid requirements under Texas Law.

ARTICLE X. CONFIDENTIALITY

The Engineer shall retain all information received from or concerning the City and the City's business in strictest confidence and shall not reveal such information to third parties without prior written consent of the City, unless otherwise required by law.

ARTICLE XI. INDEMNITY

THE ENGINEER SHALL INDEMNIFY AND SAVE HARMLESS THE CITY OF LUBBOCK AND ITS ELECTED OFFICIALS, OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY KIND, CHARACTER, TYPE, OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING,

ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY OR DEATH TO ANY PERSON, OR INJURY TO ANY PROPERTY, RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, TO THE EXTENT ARISING OUT OF, RELATED TO OR OCCASIONED BY, THE NEGLIGENT ACTS OF THE ENGINEER, ITS AGENTS, EMPLOYEES, AND/OR SUBCONSULTANTS, RELATED TO THE PERFORMANCE, OPERATIONS OR OMISSIONS UNDER THIS AGREEMENT AND/OR THE USE OR OCCUPATION OF CITY OWNED PROPERTY. THE INDEMNITY OBLIGATION PROVIDED HEREIN SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

ARTICLE XII. COMPLIANCE WITH APPLICABLE LAWS

The Engineer shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations relating, in any way, manner or form, to the activities under this Agreement, and any amendments thereto.

ARTICLE XIII. NOTICE

A. General. Whenever notice from the Engineer to the City or the City to the Engineer is required or permitted by this Agreement and no other method of notice is provided, such notice shall be given by (1) actual delivery of the written notice to the other party by hand (in which case such notice shall be effective upon delivery); (2) facsimile (in which case such notice shall be effective upon delivery); or (3) by depositing the written notice in the United States mail, properly addressed to the other party at the address provided in this article, registered or certified mail, return receipt requested, in which case such notice shall be effective on the third business day after such notice is so deposited.

B. Engineer's Address. The Engineer's address and numbers for the purposes of notice are:

Freese and Nichols, Inc.
David Rivera, PhD, P.E., CFM
1500 Broadway Street, Suite 1150
Lubbock, Texas 79401
Telephone: 214-217-2263
Email: David.Rivera@freese.com

C. City's Address. The City's address and numbers for the purposes of notice are:

Tommy Harms, P.E.
City of Lubbock
P.0. Box 2000
1314 Avenue K
Lubbock, Texas 79457
Telephone: 806-775-2344
Email: tharms@mylubbock.us

D. Change of Address. Either party may change its address or numbers for purposes of notice by giving written notice to the other party as provided herein, referring specifically to this Agreement, and setting forth such new address or numbers. The address or numbers shall become effective on the 15th day after such notice is effective.

ARTICLE XIV. CITY-PROVIDED DATA AND RESPONSIBILITIES

Provision of Data. The City shall furnish the Engineer non-confidential studies, reports and other available data in the possession of the City pertinent to the Engineer's Services, so long as the City is entitled to rely on such studies, reports and other data for the performance of the Engineer's Services under this Agreement (the "Provided Data"). The Engineer shall be entitled to use and rely, so long as such reliance is reasonable, upon all such Provided Data.

ARTICLE XV. MISCELLANEOUS

A. Captions. The captions for the articles and sections in this Agreement are inserted in this Agreement strictly for the parties' convenience in identifying the provisions to this Agreement and shall not be given any effect in construing this Agreement.

B. Audit. The Engineer shall provide access to its corporate books and records to the City. The City may audit, at its expense and during normal business hours, the Engineer's books and records with respect to this Agreement between the Engineer and the City.

C. Records. The Engineer shall maintain records that are necessary to substantiate the services provided by the Engineer.

D. Assignability. The Engineer may not assign this Agreement without the prior written approval of the City.

E. Successor and Assigns. This Agreement binds and inures to the benefit of the City and the Engineer, and in the case of the City, its respective successors, legal representatives, and assigns, and in the case of the Engineer, its permitted successors and assigns.

F. Construction and Venue.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THIS AGREEMENT IS PERFORMABLE IN LUBBOCK COUNTY, TEXAS. THE PARTIES HERETO HEREBY IRREVOCABLY CONSENT TO THE SOLE AND EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF COMPETENT

JURISDICTION OF THE STATE OF TEXAS, COUNTY OF LUBBOCK, FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS THAT ARE CONTEMPLATED HEREBY.

G. Severability. If any provision of this Agreement is ever held to be invalid or ineffective by any court of competent jurisdiction with respect to any person or circumstance, the remainder of this Agreement and the application of such provision to persons and/or circumstances other than those with respect to which it is held invalid or ineffective shall not be affected thereby.

H. Amendment. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless such amendment, modification, or alteration is in writing, dated subsequent to this Agreement, and duly authorized and executed by the Engineer and the City.

I. Entire Agreement. This Agreement, including Exhibits "A" through "B" attached hereto, contains the entire agreement between the City and the Engineer, and there are no other written or oral promises, conditions, warranties, or representations relating to or affecting the matters contemplated herein.

J. No Joint Enterprise. Nothing contained herein shall be construed to imply a joint venture, joint enterprise, partnership or principal – agent relationship between the Engineer and the City.

K. Documents Owned by City. Any and all documents, drawings and specifications prepared by Engineer as part of the Services hereunder, shall become the property of the City when the Engineer has been compensated as set forth in Article II, above. The Engineer shall make copies of any and all work products for its files.

L. Notice of Waiver. A waiver by either the City or the Engineer of a breach of this Agreement must be in writing and duly authorized to be effective. In the event either party shall execute and deliver such waiver, such waiver shall not affect the waiving party's rights with respect to any other or subsequent breach.

M. Third Party Activities. Nothing in this Agreement shall be construed to provide any rights or benefits whatsoever to any party other than the City and the Engineer.

N. Non-Appropriation. All funds for payment by the City under this Agreement are subject to the availability of an annual appropriation for this purpose by the City. In the event of non-appropriation of funds by the City Council of the City of Lubbock for the services provided under the Agreement, the City will terminate the Agreement, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the services covered by this Agreement is spent, whichever event occurs first (the "Non-Appropriation Date"). If at any time funds are not appropriated for the continuance of this Agreement, cancellation shall be accepted by the Engineer on

thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the City shall not be obligated under this Agreement beyond the Non-Appropriation Date.

O. Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the City from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization

P. No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

Q. Texas Government Code 2274. By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

R. Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

S. Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter. To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contract as provided by the records retention

requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

T. Professional Responsibility. All architectural or engineering services to be performed shall be done with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license.

EXECUTED as of the Effective Date hereof.

CITY OF LUBBOCK

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Michael G. Keenum, P.E., CFM, Divisions Director of Engineering/City Engineer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Firm

Freese and Nichols, Inc.

By: _____
Scott Hubley, P.E., CFM, Vice President

Email: skh@freese.com

Exhibit A

CITY OF LUBBOCK SYSTEM B RESTUDY

SCOPE OF SERVICES

GENERAL OVERVIEW

This scope of services includes detailed hydrologic and hydraulic analysis of Playa System B within the City of Lubbock. System B is contained primarily between Marshall Street to 4th Street and Frankford Avenue to Quaker Avenue. The total drainage area of the study area is approximately 19 square miles and includes 22 playa lakes. The study area was selected due to recent construction of the Northwest Lubbock Drainage Improvements project that is now operational along a major portion of System B. The ultimate outcome of this project will be a FEMA Letter of Map Revision (LOMR) to revise the Flood Insurance Rate Map (FIRM). The study area and included playas are shown in Exhibit 1. This scope includes the following tasks:

BASIC SERVICES
Task 1 – Project Management and Meetings
Task 2 – Data Collection and Field Survey
Task 3 – Detailed Hydrologic and Hydraulic Analysis
Task 4 – Report
Task 5 – FEMA Letter of Map Revision

SPECIAL SERVICES
Task 6 – Public Outreach

BASIC SERVICES: FNI will provide the following professional services in connection with the above described project.

Task 1 – Project Management, Meetings and Project Webmap

1. Project Management - FNI will provide Project Management services including project coordination, schedule management, routine communications with the City, and monthly status and schedule reporting (at a minimum).

2. Monthly Meetings with City of Lubbock PM – FNI will hold a monthly status call with the City of Lubbock PM for the duration of the project. A typical call is anticipated to be thirty minutes long but may vary depending on the topic. (18 months)

3. Milestone Meetings - FNI will conduct up to a total of ten (10) team meetings with City staff at key milestones. FNI will prepare an agenda and provide minutes for all meetings. Meetings may be virtual or in-person depending on the topic. A total of four (4) in-person meetings are assumed. These meetings are anticipated as follows:

a. Kickoff and data collection (1)
b. Existing conditions review (1)
c. Floodplain mapping review (1)
d. Draft report review (1)
e. FEMA Package Review (1)

f. Public Outreach Coordination (1)
g. FEMA coordination meetings (2)
h. Two (2) additional team meeting as needed

4. Project Webmap – FNI will host an ArcGIS Online map for the duration of the project that depicts floodplain modeling and mapping information as well as project progress. FNI will provide the City with access to the map. The map will be for City and FNI collaboration and will not be made available publicly.

Task 2 – Data Collection

1. Data Collection

a. Obtain and review previous watershed studies, models, reports, and record drawings from the City for the Study area.
b. Obtain available GIS data, including topographic maps, storm drain system mapping, easements, property lines, drainage complaints, future land use map and aerial imagery from the City for base map development.
c. Obtain LIDAR topographic data from the City, or Texas Natural Resources Information System (TNRIS) where not available from the City, for the study area.
d. Conduct up to three (3) site visits to verify and document initial conditions.
e. Prepare base map of existing conditions including playas, road crossings, hydraulic features, drainage areas, topography, storm drain network and aerial photos.

2. Field Survey – NOT INCLUDED

This scope assumes that the City will provide existing field survey and record drawings as needed to support the LOMR. Any additional field survey needs will be considered an additional service.

Task 3 – Detailed Hydrologic and Hydraulic Analysis

This phase includes the development of new hydrologic and hydraulic models for existing and future fully developed conditions within the study area using ICPR 4. The study extents are shown in Exhibit 1.

This task includes:

a. Utilize existing models from the City including the Northwest Lubbock Drainage Improvements Model and any System model updates.
b. Confirm delineation of watersheds and sub-watersheds for the study area and update as needed.
c. Confirm model input parameters for the study area and update as needed.
d. Create both existing and future fully developed land use layers for the study area and reflect within the model.
e. Determine the existing discharges for the study area for the 2-, 5-, 10-, 25-, 50-, 100-, and 500-year storm events.
f. Determine the existing and future fully-developed water surface elevations for the study area for the 2-, 5-, 10-, 25-, 50-, 100-, and 500-year storm events.

g. Develop the existing and future fully-developed conditions 100-year and 500-year floodplains within the study limits.

Table 1 – Playa lakes to be included

Playa Number	
041	051
041A	052
042	053
043A	054
043B	071
043C	105
044	106
045	114
046	884
047	911
048	914
	915

Deliverables

i. Updated ICPR 4 models. Models will incorporate City/TNIRS LiDAR and survey data collected.

ii. Flood Hazard communication deliverables:
   a. Detailed 100-Year floodplain delineations for existing and future fully developed conditions utilizing City/TNRIS LiDAR and developed ICPR model results.
   b. Structures located in the 100-Year existing floodplain and structures potentially inundated by greater than 1 foot of flood depth.
   c. Roadway crossing hazard level for the 2-, 5-, 10-, 25-, 50-, 100-, and 500-year storm events.
   d. FEMA floodplain changes map identifying areas removed and added to the FEMA floodplain as a result of the detailed study.

iii. Develop report chapter(s) summarizing the methodology and results of the hydraulic analysis.

iv. Submit electronic copy in pdf format of the draft chapter(s) to the City for review.

v. City comments will be incorporated in the final report.

Task 4 – Report

This phase includes the development of a single final report documenting the project.

1. **Report**
   i. FNI will compile report chapters, an executive summary, graphics, cost estimates, appendices, GIS files, DFIRM database, and other digital information into a draft final report.
   ii. Submit one (1) hard copy and an electronic copy in pdf format of the draft report to the City for review.
   iii. Up to one (1) round of City comments will be incorporated in the final report.
   iv. Submit two (2) hard copies and an electronic copy in pdf format of the final report to the City.

Task 5 – FEMA Letter of Map Revision

This phase includes the development of a LOMR submittal to FEMA to update the Flood Insurance Rate Maps.

i. Independent internal review by FNI LOMR Review team.
ii. Prepare MT-2 forms, flood profiles, summary of discharges table, floodway data table, and other supporting information for submittal to FEMA.
iii. Submit models and documentation to FEMA for review and comment. FNI will make revisions and respond to up to two (2) rounds of FEMA comments for the LOMR submittal.
iv. LOMR submittal fees due to FEMA shall be paid separately by the City.

SPECIAL SERVICES: FNI will provide the following professional services in connection with the above described project.

Task 6 – Public Outreach

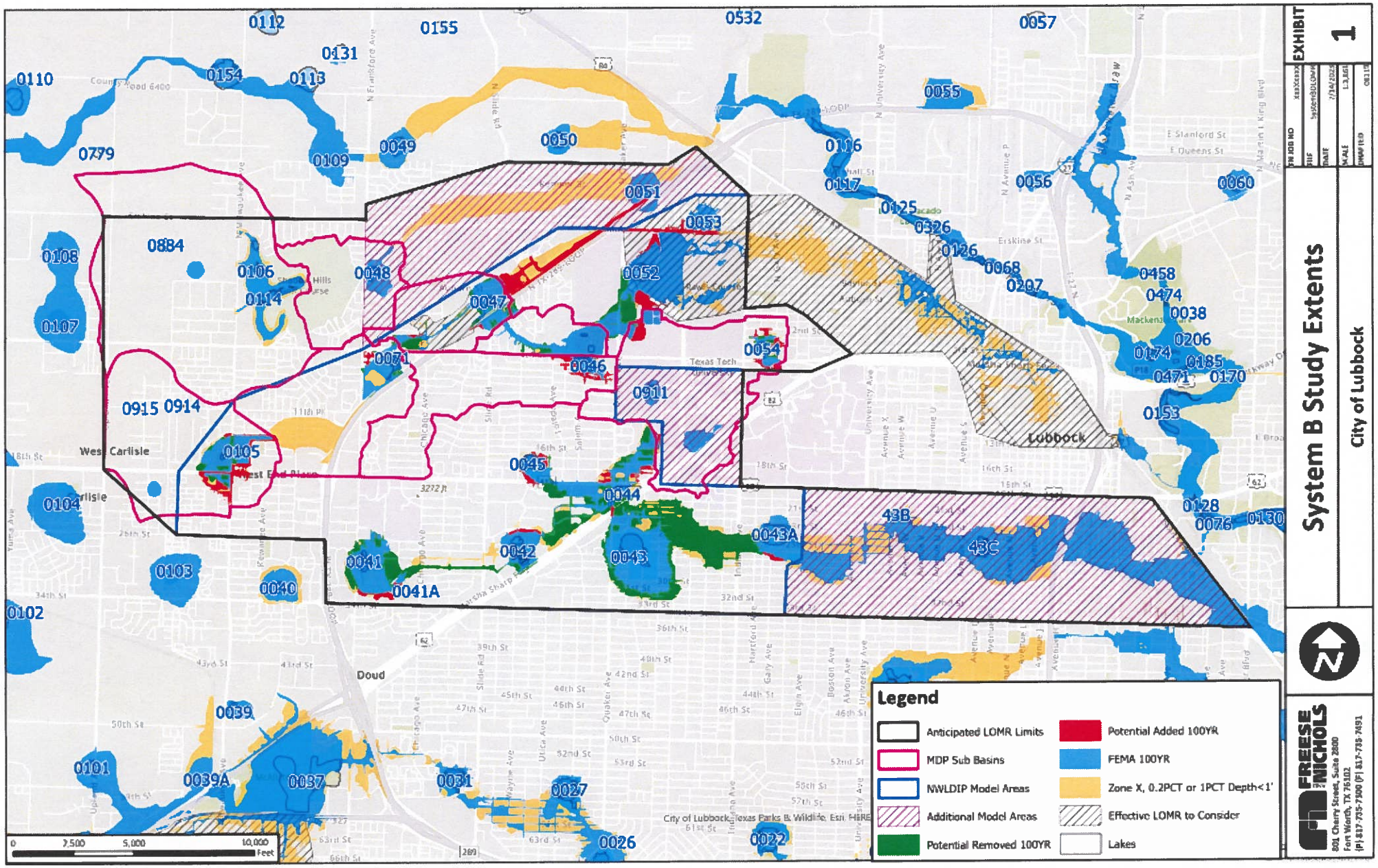
FNI will prepare and attend up to two (2) public meetings to communicate the impacts of the LOMR on affected property owners.

Task 7 – ICPR Mapping Tool

FNI will develop an automated tool in GIS to facilitate floodplain mapping based on ICPR results. FNI will develop a draft tool and apply it to the System B model results. The target will be to develop a draft floodplain that can be refined by manual edits but will streamline the overall mapping process.

ADDITIONAL SERVICES: Any services performed by FNI that are not included in the Basic Services or Special Services described above are Additional Services. Additional Services to be performed by FNI, if authorized by Client, are described as follows:

1. Development of grant applications
2. Development of stormwater capital improvements or alternatives analysis
3. Field Survey
4. Assistance with legal proceedings
5. Coordination with USACE or other regulatory agencies
6. Modeling beyond the extents identified in Figure 1
7. Coordination with landowners beyond what is included above
8. Negotiation of easements or real property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Legend
Anticipated LOMR Limits
MDP Sub Basins
NWLDIP Model Areas
Additional Model Areas
Potential Removed 100YR
Potential Added 100YR
FEMA 100YR
Zone X, 0.2PCT or 1PCT Depth<1'
Effective LOMR to Consider
Lakes
EXHIBIT 1
System B Study Extents
City of Lubbock
FREESE NICHOLS
801 Cherry Street, Suite 2800
Fort Worth, TX 76102
(P) 817-735-7300 (F) 817-735-7491

Exhibit B

FREESE AND NICHOLS

Innovative approaches
Practical results
Outstanding service

1500 Broadway Street, Suite 1150 + Lubbock, Texas 79401 + 806-686-2700 + FAX 817-735-7491

www.freese.com

July 20, 2023

Tommy Harms, EIT
Civil Engineer Associate II
City of Lubbock

Re: System B Restudy Proposal

Mr. Harms:

In response to your request, Freese and Nichols, Inc. is pleased to present the proposal for the above referenced project. A detailed scope of work is attached. This proposal includes the following services and tasks:

Fee Breakdown by Task		
Task	**Description**	**Fee**
1	PM, Meetings, and Project Webmap	$93,433
2	Data Collection	$13,929
3	Detailed Hydrologic and Hydraulic Analysis	$146,989
4	Report	$40,205
5	FEMA LOMR	$102,496
6	Public Outreach	$27,820
7	ICPR Mapping Tool	$25,238
	Sub-Total	**$ 450,110**

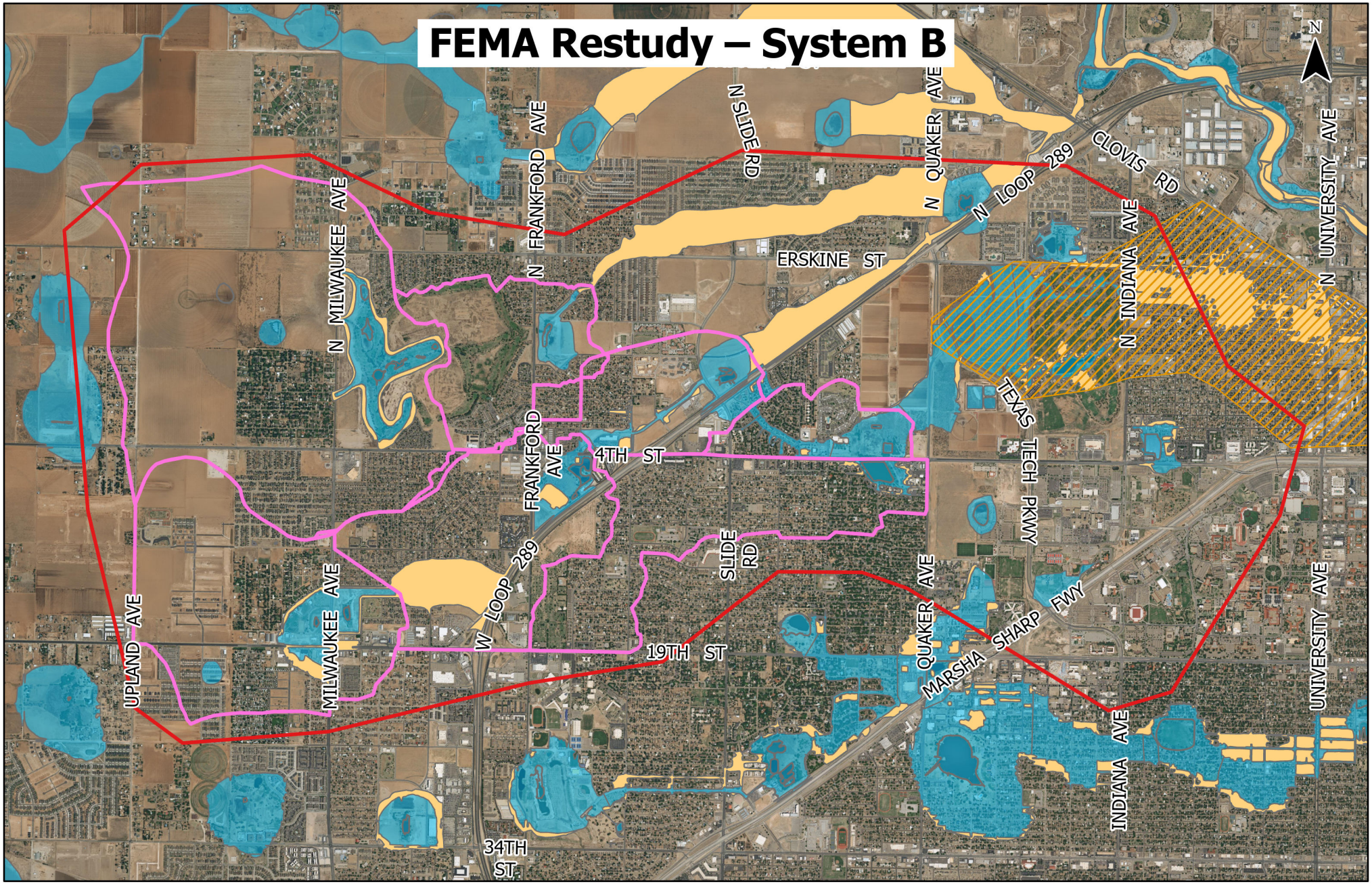
Thank you for the opportunity to assist the City of Lubbock on this important project. If you have any questions, please call me at 817-735-7378. We will be pleased to discuss this proposal with you and are willing to structure the contract as needed to best meet the needs and goals of the City.

Sincerely,

Freese and Nichols, Inc.

Scott Hubley, P.E., CFM
Vice-President

FEMA Restudy – System B



City of Lubbock TEXAS

0 0.5 1 2

Miles

- Lakes
- Zone X, 0.2 or 1 PCT Depth <1'
- FEMA 100YR
- Effective LOMR to Consider
- Focus Area
- MDP Sub Basins

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

City of Lubbock, TX
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	8677
Capital Project Name:	FEMA Restudy - System B

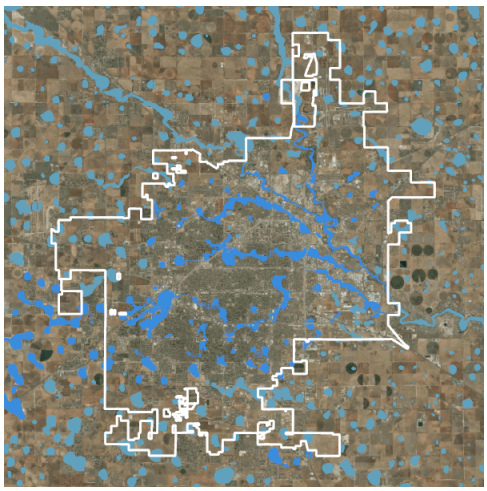
Encumbered/Expended	**Budget**
City of Lubbock Staff Time	$2,375
Agenda Items, August 22, 2023	
Contract 17246 - Freese and Nichols, Inc for Design	450,110
Encumbered/Expended To Date	452,485
Estimated Costs for Remaining Appropriation	
Other related costs	47,515
Remaining Appropriation	47,515
Total Appropriation	$500,000

Managing Department **Stormwater Utility**

Project Manager **Josh Kristinek**

Project Classification **Master Plans/Studies**

Project Status **Approved**



Project Scope

Update the drainage models provided by the Federal Emergency Management Agency (FEMA) with current information including new topography, aerial data, and improved site conditions. The Interconnected Pond Routing (ICPR) software will be utilized to better represent the conditions in the City. The ICPR software provides a better indication of the playa lakes and can model dual flow characteristics such as pipe flow, street flow, and overland land flow simultaneously, and will include updates to the model with Northwest Lubbock Drainage project improvements where storm sewers have been installed. The updated models will be compared to the existing FEMA floodplain maps and all differences will be noted. Coordination with FEMA will occur throughout the process so that the submitted data complies with the latest FEMA requirements. The consultant will prepare necessary paperwork for submission to FEMA, and will assist in obtaining the final Letters of Map Amendment.

Project Start Date: 10/01/2022

Project End Date: Ongoing System C (lower) was returned from FEMA, and Maps effective March 28th, 2022. System D - Study, preliminary mapping, and LOMR application being submitted Summer 2022 System B and System C (upper) - Will started upon the completion of NWLDIP Phase 3 and could take up to 4 years to complete the necessary revision through the FEMA process.

Project Justification

The FEMA floodplain maps, published in September 2007, define floodplains in the City for flood insurance purposes. The project involves hiring a consultant to review the FEMA flood study for Systems B, Upper C, including the Northwest Lubbock Drainage Project improvements, to determine the new floodplain with the improvements in place. The project includes a submission of the new data to FEMA for approval and a letter of map amendment for each of these areas depending on the study results.

Project History

With the installation of more than 8 miles of new storm sewer with the northwest drainage project, removing as many structures as possible from the floodplain benefits citizens who are now paying the cost of flood insurance for structures in and around the playa lakes.

$500,000 was appropriated in the FY 2022-23 Budget, Ord. No. 2022-O0136, October 1, 2022.

			Unappropriated Planning Years					
Appropriation Detail	Appropriation to Date	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Project Amount
Design and Engineering	0	500,000	0	0	0	0	0	500,000
Total Project Appropriation	0	500,000	0	0	0	0	0	500,000

			Unappropriated Planning Years					
Funding Detail	Funding to Date	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Funding
FY 2023 Storm Water Cash	0	500,000	0	0	0	0	0	500,000
Total Funding Sources	0	500,000	0	0	0	0	0	500,000

Operating Budget Impact	FY 2022-23	Unappropriated Planning Years FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Impact
No Impact Anticipated	0	0	0	0	0	0	0
Total Operating Budget Impact	0	0	0	0	0	0	0

Purchasing and Contract Management

Project Summary
RFQ 23-17246-MA FEMA Restudy System B

Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from April 14, 2023 thru May 19, 2023.
16 Firms downloaded the documents using Bonfire.com.
27 Firms were notified separately.
2 Firms submitted statements of qualifications.

AI# 11834
Regular City Council Meeting 6. 17.
08/22/2023:

Information

Agenda Item

Resolution - Public Works Streets: Consider a resolution authorizing the Mayor to execute Contract 17407, with Ti-Zack Concrete, Inc., for concrete repair, replacement, and construction, in the Manhattan Heights Subdivision area.

Item Summary

This project will repair, rebuild, and add concrete structures in the Manhattan Heights area bounded by Canyon Lake Number 6 to the north and east, East 35th Street to the south and east, and the railroad to the west. This project is part of the Street Improvement Projects in the 2022 Bond Package. Concrete repair will start this process, followed by the asphalt paving work, late next paving season. Details of the concrete structures placement and specifications are specified in the City of Lubbock Minimum Design Standards.

In response to ITB 23-17407-SB, a sole bid was received and opened on July 12, 2023, from Ti-Zack Concrete, Inc., of Le Center, Minnesota.

Staff recommends award of this contract to Ti-Zack Concrete Inc., of Le Center, Minnesota for the estimated cost of $2,290,124.43.

The contract is awarded by the unit price. The total amount of the award is estimated based on proposed quantities and actual expenditures may be more or less depending on actual quantities. The price per unit will not change. The contract has a term of 200 calendar days from the Notice to Proceed and contains appropriate liquidated damages.

Fiscal Impact

Contract 17407 with Ti-Zack Concrete, Inc. for $2,290,124.43, is funded in the 2022 Street Improvement Bond Package, with Capital Improvement Project 92817, Dunbar/Manhattan Heights - 22B.

Staff/Board Recommending

Erik Rejino, Assistant City Manager
L. Wood Franklin, P.E., Division Director of Public Works

Attachments

Resolution(c) - Ty-Zack Concrete
Contract - Tizack Concrete
Bid Tab - Ti-Zak Concrete
Manhattan Heights Map
CIP Spreadsheet

CIP Detail
Project Summary Sheet (c) - Manhattan Heights Concrete Repair

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Public Works Contract No. 17407 for Manhattan Heights concrete repairs/updates as per ITB 23-17407-SB, by and between the City of Lubbock and Ti-Zack Concrete, Inc. of Le Center, MN, and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Erik Rejino, Assistant City Manager

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.Public Works Contract 17407 concrete repairs ti-zack
7.25.23

BID SUBMITTAL FORM
UNIT PRICE BID CONTRACT

DATE: 7/11/2023

PROJECT NUMBER: **ITB 23-17407-SB, Manhattan Heights Concrete Repairs/ Updates**

Bid of Ti-Zack Concrete, Inc. (hereinafter called Bidder)

To the Honorable Mayor and City Council City of Lubbock, Texas (hereinafter called Owner)

Ladies and Gentlemen:

The Bidder, in compliance with your Invitation to Bid for the construction of the referenced project, having carefully examined the plans, specifications, instructions to bidders, notice to bidders and all other related contract documents and the site of the intended work, and being familiar with all of the conditions surrounding the construction of the intended project including the availability of materials and labor, hereby intends to furnish all labor, materials, and supplies; and to construct the project in accordance with the plans, specifications and contract documents, within the time set forth therein and at the price stated.

The bidder binds himself on acceptance of his bid to execute a contract and any required bonds, according to the accompanying forms, for performing and completing the said work within the time stated and for the prices stated.

Bidder hereby agrees to commence the work on the above project on a date to be specified in a written "Notice to Proceed" of the Owner and to **substantially complete** the project within **195 consecutive calendar days** with **final completion** of the project within **200 consecutive calendar days** as stipulated in the specification and other contract documents. Bidder hereby further agrees to pay to Owner as liquidated damages in the sum of **$1204.28** for each consecutive calendar day after **substantial completion** and liquidated damages in the sum of **$1204.28** for each consecutive calendar day after **final completion** set forth herein above for completion of this project, all as more fully set forth in the General Conditions of the Agreement.

Bidder understands and agrees that this bid submittal shall be completed and submitted in accordance with instruction number 29 of the General Instructions to Bidders.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any formality in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of **60** calendar days after the scheduled closing time for receiving bids.

The undersigned Bidder hereby declares that he has visited the site of the work and has carefully examined the plans, specifications and contract documents pertaining to the work covered by this bid, and he further agrees to commence work on or before the date specified in the written notice to proceed, and to substantially complete the work on which he has bid; as provided in the contract documents.

Bidders are required, whether or not a payment or performance bond is required, to submit a cashier's check or certified check issued by a bank satisfactory to the City of Lubbock, or a bid bond from a reliable surety company, payable without recourse to the order of the City of Lubbock in an amount not less than five percent (5%) of the total amount of the bid submitted as a guarantee that bidder will enter into a contract, obtain all required insurance policies, and execute all necessary bonds (if required) within **10** business days after notice of award of the contract to him.

City of Lubbock, TX
Public Works
ITB 23-17407-SB
Manhattan Heights Concrete Repairs/ Updates

Ti-Zack Concrete, Inc. of Le Sueur, MN

#	Items	QTY +/-	U/M	Unit Price	Extended Cost
Base Bid					
#1-1	30" Curb & Gutter, Class B Concrete (3,000 psi @ 7 days), 30" wide separate gutter or saw-tooth curb & gutter; including labor, equipment, removal and disposal of existing materials, subgrade preparation, complete and in place.	3000	LF	$63.26	189,780.00
#1-2	Valley Gutter & Fillets, 8" Class B concrete (3,000 psi @ 7 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, subgrade preparation, complete and in place.	7200	SY	142.97	1,029,384.00
#1-3	Placement of 2 sack flowable fill to 6" depth; including labor, equipment, removal and disposal of asphaltic surface, caliche base or existing subgrade (if soft or unstable) to a depth of 8" and replace with 6" of 2 sack flowable fill.	1100	SY	104.38	114,818.00
#1-4	Patching 2" H.M.A.C. (Type D, with approves crushed gravel); including labor, equipment, removal and disposal of existing surface, and (if applicable) prime and tack coat.	4000	SY	88.00	352,000.00
#1-5	Concrete slab removal and disposal; including labor, equipment, removal and disposal of existing concrete surface.	2000	SF	2.39	4,780.00
#1-6	Concrete Ramp (Class A), 4" reinforced concrete and Detectable Warning Tile; including labor, equipment, sub-grade preparation, installed and complete in place.	2000	SF	16.90	33,800.00
#1-7	Concrete Flatwork (Class A), 4" reinforced concrete (3,000 psi @ 28 days); including labor, equipment, sub-grade preparation, complete and in place.	2500	SF	10.30	25,750.00
#1-8	Concrete Retaining Wall (Class A), 6" thick and varying heights; including labor, equipment, subgrade preparation, complete and in place.	800	LF	66.32	53,056.00
#1-9	Alley Approaches, 8" Class B concrete (3,000 psi @ 28 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, sub-grade preparation, saw cut joints, complete and in place.	1000	SY	142.97	142,970.00
#1-10	Valley Gutter & Fillets, 8" Class C concrete (3,600 psi @ 7 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, subgrade preparation, complete and in place.	1000	SY	142.97	142,970.00
#1-11	Mobilization	1	One Time	200,816.43	200,816.43
		Total (Items 1-1 through 1-11):			$2,290,124.43

Enclosed with this bid is a Cashier's Check or Certified Check for _____ Dollars ($_____) or a Bid Bond in the sum of One Hundred Fourteen Thousand, Five Hundred Six & 22/100 **Dollars ($** 114,506.22 **), which it is agreed shall be collected and retained by the Owner as liquidated damages in the event the bid is accepted by the Owner and the undersigned fails to execute the necessary contract documents, insurance certificates, and the required bond (if any) with the Owner within 10 business days after the date of receipt of written notification of acceptance of said bid; otherwise, said check or bond shall be returned to the undersigned upon demand.**

Bidder understands and agrees that the contract to be executed by Bidder shall be bound and include all contract documents made available to him for his inspection in accordance with the Notice to Bidders.

Pursuant to Texas Local Government Code 252.043(g), a competitive sealed bid that has been opened may not be changed for the purpose of correcting an error in the bid price. THEREFORE, ANY CORRECTIONS TO THE BID PRICE MUST BE MADE ON THE BID SUBMITTAL FORM PRIOR TO BID OPENING.

Date: 7/11/2023

Authorized Signature

Jason Eager
(Printed or Typed Name)

Ti-Zack Concrete, Inc.
Company

39352 221st Ave
Address

Le Center, Le Sueur
City, County

MN, 56057
State Zip Code

Telephone: 507 - 357-6463

Fax: 507 - 357-6096

(Seal if Bidder is a Corporation)

ATTEST:

Secretary

Bidder acknowledges receipt of the following addenda:

Addenda No. None Date_____
Addenda No. _____ Date_____
Addenda No. _____ Date_____
Addenda No. _____ Date_____

FEDERAL TAX ID or SOCIAL SECURITY No.

41-1961752

EMAIL: admin@tizack.com

M/WBE Firm:

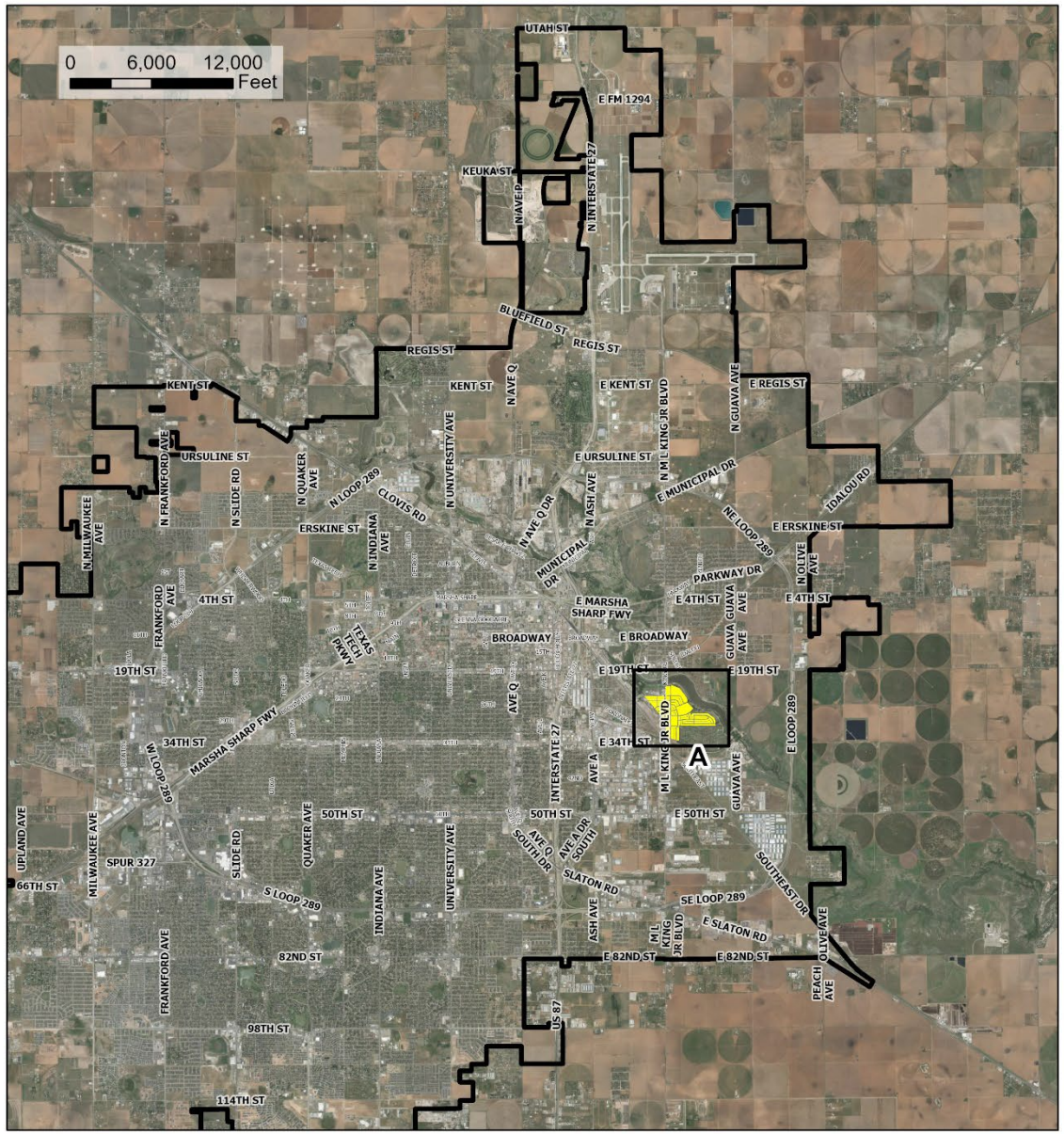
	Woman		Black American		Native American
	Hispanic American		Asian Pacific American		Other (Specify)

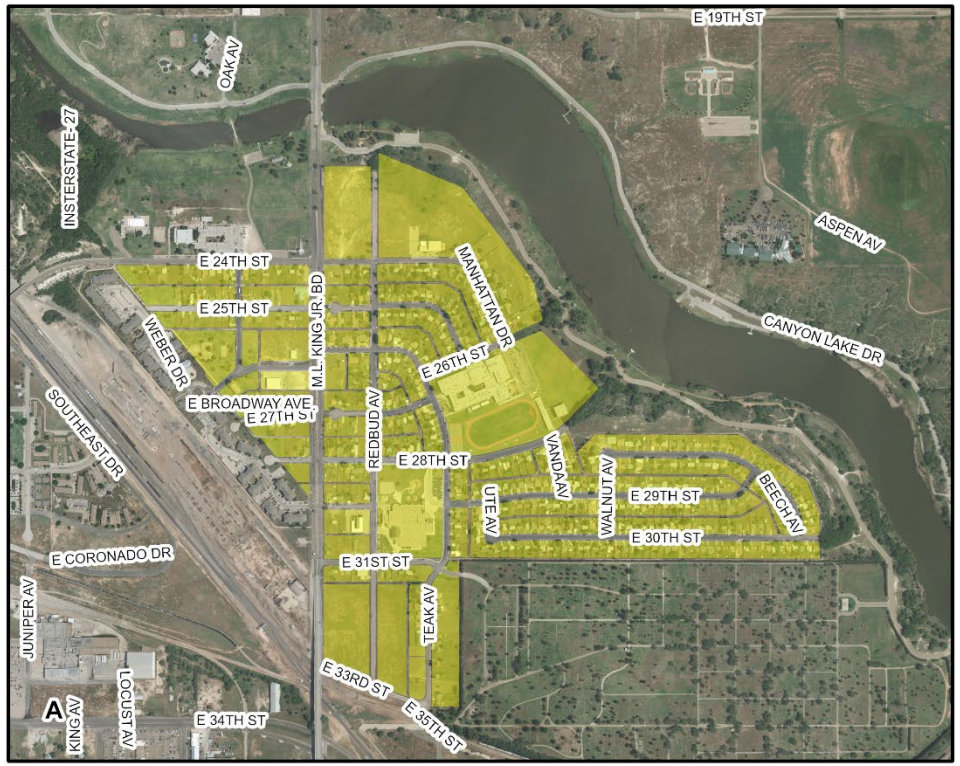
TI-ZACK CONCRETE INC. MINNESOTA CORPORATE SEAL 1995

The City of Lubbock
ITB 23-17407-SB
Manhattan Heights Concrete Repairs/ Updates

BID TABULATION

				Ti-Zack Concrete, Inc.	
			Location Total Cost	Le Center, MN $2,290,124.43	
#	**Items**	**Quantity (+/-)**	**Unit of Measure**	**Unit Cost**	**Extended Cost**
#1-1	30" Curb & Gutter, Class B Concrete (3,000 psi @ 7 days), 30" wide separate gutter or saw-tooth curb & gutter; including labor, equipment, removal and disposal of existing materials, subgrade preparation, complete and in place.	3000	LF	$63.26	$189,780.00
#1-2	Valley Gutter & Fillets, 8" Class B concrete (3,000 psi @ 7 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, sub-grade preparation, complete and in place.	7200	SY	$142.97	$1,029,384.00
#1-3	Placement of 2 sack flowable fill to 6" depth; including labor, equipment, removal and disposal of asphaltic surface, caliche base or existing subgrade (if soft or unstable) to a depth of 8" and replace with 6" of 2 sack flowable fill.	1100	SY	$104.38	$114,818.00
#1-4	Patching 2" H.M.A.C. (Type D, with approves crushed gravel); including labor, equipment, removal and disposal of existing surface, and (if applicable) prime and tack coat.	4000	SY	$88.00	$352,000.00
#1-5	Concrete slab removal and disposal; including labor, equipment, removal and disposal of existing concrete surface.	2000	SF	$2.39	$4,780.00
#1-6	Concrete Ramp (Class A), 4" reinforced concrete and Detectable Warning Tile; including labor, equipment, sub-grade preparation, installed and complete in place.	2000	SF	$16.90	$33,800.00
#1-7	Concrete Flatwork (Class A), 4" reinforced concrete (3,000 psi @ 28 days); including labor, equipment, sub-grade preparation, complete and in place.	2500	SF	$10.30	$25,750.00
#1-8	Concrete Retaining Wall (Class A), 6" thick and varying heights; including labor, equipment, subgrade preparation, complete and in place.	800	LF	$66.32	$53,056.00
#1-9	Alley Approaches, 8" Class B concrete (3,000 psi @ 28 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, sub-grade preparation, saw cut joints, complete and in place.	1000	SY	$142.97	$142,970.00
#1-10	Valley Gutter & Fillets, 8" Class C concrete (3,600 psi @ 7 days), Reinforced (Ref. Section 8.7.12 for specifications for reinforcement information); including labor, equipment, removal and disposal of existing materials, sub-grade preparation, complete and in place.	1000	SY	$142.97	$142,970.00
#1-11	Mobilization	1	One Time	$200,816.43	$200,816.43





Lubbock City Limits
ManhattanHeightsArea

N

City of Lubbock, TX
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92817
Capital Project Name:	Dunbar/Manhattan Heights - 22B

Encumbered/Expended	**Budget**
City of Lubbock Staff Time	$243
Bid Cost	230
Agenda Items, August 22, 2023	
Contract 17407 - Ti-Zack Concrete, Inc.	2,290,124
Encumbered/Expended To Date	2,290,597
Estimated Costs for Remaining Appropriation	
Street Construction	4,209,403
Remaining Appropriation	4,209,403
Total Appropriation	$6,500,000

CIP 92817 Dunbar/Manhattan Heights Residental Rebuild - 22B

"New Roadway Infrastructure"

Project Manager: Mike Gilliland - Public Works

Project Scope

This project will completely rehabilitate the streets in the Dunbar Manhattan Heights area. In addition curb and gutter will be repaired, valley gutters added for drainage and ADA compliance will be brought in compliance.

Project Justification

On November 8, 2022, Lubbock voters approved issuance of a $200 million street improvements bond package for the purpose of providing permanent public improvements. The funding will acquire, construct and reconstruct street improvements, including but not limited to sidewalks, utility line relocations and necessary and related storm drainage facilities.

Project Highlights

Council Priorities Addressed:
Public Safety
Community Improvement
Growth and Development

Project Date

Project History

Project Location

Project Appropriations

P Works 92817

	2022 - 23 Budget CIP	2023 - 24 Budget	2024 - 25 Budget	2025 - 26 Budget	2026 - 27 Budget	2027 - 28 Budget	2028 - 29 Budget
Construction	$6,500,000	$0	$0	$0	$0	$0	$0
TOTAL	**$6,500,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Project Funding

P Works 92817

	Funding to Date	2023 - 24 Budget	2024 - 25 Budget	2025 - 26 Budget	2026 - 27 Budget	2027 - 28 Budget	2028 - 29 Budget
General Obligation Bonds	$6,500,000	$0	$0	$0	$0	$0	$0
TOTAL	**$6,500,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Operating Budget Impacts

92817

Description	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
No Impact Anticipated	$0	$0	$0	$0	$0	$0	$0
TOTAL	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

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Purchasing and Contract Management

Project Summary

ITB 23-17407-SB
Manhattan Heights Concrete Repairs/ Updates

Notice was published in the Lubbock Avalanche Journal on June 18 & June 25, 2023.
Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from June 16 to July 12, 2023.
7 individuals attended the pre-bid meeting.
32 vendors downloaded the documents using Bonfire.com.
21 vendors were notified separately.
1 vendor submitted a bid.

AI# 11829
Regular City Council Meeting 6. 18.
08/22/2023:

Information

Agenda Item

Resolution - Public Health Services: Consider a resolution authorizing the Mayor to execute Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001019500024, and all related documents, under the Vaccination Capacity Grant Program, by and between the City of Lubbock and the State of Texas, acting by and through DSHS.

Item Summary

This is an existing grant. The purpose of this amendment is to revise the statement of work. The DSHS Contract Management Section (CMS) is in the process of amending the Public Health Workforce Contract, to revise the current statement of work, based on the passage of Rider 40 during the 88th Texas Regular Legislative Session. Rider 40 goes into effect on September 1, 2023, and prohibits the use of DSHS funds to promote or advertise COVID-19 vaccinations.

This document requires an electronic signature.

Fiscal Impact

None

Staff/Board Recommending

Bill Howerton, Deputy City Director
Katherine Wells, Director of Public Health

Attachments

Resolution
Contract

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001019500024, under the Vaccination Capacity Grant Program, by and between the City of Lubbock and the State of Texas, acting by and through DSHS, and all related documents. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Rachael Foster, Assistant City Attorney

RES.DSHS Contract No. HHS001019500024 Amendment No.2
7.28.23

DocuSign Envelope ID: 82498026-E29E-444F-BE5D-CECCA5E212E2

TEXAS
Health and Human Services

Texas Department of State Health Services

Jennifer A. Shuford, M.D., M.P.H.
Commissioner

The Honorable Tray Payne, Mayor
City of Lubbock
PO Box 2000
Lubbock, Texas 79408

Subject: Vaccination Capacity Grant Contract
Contract Number: HHS001019500024, Amendment No. 2
Contract Amount: $3,251,133.00
Contract Term: 05/14/2021 through 06/30/2024

Dear Mayor Payne:

Enclosed is Amendment No. 2 to the Vaccination Capacity Contract between the Department of State Health Services and City of Lubbock.

The purpose of this amendment is to revise the statement of work.

This amendment provides changes to the statement of work.

Please let me know if you have any questions or need additional information.

Sincerely,

Michelle Hilscher, CTCM
Contract Manager
512-776-6550
cms_covidimm@dshs.texas.gov

DocuSign Envelope ID: 82498026-E29E-444F-BE5D-CECCA5E212E2

DEPARTMENT OF STATE HEALTH SERVICES
CONTRACT NO. HHS001019500024
AMENDMENT NO. 2

The **DEPARTMENT OF STATE HEALTH SERVICES** ("**SYSTEM AGENCY**"), a pass-through entity, and **CITY OF LUBBOCK** ("**GRANTEE**"), collectively referred to as the "Parties" to that certain grant contract to provide funding for the Vaccination Capacity Program, effective May 14, 2021, and denominated DSHS Contract No. HHS001019500024 ("the Contract"), now desire to further amend the Contract.

WHEREAS, DSHS desires to revise the Statement of Work.

NOW, THEREFORE, the Parties amend and modify the Contract as follows:

1. **ATTACHMENTS A**, **STATEMENT OF WORK**, AND **A-1**, **SUPPLEMENTAL STATEMENT OF WORK**, are deleted and are replaced with **ATTACHMENT A-2, REVISED STATEMENT OF WORK.**

2. This Amendment No. 2 shall be effective upon the date of the last signature.

3. Except as amended and modified by this Amendment No. 2, all terms and conditions of the Contract, as previously amended, shall remain in full force and effect.

4. Any further revisions to the Contract shall be by written agreement of the Parties.

SIGNATURE PAGE FOLLOWS

DocuSign Envelope ID: 82498026-E29E-444F-BE5D-CECCA5E212E2

SIGNATURE PAGE FOR AMENDMENT NO. 2
DEPARTMENT OF STATE HEALTH SERVICES
CONTRACT NO. HHS001019500024

SYSTEM AGENCY	**GRANTEE**
Signature	Signature
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date of Execution: _____	Date of Execution: _____

THE FOLLOWING ATTACHMENT IS ATTACHED AND INCORPORATED AS PART OF THE CONTRACT:

ATTACHMENT A-2 – REVISED STATEMENT OF WORK

ATTACHMENT FOLLOWS

DocuSign Envelope ID: 82498026-E29E-444F-BE5D-CECCA5E212E2

ATTACHMENT A-2
REVISED STATEMENT OF WORK

I. GRANTEE RESPONSIBILITIES

Grantee will conduct any of the following eligible activities that is aligned with the approved workplan:

A. Round 3 Activities:

1. Increase vaccination capacity across the jurisdiction, including among high-risk and underserved populations.
    i. Fund local health departments to expand their operations (e.g., providing vaccinations during evenings, overnight, and on weekends) and to increase their throughput.
    ii. Support public health workforce recruitment and training including working with health providers from rural communities and communities of color.
    iii. Implement vaccine strike teams, mobile vaccine clinics, satellite clinics, temporary, or off-site clinics to travel and provide vaccination services in non- traditional settings and/or to supplement the work of local health departments in underserved communities.
2. Ensure high quality and safe administration of all vaccines.
    i. Implement site visits to vaccination clinics to provide monitoring and quality assurance support (supportive supervision) and to promote quality improvement.
    ii. Support vaccine administration sites by responding to issues, questions, and ensuring training as needed for new products or changes to products.
    iii. Provide supplies (including personal protective equipment (PPE)), equipment, and training to providers and partners for:
        a. Vaccine storage and handling, including monitoring temperature of vaccines
        b. Vaccine transport, including any vaccine-specific considerations, for temporary mass vaccination clinics
        c. Vaccine administration
    iv. Ensure vaccine administration sites have appropriate capabilities to address adverse events, including anaphylaxis.
    v. Support provider training and reporting of vaccine adverse events to VAERS.
3. Ensure equitable distribution and administration of all vaccines.
    i. Monitor vaccination coverage among population subgroups, identifying populations and geographic areas with low coverage. Implement and evaluate interventions and direct vaccine and vaccination efforts to increase coverage.

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ii. Have a written plan to address high-risk and specific populations (including older adults) and how to reach each group, including congregate settings (e.g., correctional facilities), homeless populations, essential workers, and others.

iii. Partner, plan, and implement vaccination activities with critical organizations. These organizations could include but are not limited to:

- Colleges and Universities
- Occupational health settings for large employers
- Churches or religious institutions
- Federally Qualified Health Centers (FQHCs), including Community Health Centers (CHCs)
- Pharmacies
- Long-term care facilities (LTCFs), including independent living facilities, assisted living centers, and nursing homes
- Organizations and businesses that employ critical workforce
- First responder organizations
- Non-traditional providers and locations that serve high-risk populations
- Other partners that serve underserved populations

iv. Plan and implement vaccination activities with organizations and businesses that employ frontline essential workers as defined by the Cybersecurity & Infrastructure Security Agency (CISA).

B. Round 4 Activities:

1. **Objective 1**

i. Grantee will utilize relevant U.S. Census tract data at the Zip Code level to identify geographic areas within their jurisdiction with increased populations of the following groups:

a. Black or African American (non-Hispanic)
b. American Indian and Alaska Native
c. Asian
d. Native Hawaiian
e. Other Pacific Islander
f. Hispanic

Grantee may hire or contract Data Analysts, Statisticians, Epidemiologists, Social Workers, and Public Health specialists to identify these populations. Grantee is encouraged to map vaccination coverage within their jurisdiction by ZIP Code using ImmTrac vaccination data and/or other local programs which capture vaccination data.

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ii. Once identified, Grantee will perform targeted education and outreach regarding Advisory Committee on Immunization Practices (ACIP) recommended and Centers for Disease Control and Prevention (CDC) approved vaccinations to these communities. Methods of education and outreach can include, but are not limited to:

a. Town hall meetings
b. Neighborhood association meetings
c. Festival/fair, or other community event

iii. Grantee will share this data with other organizational entities within the jurisdiction to assist with the outreach. These entities can include health department programs like HIV/STD, WIC, and Rural Health, as well as other agencies who regularly interact with these racial and ethnic minority groups. These groups can include the jurisdictional fire department, police department, public works department, and community services department.

a. Grantee will investigate pathways to incorporate these external organizations to assist in delivery of outreach and educational messages.

2. **Objective 2**

i. Using the data from the identified disproportionate population identified, Grantee will develop and implement outreach campaigns to identify and train trusted messengers to communicate vaccine safety and effectiveness to these communities and populations. These trusted messengers can include, but are not limited to:

a. Faith leaders
b. Teachers
c. Community health workers
d. Radio DJ's
e. Barbers
f. Local Proprietors
g. Community and civic leaders

ii. These trusted messengers will provide their vaccine promotion material and information through local media outlets, social media, faith-based venues, community events, and other appropriate venues.

iii. Within the jurisdiction, the Grantee will contact and engage the following entities to develop and operate temporary or mobile

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vaccination sites, in historically under vaccinated communities. The following are recommendations:

a. Places of worship
c. Community-based centers
d. Recreation centers
d. Food banks
e. Schools/colleges
f. Grocery stores
g. Salons/barbershops
h. Major employers

3. **Objective 3**

i. Grantee will continue to increase access to vaccination sites and appointments throughout the jurisdiction by using multiple locations and with flexible hours (evening hours) which are accessible to and frequented by the identified disproportionate populations. Sites should include, but are not limited to:

a. Pharmacies
b. Healthcare facilities
c. Community-based sites
d. Mobile sites

ii. Grantee must coordinate with local community-based organizations to plan and implement mobile vaccination clinics and is encouraged to work with minority community health workers, nursing students/schools, and historical black colleges and universities, as applicable.

iii. Grantee is encouraged to support free or subsidized transportation options to access vaccination appointments either directly or indirectly through community partners.

4. **Objective 4**

i. Grantee will fund and hire a dedicated health communicator to support and implement the jurisdiction's specific vaccine communication, education, and outreach. This position will assist the Grantee in:

a. Developing and implementing community-based and linguistically appropriate messages which focus on ACIP recommended and CDC approved vaccines and benefits of vaccination.

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b. Fund communications strategies that accommodate different levels of health literacy, digital literacy, and science literacy.
c. Develop toolkits, checklists, quick guides, etc., to increase vaccine education.
d. Continue training of local trusted messengers to deliver messages regarding vaccine hesitancy and misinformation
e. Develop localized testimonial campaigns.

5. **Objective 5**

i. Grantee will fund and hire an adult immunization coordinator to focus on ACIP recommended and CDC approved vaccines within their jurisdiction to serve as a safety net for at-risk individuals. The coordinator will focus on:

a. Quality improvement
b. Reminder recall
c. Other relevant activities to improve adult coverage rates

C. Grantee shall not use funds to promote or advertise COVID-19 vaccinations.

D. Grantee must obtain approval from System Agency on the workplan within 30 days of Contract execution.

E. Grantee must submit a quarterly program report on the report template to be provided by System Agency by the last business day of the month following the end of each quarter of the Contract for System Agency review. Grantee must submit reports by electronic mail to ImmunizationContracts3@dshs.texas.gov and to CMS_COVIDIMM@dshs.texas.gov. The email "Subject Line" and the name of the attached file for all reports should be clearly identified with the Grantee's Name and Contract Number.

F. Grantee may use Round 3 funds to pay pre-award costs which date back to December 1, 2020, that are directly related to the activities outlined in the Statement of Work. All pre-award costs must be approved in writing by System Agency.

G. Grantee shall maintain an inventory of equipment, supplies defined as Controlled Assets, and real property. Submit an annual cumulative report of the equipment and other property on HHS System Agency Grantee's Property Inventory Report to the designated DSHS Contract Manager by email not later than October 15 of each year. Controlled Assets include firearms, regardless of the acquisition cost, and the following assets with an acquisition cost of $500 or more, but less than $5,000: desktop and laptop computers

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(including notebooks, tablets and similar devices), non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment. Controlled Assets are considered Supplies.

H. Grantee shall provide notification of budget transfers by submission of a revised Categorical Budget Form to the designated DSHS Contract Manager, highlighting the areas affected by the budget transfer. Grantee is advised as follows:
   1. Transferring funds between budget categories, other than the equipment and indirect cost categories, is allowable, but cannot exceed 25% of the total Contract value during a Contract budget period. If the budget transfer(s) exceeds 25% of the total Contract value, alone or cumulatively, a formal Contract amendment is required; and
   2. After review, the designated DSHS Contract Manager shall provide notification of acceptance to Grantee via email, upon receipt of which, the revised budget shall be incorporated into the Contract.

I. Grantee may not use funds for research, clinical care, fundraising activities, or funding an award to another party or provider who is ineligible. No funds may be used for:
   1. Publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body; or
   2. The salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative act or Executive order proposed or pending before any legislative body.

II. PERFORMANCE MEASURES

The System Agency will monitor the Grantee's performance of the requirements in Attachment A-2 and compliance with the Contract's terms and conditions.

III. INVOICE AND PAYMENT

A. Grantee will request payments using the State of Texas Purchase Voucher (Form B-13) at https://www.dshs.texas.gov/hivstd/contractor/cmsforms.shtm?terms=B-13. The Voucher and any supporting documentation will be mailed or submitted by fax or electronic mail to the address/number below.

   Department of State Health Services Claims Processing Unit, MC 1940
   1100 West 49th Street
   P.O. Box 149347
   Austin, Texas 78714-9347
   FAX: (512)-458-7442
   Email: invoices@dshs.texas.gov and CMSInvoices@dshs.texas.gov

B. Grantee will be paid on a cost reimbursement basis and in accordance with **Attachment B and B-1, BUDGET** to this Contract and shall maintain all documentation that

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substantiates invoices and make the documentation available to System Agency upon request. In the event a cost reimbursed under the Contract is later determined to be unallowable, then the Grantee will reimburse System Agency for that cost.

C. Grantee will submit Financial Status Reports (FSRs) to System Agency by the last business day of the month following the end of each reporting period outlined below: The quarters are as follows:

1. July 1 through December 31
2. January 1 through June 30

D. Grantee will submit a request for reimbursement (HHS Form B-13) as a final close- out invoice not later than forty-five (45) calendar days following the end of the term of the Contract. Reimbursement requests received in the System Agency office more than forty-five (45) calendar days following the termination of the Contract may not be paid.

E. Grantee will submit a final FSR as a final close-out FSR not later than forty-five (45) calendar days following the end of the term of the Contract.

DocuSign

Certificate Of Completion

Envelope Id: 82498026E29E444FBE5DCECCA5E212E2
Status: Sent
Subject: HHS001019500024 City of Lubbock Vaccination Capacity A-2
Source Envelope:
Document Pages: 10
Signatures: 0
Certificate Pages: 2
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-06:00) Central Time (US & Canada)

Envelope Originator:
CMS Internal Routing Mailbox
11493 Sunset Hills Road
#100
Reston, VA 20190
CMS.InternalRouting@dshs.texas.gov
IP Address: 160.42.90.99

Record Tracking

Status: Original
7/24/2023 3:36:33 PM
Holder: CMS Internal Routing Mailbox
CMS.InternalRouting@dshs.texas.gov
Location: DocuSign

Signer Events	Signature	Timestamp
The Honorable Tray Payne traypayne@mylubbock.us Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		Sent: 7/24/2023 3:42:54 PM
Helen Whittington helen.whittington@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
Patricia Melchior Patty.Melchior@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
Kirk Cole Kirk.Cole@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
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Katherine Wells kwells@mylubbock.us Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 7/24/2023 3:42:53 PM Viewed: 7/24/2023 3:52:49 PM
Michelle Hilscher michelle.hilscher@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
CMS Internal Routing Mailbox cms.internalrouting@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	7/24/2023 3:42:52 PM
Envelope Updated	Security Checked	7/24/2023 4:21:35 PM
Envelope Updated	Security Checked	7/24/2023 4:21:36 PM

Payment Events	Status	Timestamps

AI# 11830
Regular City Council Meeting 6. 19.
08/22/2023:

Information

Agenda Item

Resolution - Public Health Services: Consider a resolution authorizing the Mayor to execute Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001083000001, and all related documents, by and between the City of Lubbock and the State of Texas, acting by and through DSHS, for activities to establish, expand, train, and sustain the public health workforce, in alignment with the Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802) from the Centers of Disease Control and Prevention (CDC).

Item Summary

This is an existing grant. The purpose of this amendment is to revise the statement of work. The DSHS Contract Management Section (CMS) is in the process of amending the Public Health Workforce Contract, to revise the current statement of work, based on the passage of Rider 40 during the 88th Texas Regular Legislative Session. Rider 40 goes into effect on September 1, 2023, and prohibits the use of DSHS funds to promote or advertise COVID-19 vaccinations.

This document requires an electronic signature.

Fiscal Impact

None

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Katherine Wells, Director or Public Health

Attachments

Resolution
Contract

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 2 to the Department of State Health Services (DSHS) Contract No. HHS001083000001 for activities to establish, expand, train, and sustain public health workforce in alignment with the Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802) from the Centers for Disease Control and Prevention (CDC), by and between the City of Lubbock and the State of Texas, acting by and through DSHS, and all related documents. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Rachael Foster, Assistant City Attorney

RES.DSHS-HHS001083000001 Amendment 2
7.28.23

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TEXAS Health and Human Services

Texas Department of State Health Services

Jennifer A. Shuford, M.D., M.P.H.
Commissioner

The Honorable Tray Payne
Mayor
City of Lubbock
PO Box 2000
Lubbock, Texas 79457

Subject: CPS/PH Workforce Contract
Contract Number: HHS001083000001, Amendment No. 2
Contract Amount: $1,500,000.00
Contract Term: September 10, 2021 through June 30, 2024

Dear Mayor Payne:

Enclosed is the CDC Public Health Crisis Response (PHCR) Co-Ag: Public Health Workforce contract between the Department of State Health Services and City of Lubbock.

The purpose of this amendment is to revise the Statement of Work (SOW) in support of activities to establish, expand, train and sustain public health workforce in alignment with the Centers for Disease Control and Prevention (CDC) Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802).

Please let me know if you have any questions or need additional information.

Sincerely,

Beverly Taylor, CTCM
Contract Manager
512-776-2284
Beverly.Taylor@dshs.texas.gov

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DEPARTMENT OF STATE HEALTH SERVICES
CONTRACT NO. HHS001083000001
AMENDMENT NO. 2

The Department of State Health Services (System Agency) and City of Lubbock (Grantee), collectively the "Parties" to that certain Contract for activities to establish, expand, train and sustain public health workforce in alignment with the Centers for Disease Control and Prevention (CDC) Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802), effective September 10, 2021 and denominated DSHS Contract No. HHS001083000001 (the "Contract"), now elect to further amend the Contract.

WHEREAS, the Parties desire to revise the Statement of Work.

The Parties, therefore, agree as follows:

1. **ATTACHMENT A, STATEMENT OF WORK**, is amended and replaced in its entirety with **ATTACHMENT A-1, REVISED STATEMENT OF WORK**.

2. This Amendment shall be effective as of the date last signed below.

3. Except as modified by this Amendment, all terms and conditions of the Contract, as previously amended, shall remain in effect.

4. Any further revisions to the Contract shall be by written agreement of the Parties.

5. Each Party represents and warrants that the person executing this Amendment on its behalf has full power and authority to enter into this Amendment.

SIGNATURE PAGE FOLLOWS

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SIGNATURE PAGE FOR AMENDMENT NO. 2
SYSTEM AGENCY CONTRACT NO. HHS001083000001

DEPARTMENT OF STATE HEALTH SERVICES	**CITY OF LUBBOCK**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date of Signature: _____	Date of Signature: _____

THE FOLLOWING DOCUMENT IS ATTACHED TO THIS AMENDMENT AND INCORPORATED INTO THE CONTRACT:

ATTACHMENT A-1, REVISED STATEMENT OF WORK

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ATTACHMENT A-1
REVISED STATEMENT OF WORK
COVID-19 – Public Health Workforce Expansion

I. GRANTEE RESPONSIBILITIES

Grantee will:

A. Establish, expand, train and sustain public health workforce in alignment with the Centers for Disease Control and Prevention (CDC) Public Health Crisis Response Cooperative Agreement for Emergency Response (Funding Opportunity Number CDC-RFA-TP18-1802) and the activities allowable under this agreement.

B. Complete all activities required and allowable under this Contract by June 30, 2024.

C. Perform required activities intended to minimize morbidity and mortality, preserve function of healthcare workforce and infrastructure, and minimize social and economic impacts. Required activities include:

1. Hire public health personnel (professional, clinical, disease investigation, program and/or administrative) in support of infectious disease preparedness and response. Personnel may be permanent full- or part-time staff, temporary or term-limited staff, fellows, interns and/or contracted employees.

2. Establish a formal committee that will ensure Grantee's health programs, methods and outcomes meet the needs of the communities served.
   a. Within 30 days of Contract execution, submit a roster of this committee that describes how members are reflective of the communities to be served and can best address community public health needs to WorkforceCoAg@dshs.texas.com and the assigned Contract Manager.
   b. Within 60 days of Contract execution, submit proposed plan to address health disparities, and your training plan to WorkforceCoAg@dshs.texas.com and the assigned Contract Manager, using the template provided by System Agency.

3. Provide training for staff to be equipped to address health disparities appropriately, as recommended by the committee, to existing and new staff, focusing on issues relevant to the local communities served.

D. Funds cannot be used for research, clinical care, medical or clinical supplies, fundraising activities, construction or major renovations, to supplant existing state or federal funds for activities, purchase of vehicles of any kind (including mobile medical clinics), clothing to include uniforms or scrubs, or funding an award to another party or provider who is ineligible. Any furniture/cubicle purchases will require PRIOR approval by System Agency. Funds cannot be used for the preparation, distribution, or use of any material (publicity or propaganda) or to pay the salary or expenses of grant recipients, contract recipients, or agents that aim to support or defeat the enactment of legislation, regulation, administrative action, or executive order proposed or pending before a legislative body beyond normal, recognized executive relationships. In addition, funds shall not be used to advertise or promote COVID-19 vaccinations.

E. Comply with all applicable regulations, standards, and guidelines in effect on the beginning

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date of this Contract and as amended.

F. The following documents and resources are incorporated herein by reference and made a part of this Contract as if fully set forth therein:
   1. DSHS and CDC Public Health Crisis Response Cooperative Agreement, Funding Opportunity Number: CDC-RFA-TP18-1802
   2. Project workplan

G. Maintain an inventory of equipment, supplies defined as Controlled Assets, and real property. Grantee shall submit an annual cumulative report of the equipment and other property on HHS System Agency Grantee's Property Inventory Report to the assigned System Agency Contract Manager by email not later than October 15 of each year. Controlled Assets include firearms, regardless of the acquisition cost, and the following assets with an acquisition cost of $500 or more, but less than $5,000: desktop and laptop computers (including notebooks, tablets and similar devices), non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment. Controlled Assets are considered Supplies.

H. Expenses are eligible for reimbursement review and payment in alignment with the Grant Award effective date of July 1, 2021.

II. PERFORMANCE MEASURES

DSHS will monitor the Grantee's performance of the requirements in this Statement of Work and compliance with the Contract's terms and conditions.

DSHS will develop performance measures in collaboration with the Grantee**.**

III. REPORTING REQUIREMENTS

Grantee, at the request of the System Agency, may be required to submit additional reports determined necessary to accomplish the objectives of and monitor compliance with this Contract. Grantee must submit reports in a format specified by the System Agency. Grantee will provide System Agency financial reports as System Agency determines necessary to accomplish the objectives of this Contract and to monitor compliance. If Grantee is legally prohibited from providing any report under this Contract, Grantee will immediately notify System Agency in writing.

Grantee will provide and submit written reports, by electronic mail in the format specified by System Agency. Grantee will complete and submit the biannual program and financial reports by the 5th business day of each month. Grantee shall maintain the source documentation used to develop the reports. All written reports should be titled with the Grantee name, address, email address, telephone number, program name, contract or purchase order number, dates services were completed and/or products were delivered, the time period of the report, total invoice amount, and invoices paid to subgrantees for services received.

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ATTACHMENT A-1
REVISED STATEMENT OF WORK
COVID-19 – Public Health Workforce Expansion

A. Submit local health entity Workforce Expansion progress reports and spend plans within an established timeframe designated by the System Agency, using the template provided by System Agency. Progress reports will include status updates on meeting hiring goals, addressing health disparities and reporting progress through financial reports. Failure to submit a required report or additional requested information by the due date specified in this Contract listed below or upon request constitutes breach of contract and may result in delay of payment. Reports should be sent via the Qualtrics Survey. The System Agency will send the Contractor a link one month prior to the due date.

Biannual Progress Report due	7-Jan-22
Biannual Progress Report due	7-Jul-22
Biannual Progress Report due	9-Jan-23
Biannual Progress Report due	7-Jul-23

Due to the No-Cost Extension (NCE) two additional reports will be required:

Biannual Progress Report due	8-Jan-24
Biannual Progress Report due	8-Jul-24

B. Submit a final performance report that describes progress toward achieving the objectives contained in the approved workplan and deliverables contained in this Contract, via the Qualtrics Survey. The System Agency will send the Contractor a link one month prior to the due date.

Final Performance Report Due	15-Aug-24

IV. INVOICE AND PAYMENT

A. Grantee shall submit requests for reimbursement of required services/deliverables monthly using the State of Texas Purchase Voucher (Form B-13), together with supporting documentation as directed by DSHS. Forms should be mailed, faxed or emailed to the addresses below.

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B. Grantee shall submit a Financial Status Report (FSR) biannually each year beginning July 1, 2022 through August 15, 2024.

Year	1ST FSR Period	1ST FSR Due Date	2nd FSR Period	2nd FSR Due Date
2023	July 1, 2022 - December 31, 2022	January 31, 2023	January 1, 2023- June 30, 2023	July 31, 2023
2024	July 1, 2023 – December 31, 2023	January 31, 2024	January 1, 2024- June 30, 2024	August 15, 2024

C. All financial reporting documents must be submitted by email, fax, or mail. Email is preferred, but fax or mail are acceptable.

1. For submission by mail, use address below:
   Department of State Health Services
   Claims Processing Unit
   P.O. Box 149347
   Austin, TX 78714-9347

2. For submission by fax, use number below:
   (512) 458-7442

3. For submission by email, see requirements below:
   a. Form B-13 with supporting documentation must be sent to invoices@dshs.texas.gov & CMSInvoices@dshs.texas.gov, with a copy to the System Agency contract manager.
   b. FSR must be sent to: invoices@dshs.texas.gov; FSRGrants@dshs.texas.gov; and with a copy to the System Agency contract manager.

D. Grantee will be reimbursed on a monthly basis in accordance with the Budget in **Attachment B** of this Contract. Reimbursement shall be subject to the submission of required and appropriate documentation, and in accordance with applicable law and governing regulations.

DocuSign

Certificate Of Completion

Envelope Id: B5C04A0EF389488E96E74574F0444F72
Status: Sent
Subject: HHS001083000001 City of Lubbock PHWF A.2.
Source Envelope:
Document Pages: 7
Signatures: 0
Certificate Pages: 2
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-06:00) Central Time (US & Canada)

Envelope Originator:
CMS Internal Routing Mailbox
11493 Sunset Hills Road
#100
Reston, VA 20190
CMS.InternalRouting@dshs.texas.gov
IP Address: 160.42.179.132

Record Tracking

Status: Original
7/20/2023 2:35:45 PM
Holder: CMS Internal Routing Mailbox
CMS.InternalRouting@dshs.texas.gov
Location: DocuSign

Signer Events	Signature	Timestamp
Mayor Tray Payne traypayne@mylubbock.us Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		Sent: 7/20/2023 2:41:11 PM
Helen Whittington helen.whittington@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
PATTY MELCHIOR Patty.Melchior@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
Kirk Cole Kirk.Cole@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Katherine Wells kwells@mylubbock.us Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 7/20/2023 2:41:10 PM Viewed: 7/20/2023 3:23:56 PM
Beverly Taylor Beverly.Taylor@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		
CMS Internal Routing Mailbox cms.internalrouting@dshs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign		

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	7/20/2023 2:41:10 PM

Payment Events	Status	Timestamps

AI# 11756
Regular City Council Meeting 6. 20.
08/22/2023:

Information

Agenda Item

Resolution - Public Health Services: Consider a resolution authorizing the Mayor to execute Federal Demonstration Partnership (FDP) Cost Reimbursement Subaward Agreement UTAUS-SUB00001039, and all related documents, by and between the City of Lubbock and the University of Texas at Austin, under the Health and Human Services Commission Substance Abuse Innovative Healing Centered Projects (IHCP) Grant Program.

Item Summary

The purpose of this Grant Agreement is to provide the Grantee, in an administrative capacity, the ability to develop, implement, manage, and evaluate the Substance Abuse Innovative Healing Centered Projects Program (SA/IHCP), to promote resiliency, social and community connectedness, and healing, for individuals at risk for substance misuse.

The Grant Agreement is effective on the signature date of the latter of the parties to sign this agreement, and it terminates August 31, 2025. A budget amendment was passed by the City Council on August 8, 2023.

Fiscal Impact

The total of this Agreement will not exceed $775,413.62.

Year 1, March 1, 2023, through August 31, 2023, will not exceed $134,908.32.
Year 2, September 1, 2023, through August 31, 2024, will not exceed $320,252.65
Year 3, September 1, 2024, through August 31, 2025, will not exceed $320,252.65

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Katherine Wells, Director of Public Health

Attachments

Resolution
Agreement

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, FDP Cost Reimbursement Subaward Agreement UTAUS-SUB00001039 between the City of Lubbock and The University of Texas at Austin, and related documents, under the Health and Human Services Commission's Substance Abuse Innovative Healing Centered Projects Grant Program. Said Subaward Agreement and related documents are attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Rachael Foster, Assistant City Attorney

ccdocsII/RES.Subaward Agreement UT–Sub Abuse Innovative Healing
7.6.23

FDP Cost Reimbursement Subaward

Federal Awarding Agency:

Pass-Through Entity (PTE):	**Subrecipient:**
PTE PI:	Sub PI:
PTE Federal Award No:	Subaward No:
Project Title:	
Subaward Budget Period: Start: End:	Amount Funded This Action (USD): $
Estimated Period of Performance: Start: End:	Incrementally Estimated Total (USD): $

Terms and Conditions

1. PTE hereby awards a cost reimbursable subaward, (as determined by 2 CFR 200.331), to Subrecipient. The Statement of Work and budget for this Subaward are as shown in Attachment 5. In its performance of Subaward work, Subrecipient shall be an independent entity and not an employee or agent of PTE.

2. Subrecipient shall submit invoices not more often than monthly and not less frequently than quarterly for allowable costs incurred. Upon the receipt of proper invoices, the PTE agrees to process payments in accordance with this Subaward and 2 CFR 200.305. All invoices shall be submitted using Subrecipient's standard invoice, but at a minimum shall include current and cumulative costs (including cost sharing), breakdown by major cost category, Subaward number, and certification, as required in 2 CFR 200.415(a). Invoices that do not reference PTE Subaward number shall be returned to Subrecipient. Invoices and questions concerning invoice receipt or payments shall be directed to the party's Contact, shown in Attachment 3A.

3. A final statement of cumulative costs incurred, including cost sharing, marked "FINAL" must be submitted to PTE's Contact, as shown in Attachment 3A, not later than 60 days after
The final statement of costs shall constitute Subrecipient's final financial report.

4. All payments shall be considered provisional and are subject to adjustment within the total estimated cost in the event such adjustment is necessary as a result of an adverse audit finding against the Subrecipient.

5. Matters concerning the technical performance of this Subaward shall be directed to the appropriate party's Principal Investigator as shown in Attachments 3A and 3B. Technical reports are required as shown in Attachment 4.

6. Matters concerning the request or negotiation of any changes in the terms, conditions, or amounts cited in this Subaward, and any changes requiring prior approval, shall be directed to the PTE's Contact and the Subrecipient's Contact shown in Attachments 3A and 3B. Any such change made to this Subaward requires the written approval of each party's Authorized Official as shown in Attachments 3A and 3B.

7. The PTE may issue non-substantive changes to the Budget Period(s) and Budget . Unilateral modification shall be considered valid 14 days after receipt unless otherwise indicated by Subrecipient when sent to Subrecipient's Contact, as shown in Attachment 3B.

8. Each party shall be responsible for its negligent acts or omissions and the negligent acts or omissions of its employees, officers, or directors, to the extent allowed by law.

9. Either party may terminate this Subaward with 30 days written notice. Notwithstanding, if the Awarding Agency terminates the Federal Award, PTE will terminate in accordance with Awarding Agency requirements. PTE notice shall be directed to the Contact, and Subrecipient notice shall be directed to the Contact as shown in Attachments 3A and 3B. PTE shall pay Subrecipient for termination costs as allowable under Uniform Guidance, 2 CFR 200, or 45 CFR Part 75 Appendix IX, as applicable

10. By signing this Subaward, including the attachments hereto which are hereby incorporated by reference, Subrecipient certifies that it will perform the Statement of Work in accordance with the terms and conditions of this Subaward and the applicable terms of the Federal Award, including the appropriate Research Terms and Conditions ("RTCs") of the Federal Awarding Agency, as referenced in Attachment 2. The parties further agree that they intend this subaward to comply with all applicable laws, regulations, and requirements.

By an Authorized Official of the PTE:	By an Authorized Official of the Subrecipient:
_____	_____
Name: Date	Name: Date
Title:	Title:

Subaward Number:

Attachment 1
Certifications and Assurances

Certification Regarding Lobbying (2 CFR 200.450)
By signing this Subaward, the Subrecipient Authorized Official certifies, to the best of his/her knowledge and belief, that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement in accordance with 2 CFR 200.450.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or intending to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," to the PTE.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Debarment, Suspension, and Other Responsibility Matters (2 CFR 200.214 and 2 CFR 180)
By signing this Subaward, the Subrecipient Authorized Official certifies, to the best of his/her knowledge and belief that neither the Subrecipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, in accordance with 2 CFR 200.213 and 2 CFR 180.

Audit and Access to Records
Subrecipient certifies that it will provide PTE with notice of any adverse findings which impact this Subaward. Subrecipient certifies compliance with applicable provisions of 2 CFR 200.501-200.521. If Subrecipient is not required to have a Single Audit as defined by 200.501, Awarding Agency requirements, or the Single Audit Act, then Subrecipient will provide notice of the completion of any required audits and will provide access to such audits upon request. Subrecipient will provide access to records as required by parts 2 CFR 200.337 and 200.338 as applicable.

Program for Enhancement of Contractor Employee Protections (41 U.S.C 4712)
Subrecipient is hereby notified that they are required to: inform their employees working on any federal award that they are subject to the whistleblower rights and remedies of the program; inform their employees in writing of employee whistleblower protections under 41 U.S.C §4712 in the predominant native language of the workforce; and include such requirements in any agreement made with a subcontractor or subgrantee.

The Subrecipient shall require that the language of the certifications above in this Attachment 1 be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Use of Name
Neither party shall use the other party's name, trademarks, or other logos in any publicity, advertising, or news release without the prior written approval of an authorized representative of that party. The parties agree that each party may use factual information regarding the existence and purpose of the relationship that is the subject of this Subaward for legitimate business purposes, to satisfy any reporting and funding obligations, or as required by applicable law or regulation without written permission from the other party. In any such statement, the relationship of the parties shall be accurately and appropriately described.

Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment
Pursuant to 2 CFR 200.216, Subrecipient will not obligate or expend funds received under this Subaward to: (1) procure or obtain; (2) extend or renew a contract to procure or obtain; or (3) enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services (as described in Public Law 115-232, section 889) as a substantial or essential component of any system, or as a critical technology as part of any system.

Attachment 2
Federal Award Terms and Conditions

Subaward Number

Required Data Elements

The data elements required by Uniform Guidance are incorporated

Awarding Agency Institute (If Applicable)

Federal Award Issue Date FAIN Assistance Listing No.

This Subaward Is:

Research & Development Subject to FFATA

Assistance Listing Program Title (ALPT)

Key Personnel Per NOA

General Terms and Conditions

By signing this Subaward, Subrecipient agrees to the following:

1. To abide by the conditions on activities and restrictions on expenditure of federal funds in appropriations acts that are applicable to this Subaward to the extent those restrictions are pertinent. This includes any recent legislation noted on the Federal Awarding Agency's website:

2. 2 CFR 200

3. The Federal Awarding Agency's grants policy guidance, including addenda in effect as of the beginning date of the period of performance or as amended found at:

4. Research Terms and Conditions, including any Federal Awarding Agency's Specific Requirements found at:

except for the following :

   a. No-cost extensions require the written approval of the PTE. Any requests for a no-cost extension shall be directed to the Contact shown in Attachment 3A, not less than 30 days prior to the desired effective date of the requested change.
   b. Any payment mechanisms and financial reporting requirements described in the applicable Federal Awarding Agency Terms and Conditions and Agency-Specific Requirements are replaced with Terms and Conditions (1) through (4) of this Subaward; and
   c. Any prior approvals are to be sought from the PTE and not the Federal Awarding Agency.
   d. Title to equipment as defined in 2 CFR 200.1 that is purchased or fabricated with research funds or Subrecipient cost sharing funds, as direct costs of the project or program, shall vest in the Subrecipient subject to the conditions specified in 2 CFR 200.313.
   e. Prior approval must be sought for a change in Subrecipient PI or change in Key Personnel (defined as listed on the NOA).

5. Treatment of program income:

Special Terms and Conditions:

Data Sharing and Access:
Subrecipient agrees to comply with the Federal Awarding Agency's data sharing and/or access requirements as reflected in the NOA or the Federal Awarding Agency's standard terms and conditions as referenced in General Terms and Conditions 1-4 above.

Data Rights:
Subrecipient grants to PTE the right to use data created in the performance of this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its PTE Federal Award.

Copyrights:

to PTE an irrevocable, royalty-free, non-transferable, non-exclusive right and license to use, reproduce, make derivative works, display, and perform publicly any copyrights or copyrighted material (including any computer software and its documentation and/or databases) first developed and delivered under this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its PTE Federal Award.

Subrecipient grants to PTE the right to use any written progress reports and deliverables created under this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its Federal Award.

Promoting Objectivity in Research (COI):
Subrecipient must designate herein which entity's Financial Conflicts of Interest policy (COI) will apply:

If applying its own COI policy, by execution of this Subaward, Subrecipient certifies that its policy complies with the requirements of the relevant Federal Awarding Agency as identified herein:

Subrecipient shall report any financial conflict of interest to PTE's Administrative Representative or COI contact, as designated on Attachment 3A. Any financial conflicts of interest identified shall, when applicable, subsequently be reported to Federal Awarding Agency. Such report shall be made before expenditure of funds authorized in this Subaward and within 45 days of any subsequently identified COI.

Work Involving Human or Vertebrate Animals (Select Applicable Options)

No Human or Vertebrate Animals

Human Subjects Data (Select One)

Additional Terms

Attachment 3A
Pass-Through Entity (PTE) Contacts

Subaward Number: UTAUS-SUB00001039

PTE Information

Entity Name: The University of Texas at Austin

Legal Address: 3925 W. Braker Lane, WPR Building
Suite 3.340, Stop A9000
Austin, TX 78759-5316

Website: https://research.utexas.edu/osp/

PTE Contacts

Central Email: osp@austin.utexas.edu

Principal Investigator Name: Stacey Manser

Email: stacey.manser@austin.utexas.edu Telephone Number: 512 232 9085

Administrative Contact Name: Contracts Negotiator

Email: osp@austin.utexas.edu Telephone Number: (512) 471-6424

COI Contact email (if different to above):

Financial Contact Name: OADR Account Management

Email: oadram@utlists.utexas.edu Telephone Number: 512-471-0561

Email invoices? (●) Yes ( ) No Invoice email (if different):

Authorized Official Name: Associate Director of Contracting

Email: osp@austin.utexas.edu Telephone Number: (512) 471-6424

PI Address:

1823 RED RIVER ST
AUSTIN, TX 78712

Administrative Address:

3925 W. Braker Lane, WPR Building
Suite 3.340, Stop A9000
Austin, TX 78759-5316

Invoice Address:

Please email invoices as indicated above.

Attachment 3B

Research Subaward Agreement

Subrecipient Contacts

Subaward Number: UTAUS-SUB00001039

Subrecipient Information for FFATA reporting Entity's UEI/DUNS Name: City of Lubbock

EIN No.: 00017560005906

Institution Type: City/Township Gov't

UEI / DUNS: 58213893

Currently registered in SAM.gov: (•) Yes ( ) No

Exempt from reporting executive compensation: (•) Yes ( ) No *(if no, complete 3Bpg2)*

Parent UEI / DUNS:

This section for U.S. Entities:

Congressional District:

Zip Code Look-up

Zip Code+4:

Place of Performance Address

Enter Zip Code + 4 if a U.S. Entity Look-up

1314 Avenue K
Lubbock, TX 79401

Subrecipient Contacts

Central Email:

Website: mylubbock.us

Principal Investigator Name: Meagan Miller

Email: mmiller@mylubbock.us Telephone Number: 806.775.3841

Administrative Contact Name: Gloria Diaz

Email: gdiaz@mylubbock.us Telephone Number: 806.775.3006

Financial Contact Name: Amber Aguilar

Email: aaguilar@mylubbock.us Telephone Number: 806.775.2149

Invoice Email: aaguilar@mylubbock.us

Authorized Official Name: Mayor Tray Payne

Email: traypayne@mylubbock.us Telephone Number: 806.775.2010

Legal Address:

1314 Avenue K
Lubbock, TX 79401

Administrative Address:

806 18th Street
Lubbock, TX 79401

Payment Address:

1314 Avenue K
Lubbock, TX 79401

Attachment 3B-2

Highest Compensated Officers

Subaward Number: UTAUS-SUB00001039

Subrecipient:

Institution Name: City of Lubbock

PI Name: Meagan Miller

Highest Compensated Officers

The names and total compensation of the five most highly compensated officers of the entity(ies) must be listed if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and $25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b)(1) Internal Revenue Code of 1986.

Officer 1 Name:

Officer 1 Compensation:

Officer 2 Name:

Officer 2 Compensation:

Officer 3 Name:

Officer 3 Compensation:

Officer 4 Name:

Officer 4 Compensation:

Officer 5 Name:

Officer 5 Compensation:

Subaward Number:

Attachment 4
Reporting and Prior Approval Terms

Subrecipient agrees to submit the following reports (PTE contacts are identified in Attachment 3A):

Technical Reports:

Monthly technical/progress reports will be submitted to the PTE's within days of of the end of the month.

Quarterly technical/progress reports will be submitted within 30 days after the end of each project quarter to the PTE's .

Annual technical / progress reports will be submitted within days prior to the end of each budget period to the PTE's . Such report shall also include a detailed budget for the next Budget Period, updated other support for key personnel, certification of appropriate education in the conduct of human subject research of any new key personnel, and annual IRB or IACUC approval, if applicable.

A Final technical/progress report will be submitted to the PTE's within days of the end of the Project Period or after termination of this award, whichever comes first.

Technical/progress reports on the project as may be required by PTE's in order for the PTE to satisfy its reporting obligations to the Federal Awarding Agency.

Prior Approvals:

Carryover:

Other Reports:

In accordance with 37 CFR 401.14, Subrecipient agrees to notify both the Federal Awarding Agency via iEdison and PTE's within 60 days after Subrecipient's inventor discloses invention(s) in writing to Subrecipient's personnel responsible for patent matters. The Subrecipient will submit a final invention report using Federal Awarding Agency specific forms to the PTE's within 60 days of the end of the Project Period to be included as part of the PTE's final invention report to the Federal Awarding Agency.

A negative report is required:

Property Inventory Report (only when required by Federal Awarding Agency), specific requirements below.

Additional Technical and Reporting Requirements:

Subaward Number:

Attachment 5
Statement of Work, Cost Sharing, Indirects & Budget

Statement of Work

Below Attached, pages

If award is FFATA eligible and SOW exceeds 4000 characters, include a *Subrecipient Federal Award Project Description*

Budget Information

Indirect Information Indirect Cost Rate (IDC) Applied %	**Cost Sharing**
Rate Type:	If Yes, include Amount: $

Budget Details

Below Attached, pages

Budget Totals

Direct Costs $

Indirect Costs $

Total Costs $

All amounts are in United States Dollars

STATEMENT OF WORK

City of Lubbock

TARGET POPULATION

The population of focus will include families and youth who have experienced Adverse Childhood Experiences, multigenerational trauma or have emergent behavioral health needs that have been exacerbated due to COVID-19. Outreach efforts will primarily occur in zip codes and communities that are observably underserved and marginalized. The IHCP will be located in Lubbock County but open to anyone who lives in the 41 counties in the Panhandle and South Plains of West Texas. Region 1 encompasses Armstrong, Bailey, Briscoe, Carson, Castro, Childress, Cochran, Collingsworth, Crosby, Dallam, Deaf Smith, Dickens, Donley, Floyd, Garza, Gray, Hale, Hansford, Hartley, Hemphill, Hockley, Hutchinson, King, Lamb, Lipscomb, Lynn, Moore, Motley, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Terry, Wheeler, and Yoakum counties.

INTERVENTION

The Strengthening Families Program will be the primary intervention because it is evidence-based and has been shown to have a variety of positive outcomes for families. Strengthening Families is an evidence-based parenting program designed to help parents and kids develop happier family relationships, improve mental health outcomes, and help decrease youth alcohol and drug use, violence, and delinquent behavior. SFP consists of a 10- to 14-week*, two-hour skills course with separate parent, teen, and child lessons held during the first hour, followed by a family practice session during the second hour. In addition to this program, staff will be trained to facilitate a women's group that will increase protective factors and anger management. The community health workers delivering these programs will also utilize a community health worker model to build relationships with those they serve and offer support as they complete the individualized interventions selected. Program staff will also work with a holistic nutrition practitioner to provide nutrition and stress management classes to increase overall well-being. These programs were selected because there is a need for all of these services to increase individuals' overall well-being in the Region. The utilization of a few interventions will allow community health workers to develop personalized plans for individuals who need additional support but don't need a referral to treatment. Currently, very few interventions are available at a lower level of care, so these will fill a gap in services.

The Strengthening Families Program will be offered twice a year for a total of two 14-week sessions. In between sessions, other classes and opportunities will be provided for program participants, such as anger management, a women's self-esteem group, and wellness (including nutrition and stress management) classes. All programming and case management will occur at the Health Department's Community Engagement Room, the conference room, and individualized counseling rooms as needed. The new health department will be in a centralized location in Lubbock to be easily accessible for those participating in services. The new site will open in January 2024.

SCREENING and REFERRAL

The instruments that will be utilized will include the Personal Well-being Index (both for adults and youth) to measure overall program outcomes; the PRAPARE Protocol for responding to and assessing patients' assets, risks, and experiences for social determinants of health; CRAFFT for youth and Tobacco, Alcohol, Prescriptions, and other Substance (TAPS) for adult substance use; and the Patient Health Questionnaire for both youth and adult mental health screening.

The IHCP will complete 3,000 screenings in Fiscal Year 23 and 4,500 screenings in Fiscal Years 24 and 25. Depending on the preference of the individual- the primary screening will take place over the phone or in person. If the screening indicates a need for referral to treatment services, a referral to OSAR or the

specific treatment entity will occur. The community health workers will utilize the LBK Community Network to make referrals to providers in the Region and follow up with those referred and the providers to ensure that the appropriate services are received. If the individual does not indicate a need for referral to treatment services, they will be referred to the IHCP. After this referral, an onboarding meeting will be set up in person, and an individualized IHCP plan will be written for the individual. They will be enrolled in the most suitable intervention and continue to receive case management services and referrals to agencies that can assist with meeting the needs of social determinants of health. The community health workers will conduct all screenings and make referrals as appropriate.

The City of Lubbock Health Department receives substance use disorder funding from Texas Health and Human Services and subcontracts to various inpatient and outpatient providers in the Panhandle and South Plains. Contracts are currently in place with the Cenikor Foundation, Grace Manor, Daily Recovery Services, and Texas Tech University Health Sciences Center. There is an active Request for Proposal to increase the number of providers in this network. Since the department also manages the treatment contracts making referrals to substance use disorder treatment and coordination of services is simple and effective. Beyond current treatment partnerships, the health department will work closely with many youth-serving organizations such as Hub City Outreach Center, the Texas Boys and Girl's Ranch, St. Francis, StarCare, and the YWCA, which will be utilized to assist in providing additional services to youth. In addition, the health department has a strong working relationship with the Texas Tech University Department of Psychiatry, which is opening a new relational health clinic for youth. The health department runs a program called LBK Community that addresses social determinants of health. This program is a network of 31 partner health and social agencies that have agreed to accept referrals to and from each other. The IHCP will be added to this network at no charge to help link individuals to these partner agencies. The LBK Community Network utilizes the Unite Us platform.

The LBK Community will be used to ensure referrals follow through with referrals. The online referral network allows community health workers to make referrals quickly and effectively. Once referrals are made, the case manager will follow up with the individual weekly and encourage them to participate in interventions as needed. The case manager will follow up one week before graduation for individuals in treatment to provide additional support or resources.

	2023			2024			2025		
Targeted Number Screened per Month	**Social Determinants of Health**	**Substance Use**	**Mental Health**	**Social Determinants of Health**	**Substance Use**	**Mental Health**	**Social Determinants of Health**	**Substance Use**	**Mental Health**
	Target	*Target*	*Target*	*Target*	*Target*	*Target*	*Target*	*Target*	*Target*
January	100	75	75	100	75	75	100	75	75
February	100	75	75	100	75	75	100	75	75
March	100	75	75	100	75	75	100	75	75
April	100	75	75	100	75	75	100	75	75
May	100	75	75	100	75	75	100	75	75
June	100	75	75	100	75	75	100	75	75
July	100	75	75	100	75	75	100	75	75
August	100	75	75	100	75	75	100	75	75
September	100	75	75	100	75	75	100	75	75
October	100	75	75	100	75	75	100	75	75

November	100	75	75	100	75	75	100	75	75
December	100	75	75	100	75	75	100	75	75

TARGET SERVED

	2023	**2024**	**2025**
Number Served:	**2000**	**3000**	**3000**
January	166	250	250
February	166	250	250
March	166	250	250
April	166	250	250
May	167	250	250
June	167	250	250
July	167	250	250
August	167	250	250
September	167	250	250
October	167	250	250
November	167	250	250
December	167	250	250

MEASURES

The Personal Well-being Index (both for adults and youth) will be the instrument utilized to measure overall program outcomes. Before a referral and completion of other appropriate screenings, individuals will complete the Personal Well-being Index to establish a baseline level. Once an individual has either completed treatment or their individualized intervention plan, a case manager will complete the Personal Well-being Index to identify improvement in overall wellness or the need for additional support. After this, the case manager will identify other services for the individual or schedule a follow-up meeting in one month. This process will continue for six months to ensure that individuals have the necessary services beyond completing treatment, referral to other services, or the IHCP intervention. The City of Lubbock Health Department agrees to complete outcome measures with participants, submit data to UT-TIEMH, and participate in selecting cross-IHCP outcome instruments and IHCP evaluation

HCP OUTCOMES MEASURE	
Curriculum or HC Intervention:	Strengthening Families Program

Duration (# days/hours per session) of HC Curriculum or HC Intervention:	12 Sessions- 1.5 hours per session- 12 Weeks
Outcome Measure(s) Selected:	Personal Wellbeing Index
Number of Items:	7-item
Proposed Timing of Measurement:	Pre and Post Survey
Curriculum or HC Intervention:	Women's Self-Esteem Group
Duration (# days/hours per session) of HC Curriculum or HC Intervention:	6 Sessions- 1 hour per session- 6 weeks
Outcome Measure(s) Selected:	Personal Wellbeing Index
Number of Items:	7-item
Proposed Timing of Measurement:	Pre and Post Survey
Curriculum or HC Intervention:	Anger Management- Cognitive- Behavioral Therapy
Duration (# days/hours per session) of HC Curriculum or HC Intervention:	12 Sessions- 1.5 hours per session- 12 Weeks
Outcome Measure(s) Selected:	Personal Wellbeing Index
Number of Items:	7-item
Proposed Timing of Measurement:	Pre and Post Survey
Curriculum or HC Intervention:	Holistic Nutrition and Stress Management Group
Duration (# days/hours per session) of HC Curriculum or HC Intervention:	6 Sessions- 1.5 hours per session- 6 weeks
Outcome Measure(s) Selected:	Personal Wellbeing Index
Number of Items:	7-item
Proposed Timing of Measurement:	Pre and Post Survey

Budget and Justification, Year 1 (3/1/23-8/31/23)

A: PERSONNEL

Position	Name	Annual Salary	Percent of Effort	Cost
Behavioral Health Manager (IHCP Director)	Meagan Miller	$ 35,000.00	35%	$ 12,250.00
Community Health Worker Supervisor	LaShonda Black	$ 28,000.00	25%	$ 7,000.00
Community Health Worker Lead	Vacant	$ 26,208.00	100%	$ 26,208.00
Community Health Worker	Vacant	$ 16,000.00	100%	$ 16,000.00
Community Health Worker	Vacant	$ 16,000.00	100%	$ 16,000.00
				$ 65,208.00

JUSTIFICATION: The Behavioral Health Manager will provide program oversight and administration. The Community Health Workers will provide interventions, case management and utilize a community health worker model to provide services. The admin assistant will assist with managing appointments and clerical duties.

B: FRINGE BENEFITS

Position	Name	Fringe Rate	Total Salary Charged to Award	Total Fringe Charged to Award
Behavioral Health Manager (IHCP Director)	Meagan Miller	40%	$ 35,000.00	$ 14,000.00
Communiy Health Worker Supervisor	LaShonda Black	40%	$ 28,000.00	$ 11,200.00
Community Health Worker Lead	Vacant	40%	$ 26,208.00	$ 10,483.20
Community Health Worker	Vacant	40%	$ 16,000.00	$ 6,400.00
Community Health Worker	Vacant	40%	$ 16,000.00	$ 6,400.00
			TOTAL	**$ 48,483.20**

JUSTIFICATION: Personnel listed are full-time benefits eligible employees with a fringe rate of 40%, which includes retirement and health care benefits.

C. TRAVEL

Purpose of Travel/Location	Mileage/Flight	Hotel	Meals	Other	Cost
Travel to Austin from Lubbock, Tx for Annual Prevention Conference (5 staff, 5 nights/6 days). Costs for travel include: $900 roundtrip airfare per person; $61 meal per diem per person for 6 days and $160 lodging per person per night for 5 nights. The trip costs $2,066 per person. Travel is budgeted in accordance with GSA rates.	$4,500	$4,000	$ 1,830.00		$ 10,330.00
Travel in Region 1 and Transportation of Program Participants (3,275 miles calculated at .655 cents per mile)	$ 2,145.12	$ -	$ -	$ -	$ 2,145.12
				TOTAL	**$ 12,475.12**

JUSTIFICATION: Travel to annual meetings in Austin, to transport program participants to services and to service providers in the Region.

D. SUPPLIES (Materials costing less than $5,000 per unit and often having one-time use.)

Item(s)	Cost/Rate	Number/Units	Cost
SFP Supplies and Materials	$ 5,000.00	1	$ 5,000.00
Self-Esteem Class Materials	$ 2,500.00	1	$ 2,500.00
Office Supplies for Staff and Clients (Journals, Notebooks, Pens, Paper, Folders)	$ 5,000.00	1	$ 5,000.00
Anger Management Materials	$ 2,500.00	1	$ 2,500.00
Computers, Keyboards, Docking Stations and Monitors for CHWS	$ 2,500.00	3	$ 7,500.00
		TOTAL	**$ 22,500.00**

JUSTIFICATION: Class supplies, sessions, trainings, electronics and staff supplies.

E: CONSULTANTS

Name/Entity	Cost/Rate	Number/Units	Cost
Harmony Collective- Nurtition and Holistic Wellness Program	$ 600.00	6	$ 3,600.00
Strengthening Families Training	$ 5,000.00	1	$ 5,000.00
		TOTAL	**$ 8,600.00**

JUSTIFICATION: Strenghtening Families Program Training for all providers. The creation of amore virtaul and flexible program focusing on

F: OTHER EXPENSES

Item(s)	Cost/Rate	Number/Units	Cost
Meeting Space	$ 3,000.00	6	$ 18,000.00
Meals for Strengthening Families Program	$ 15.00	270	$ 4,050.00
LBK Community Access	$ 1,200.00	4	$ 4,800.00
		TOTAL	**$ 26,850.00**

JUSTIFICATION: Meeting rooms for the strengthening families program and dinner for Strengthening Fmaily Participantsso they can eat together each night of class. Access to the LBK Community Platform to streamline the referral process.

==========

Total Direct Costs	$	134,908.32
Indirect Cost Rate		0%
Total Indirect Costs	$	-
Total Project Costs	**$**	**134,908.32**

Budget and Justification, Year 2 (9/1/23-8/31/24)

A: PERSONNEL

Position	Name	Annual Salary	Percent of Effort	Cost
Behavioral Health Manager (IHCP Director)	Meagan Miller	$ 70,000.00	35%	$ 24,500.00
Community Health Worker Supervisor	LaShonda Black	$ 56,000.00	25%	$ 14,000.00
Community Health Worker Lead	Vacant	$ 52,416.00	100%	$ 52,416.00
Community Health Worker	Vacant	$ 32,000.00	100%	$ 32,000.00
Community Health Worker	Vacant	$ 32,000.00	100%	$ 32,000.00
			TOTAL	**$ 154,916.00**

JUSTIFICATION: The Behavioral Health Manager will provide program oversight and administration. The Community Health Workers will provide interventions, case management and utilize a community health worker model to provide services. The admin assistant will assist with managing appointments and clerical duties.

B: FRINGE BENEFITS

Position	Name	Fringe Rate	Total Salary Charged to Award	Total Fringe Charged to Award
Behavioral Health Manager (IHCP Director)	Meagan Miller	40%	$ 70,000.00	$ 28,000.00
Communiy Health Worker Supervisor	LaShonda Black	40%	$ 56,000.00	$ 22,400.00
Community Health Worker Lead	Vacant	40%	$ 52,416.00	$ 20,966.40
Community Health Worker	Vacant	40%	$ 32,000.00	$ 12,800.00
Community Health Worker	Vacant	40%	$ 32,000.00	$ 12,800.00
			TOTAL	**$ 96,966.40**

JUSTIFICATION: Personnel listed are full-time benefits eligible employees with a fringe rate of 40%, which includes retirement and health care benefits.

C. TRAVEL

Purpose of Travel/Location	Mileage/Flight	Hotel	Meals	Other	Cost
Travel to Austin from Lubbock, Tx for Annual Prevention Conference (5 staff, 5 nights/6 days). Costs for travel include: $900 roundtrip airfare per person; $61 meal per diem per person for 6 days and $160 lodging per person per night for 5 nights. The trip costs $2,066 per person. Travel is budgeted in accordance with GSA rates.	$4,500	$ 4,000.00	$ 1,830.00	$ -	$ 10,330.00
Travel in Region 1 and Transportation of Program Participants (6,550 miles at .655 per mile to tranport clients over 12 moths)	$ 4,290.25	$ -	$ -	$ -	$ 4,290.25
				TOTAL	**$ 14,620.25**

JUSTIFICATION: Travel to annual meetings in Austin, to transport program participants to services and to service providers in the Region.

D. SUPPLIES (Materials costing less than $5,000 per unit and often having one-time use.)

Item(s)	Cost/Rate	Number/Units	Cost
SFP Supplies and Materials	$ 5,000.00	1	$ 5,000.00
Self-Esteem Class Materials	$ 2,500.00	1	$ 2,500.00
Office Supplies for Staff and Clients (Journals, Notebooks, Pens, Paper, Folders)	$ 7,000.00	1	$ 7,000.00
Anger Management Materials	$ 2,500.00	1	$ 2,500.00
		TOTAL	**$ 17,000.00**

JUSTIFICATION: Class supplies, sessions, trainings, electronics and staff supplies.

E: CONSULTANTS

Name/Entity	Cost/Rate	Number/Units	Cost
Harmony Collective- Nurtition and Holistic Wellness Program	$ 600.00	12	$ 7,200.00
		TOTAL	**$ 7,200.00**

JUSTIFICATION: A flexible holisitic nutrition, wellness and stress maangement class for program participants.

F: OTHER EXPENSES

Item(s)	Cost/Rate	Number/Units	Cost
Meeting Space	$ 3,000.00	6	$ 18,000.00
Meals for Strengthening Families Program	$ 15.00	450	$ 6,750.00
LBK Community Access	$ 1,200.00	4	$ 4,800.00
	$ -		$ -
		TOTAL	**$ 29,550.00**

JUSTIFICATION: Meeting rooms for the strengthening families program and dinner for Strengthening Fmaily Participantsso they can eat together each night of class. Access to the LBK Community Platform to streamline the referral process.

==========

Total Direct Costs	$	320,252.65
Indirect Cost Rate		0%
Total Indirect Costs	$	-
Total Project Costs	**$**	**320,252.65**

Budget and Justification, Year 3 (9/1/24-8/31/25)

A: PERSONNEL

Position	Name	Annual Salary	Percent of Effort	Cost
Behavioral Health Manager (IHCP Director)	Meagan Miller	$ 70,000.00	35%	$ 24,500.00
Community Health Worker Supervisor	LaShonda Black	$ 56,000.00	25%	$ 14,000.00
Community Health Worker Lead	Vacant	$ 52,416.00	100%	$ 52,416.00
Community Health Worker	Vacant	$ 32,000.00	100%	$ 32,000.00
Community Health Worker	Vacant	$ 32,000.00	100%	$ 32,000.00
			TOTAL	**$ 154,916.00**

JUSTIFICATION: The Behavioral Health Manager will provide program oversight and administration. The Community Health Workers will provide interventions, case management and utilize a community health worker model to provide services. The admin assistant will assist with managing appointments and clerical duties.

B: FRINGE BENEFITS

Position	Name	Fringe Rate	Total Salary Charged to Award	Total Fringe Charged to Award
Behavioral Health Manager (IHCP Director)	Meagan Miller	40%	$ 70,000.00	$ 28,000.00
Communiy Health Worker Supervisor	LaShonda Black	40%	$ 56,000.00	$ 22,400.00
Community Health Worker Lead	Vacant	40%	$ 52,416.00	$ 20,966.40
Community Health Worker	Vacant	40%	$ 32,000.00	$ 12,800.00
Community Health Worker	Vacant	40%	$ 32,000.00	$ 12,800.00
		0%	$ -	$ -
			TOTAL	**$ 96,966.40**

JUSTIFICATION: Personnel listed are full-time benefits eligible employees with a fringe rate of 40%, which includes retirement and health care benefits.

C. TRAVEL

Purpose of Travel/Location	Mileage/Flight	Hotel	Meals	Other	Cost
Travel to Austin from Lubbock, Tx for Annual Prevention Conference (5 staff, 5 nights/6 days). Costs for travel include: $900 roundtrip airfare per person; $61 meal per diem per person for 6 days and $160 lodging per person per night for 5 nights. The trip costs $2,066 per person. Travel is budgeted in accordance with GSA rates.	$ 4,500.00	$ 4,000.00	$ 1,830.00	$ -	$ 10,330.00
Travel in Region 1 and Transportation of Program Participants (6,550 miles at .655 per mile to tranport clients over 12 moths)	$ 4,290.25	$ -	$ -	$ -	$ 4,290.25
				TOTAL	**$ 14,620.25**

JUSTIFICATION: Travel to annual meetings in Austin, to transport program participants to services and to service providers in the Region.

D. SUPPLIES (Materials costing less than $5,000 per unit and often having one-time use.)

Item(s)	Cost/Rate	Number/Units	Cost
SFP Supplies and Materials	$ 5,000.00	1	$ 5,000.00
Self-Esteem Class Materials	$ 2,500.00	1	$ 2,500.00
Office Supplies for Staff and Clients (Journals, Notebooks, Pens, Paper, Folders)	$ 7,000.00	1	$ 7,000.00
Anger Management Materials	$ 2,500.00	1	$ 2,500.00
		TOTAL	**$ 17,000.00**

JUSTIFICATION: Class supplies, sessions, trainings, electronics and staff supplies.

E: CONSULTANTS

Name/Entity	Cost/Rate	Number/Units	Cost
Harmony Collective- Nurtition and Holistic Wellness Program	$ 600.00	12	$ 7,200.00
		TOTAL	**$ 7,200.00**

JUSTIFICATION: A flexible holisitic nutrition, wellness and stress maangement class for program participants.

F: OTHER EXPENSES

Item(s)	Cost/Rate	Number/Units	Cost
Meeting Space	$ 3,000.00	6	$ 18,000.00
Meals for Strengthening Families Program	$ 15.00	450	$ 6,750.00
LBK Community Access	$ 1,200.00	4	$ 4,800.00
		TOTAL	**$ 29,550.00**

JUSTIFICATION: Meeting rooms for the strengthening families program and dinner for Strengthening Fmaily Participantsso they can eat together each night of class. Access to the LBK Community Platform to streamline the referral process.

==========

Total Direct Costs	$	320,252.65
Indirect Cost Rate		0%
Total Indirect Costs	$	-
Total Project Costs	**$**	**320,252.65**

Attachment 6

Notice of Award (NOA) and any additional documents

The following pages include the NOA and if applicable any additional documentation referenced throughout this Subaward.

Not incorporating the NOA or any additional documentation to this Subaward.

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SIGNATURE DOCUMENT FOR HEALTH AND HUMAN SERVICES COMMISSION GRANT AGREEMENT CONTRACT NO. HHS001190300001 UNDER THE INNOVATIVE HEALING CENTERED PROJECTS GRANT PROGRAM

The parties to this agreement ("Grant Agreement" or "Contract") are the Health and Human Services Commission ("System Agency"), a pass-through entity, and The University of Texas at Austin ("Grantee"), having its principal office at 3925 West Braker Lane, Austin, Texas 78759 (each a "Party" and collectively the "Parties").

I. PURPOSE

The purpose of this Grant Agreement is to provide Grantee, in an administrative capacity, the ability to develop, implement, manage, and evaluate the Substance Abuse Innovative Healing Centered Projects program, SA/IHCP, to promote resiliency, social and community connectedness, and healing for individuals at risk for substance misuse.

II. LEGAL AUTHORITY

This Grant Agreement is entered into pursuant to sections 531.002 and 531.039 of the Texas Government Code.

III. DURATION

This Grant Agreement is effective on the signature date of the latter of the Parties to sign this agreement and terminates on August 31, 2025, unless renewed, extended, or terminated pursuant to the terms and conditions of the Grant Agreement.

System Agency, at its sole discretion, may extend this Grant Agreement for any period(s) of time, provided the Grant Agreement term, including all extensions or renewals, does not exceed five years. Notwithstanding the limitation in the preceding sentence, System Agency, at its sole discretion, also may extend the Grant Agreement beyond five years as necessary to ensure continuity of service, for purposes of transition, or as otherwise determined by System Agency to serve the best interest of the State.

IV. STATEMENT OF WORK

The Scope of Grant Project to which Grantee is bound is incorporated into and made a part of this Grant Agreement for all purposes and included as **Attachment A**.

V. BUDGET

The total amount of this Grant Agreement will not exceed **$16,250,000.00**.

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This includes the System Agency share of, **$16,250,000.00** and Grantee's required match amount of $0.00.

The total not-to-exceed amount includes the following:

Total Federal Funds: **$16,250,000.00**

All expenditures under the Grant Agreement will be in accordance with **ATTACHMENT B, BUDGET**.

VI. REPORTING REQUIREMENTS

Grantee shall submit the following reports

REPORT	FREQUENCY	DUE DATE	SUBMISSION SYSTEM
Institutional Review Board Determination	Once	Within 30 days of receipt of documentation of determination	GlobalScape
Implementation Plan	Once	Within 60 days of contract execution	GlobalScape
Data Collection and Evaluation Plan	Once	Within 90 days of contract execution	GlobalScape
Program Outcome Measures Menu	Once	Within 60 days of contract execution	GlobalScape
Mid-year Evaluation Reports	Annually	March 31st	GlobalScape
Annual Evaluation Reports	Annually	September 30th	GlobalScape
Summative Evaluation Report	End of Contract term	September 30th, 2025	GlobalScape
Executed Subcontractor agreements	Ongoing	Within 30 days following execution of subcontractor agreements	GlobalScape
Subcontractor Quality Management Report	Quarterly	Q1: Dec. 31st Q2: March 31st Q3: June 30th Q4: Sept. 30th	GlobalScape
CMBHS Security Attestation Form and list of authorized users	Bi-annually	September 15th March 15th	GlobalScape

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Invoices	Monthly	By the 15th of the month following the delivery of services	CMBHS
Financial Status Reports	Quarterly	Q1: Dec. 31st Q2: March 31st Q3: June 30th Q4: October 15th	CMBHS
General Ledger	Quarterly	Q1: Dec. 31st Q2: March 31st Q3: June 30th Q4: October 15th	Globalscape
Closeout documents	Annually	October 15th	Globalscape
FY 24 Budget	Annually	June 15, 2023	Globalscape
FY 25 Budget	Annually	June 15, 2024	Globalscape

VII. CONTRACT REPRESENTATIVES

The following will act as the representative authorized to administer activities under this Grant Agreement on behalf of their respective Party.

System Agency
Health and Human Services Commission
Angela Perkins

909 West 45th Street, building 555
Austin, Texas 78751
Angela.Perkins@hhs.texas.gov

Grantee
The University of Texas at Austin
Mark Featherston
3925 West Braker Lane, Building 156
Suite 3.340, MC: A9000
Austin, Texas 78759
osp@austin.utexas.edu

VIII. NOTICE REQUIREMENTS

A. All notices given by Grantee shall be in writing, include the Grant Agreement contract number, comply with all terms and conditions of the Grant Agreement, and be delivered to the System Agency's Contract Representative identified above.
B. Grantee shall send legal notices to System Agency at the address below and provide a copy to the System Agency's Contract Representative:

Health and Human Services Commission
Attn: Office of Chief Counsel
4601 W. Guadalupe, Mail Code 1100
Austin, Texas 78751

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C. Notices given by System Agency to Grantee may be emailed, mailed or sent by common carrier. Email notices shall be deemed delivered when sent by System Agency. Notices sent by mail shall be deemed delivered when deposited by the System Agency in the United States mail, postage paid, certified, return receipt requested. Notices sent by common carrier shall be deemed delivered when deposited by the System Agency with a common carrier, overnight, signature required.
D. Notices given by Grantee to System Agency shall be deemed delivered when received by System Agency.
E. Either Party may change its Contract Representative or Legal Notice contact by providing written notice to the other Party.

IX. Federal Award Information

Grantee's Data Universal Numbering System (DUNS) Number is: 170230239

Federal funding under this Grant Agreement is a subaward under the following federal award(s).

Federal Award Identification Number (FAIN): B08TI083969

1 Assistance Listings Title, Number, and Dollar Amount:
- Substance Abuse Prevention and Treatment Block Grant – 1B08TI083969-01 – $117,140,711.00 Assistance Listing Number- 93.959

2 Federal Award Date: September 1, 2021
3 Federal Award Period: September 1, 2021 to September 30, 2025
4 Name of Federal Awarding Agency: The U.S. Department of Health and Human Services (HHS), Substance Abuse and Mental Health Services Administration (SAMHSA)
5 Federal Award Project Description: Substance Abuse Prevention & Treatment Block Grant
6 Awarding Official Contact Information: Wendy Pang, Grants Specialist
Contact Telephone No.: (240) 276-1419
Facsimile No.: (240) 276-1430
Email: Wendy.Pang@samhsa.hhs.gov
7 Total Amount of Federal Funds Awarded to System Agency: $117,140,711.00
8 Identification of Whether the Award is for Research and Development: No

X. Contract Documents

The following documents are incorporated by reference and made a part of this Grant Agreement for all purposes.

Unless expressly stated otherwise in this Grant Agreement, in the event of conflict, ambiguity or inconsistency between or among any documents, all System Agency documents take precedence over Grantee's documents and the Data Use Agreement takes precedence over all other contract documents.

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ATTACHMENT A –	**STATEMENT OF WORK**
ATTACHMENT A – SUP1	**SUPPLEMENTAL GRANTEE INFORMATION**
ATTACHMENT B –	**BUDGET**
ATTACHMENT C –	**CONTRACT AFFIRMATIONS**
ATTACHMENT D –	**UNIFORM TERMS AND CONDITIONS – GRANT/UT**
ATTACHMENT E –	**UT SYSTEM SUPPLEMENTAL CONDITIONS**
ATTACHMENT F –	**ADDITIONAL PROVISIONS**
ATTACHMENT G –	**DATA USE AGREEMENT**
ATTACHMENT H –	**FEDERAL ASSURANCES**
ATTACHMENT I –	**CERTIFICATION REGARDING LOBBYING**
ATTACHMENT J –	**FFATA CERTIFICATION FORM**
ATTACHMENT K –	**INDIRECT COST RATE LETTER**

ATTACHMENT F WILL NOT APPLY TO GRANTEE TO THE EXTENT GRANTEE IS NOT PROVIDING CLINICAL OR DIRECT CLIENT SERVICES.

XI. SIGNATURE AUTHORITY

Each Party represents and warrants that the person executing this Grant Agreement on its behalf has full power and authority to enter into this Grant Agreement. Any services or work performed by Grantee before this Grant Agreement is effective or after it ceases to be effective are performed at the sole risk of Grantee.

SIGNATURE PAGE FOLLOWS

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SIGNATURE PAGE FOR SYSTEM AGENCY GRANT AGREEMENT, CONTRACT NO. HHS001190300001

SYSTEM AGENCY

DocuSigned by:
Sonja Gaines
147CCA4134D941B...

Signature

Sonja Gaines

SG

Date of Signature: August 8, 2022

THE UNIVERSITY OF TEXAS AT AUSTIN

DocuSigned by:
Elena Mota
A119D0ACEF174D4...

Signature

Elena Mota

Assistant Director, OSP

Date of Signature: August 8, 2022

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ATTACHMENT A
STATEMENT OF WORK (SOW)

I. PURPOSE

The Grantee, in an administrative capacity, shall develop, implement, manage, and evaluate the Innovative Healing Centered Projects (HCPs) to promote resiliency, social and community connectedness, and healing for individuals at risk for substance misuse. HCPs shall include direct services in the form of non-clinical resources and support services that may include but are not limited to community behavioral health worker model programs, community or school-based wellness centers, innovative peer services, mindfulness and yoga-based programs, peer and cross-age mentorship programs, and peer helper/leadership programs. The HCPs will provide these direct services to individuals who have experienced Adverse Childhood Experiences (ACEs), multigenerational trauma, and/or have emergent behavioral health needs that have been exacerbated due to COVID-19 among the contract's Population of Focus as defined below. HCPs will focus on the early identification of ACEs, developing two-way referral pathways to appropriate resources, services, and supports to individuals who need both clinical and non-clinical support and serving as a source of non-clinical supports to individuals with ACEs who are referred from the community.

II. GOALS

A. Support the implementation of at least fifteen (15) HCPs that increase resilience, social and community connectedness, and healing among the contract's Population of Focus as defined below.
B. Over the duration of the contract, HCPs will provide non-clinical supportive services to at least 8,000 individuals at risk for substance misuse who have experienced ACEs, multigenerational trauma, and/or have emergent behavioral health needs that have been exacerbated due to COVID-19. The number of individuals to serve per fiscal year are documented in **Section X., Performance Measures.**
C. Over the duration of the contract, the HCP will screen at least 12,000 individuals who are at-risk for presenting problems related to ACEs, multigenerational trauma, and/or have emergent behavioral health needs that have been exacerbated due to COVID-19. The number of individuals to serve per fiscal year are documented in **Section X., Performance Measures.**
D. The HCPs will develop two-way referral pathways to appropriate resources, services, and supports to individuals who need both clinical and non-clinical support.

III. POPULATION OF FOCUS

This contract's Population of Focus is residents of Texas, youth (ages 6-17), young adults (ages 18-25), parents/caregivers, and members of their support system from underserved and historically marginalized communities.

The Substance Abuse and Mental Health Services Administration (SAMHSA) defines underserved and historically marginalized communities as: pregnant women and women with

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dependent children; persons experiencing homelessness; persons involved in the justice system; persons involved in the child welfare system; Black, Indigenous, and People of Color (BIPOC); Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning (LGBTQ+) individuals; rural populations; and other underserved groups.

IV. SERVICE AREA

Grantee shall serve all counties in the HHS region, documented at the following link https://hhs.texas.gov/sites/default/files/documents/about-hhs/hhs-regional-map.pdf

V. GRANTEE ADMINISTRATIVE RESPONSIBILITIES

A. Grantee's administrative responsibilities are documented, as follows:

1. Host a virtual kickoff meeting within 30 days of contract execution that includes representatives from System Agency, Grantee, and other stakeholders as determined by the System Agency and Grantee. During the kickoff meeting, System Agency representatives will be introduced to the Grantee representatives who will be carrying out the contract deliverables, discuss roles and responsibilities, and begin developing the implementation plan.
2. Grantee shall develop an implementation plan for the project and submit it to the System-Agency for approval within 60 days of contract execution. At a minimum the implementation plan should include:
    a. Description of need or problem;
    b. Description of how the project aims to meet the purpose and/or goals of the contract;
    c. Selection plan for subcontractors;
    d. Target populations;
    e. Proposed number of people served;
    f. Project outcomes and goals;
    g. Plan for development of data collection and evaluation plan;
    h. CMBHS documentation;
    i. Sub-contractor quality management;
    j. Invoicing;
    k. Strategies for sustainability; and
    l. Project implementation timeline.
3. Grantee will determine whether any of the project activities require Institutional Review Board (IRB) approval. This includes activities that meet the definition of research or include intervention with human subjects.
    a. If IRB approval is needed, the Grantee will submit the project to their IRB prior to implementation of subcontracts with HCPs and provide System Agency with the documentation of determination within 30 days of receipt of documentation of determination.
4. Grantee will designate a minimum of one staff member as a data collection and evaluation representative. The data collection and evaluation staff person will:
    a. Work with System-Agency staff to ensure there is proper data collection from the sub-contractors. A data collection and evaluation plan will be submitted to the System Agency within 90 days of contract execution.

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b. Specific guidance on developing a data collection and evaluation plan can be found at https://www.cdc.gov/obesity/downloads/cdc-evaluation-workbook-508.pdf. At a minimum, the data collection and evaluation plan should include:
    i. Data security plan, dependent on IRB decision;
    ii. Project description including a logic model;
    iii. Evaluation focus;
    iv. Evaluation methods;
    v. Analysis and interpretation plan; and
    vi. Data use, dissemination, and sharing plan.
c. Determine program outcome measures in the form of a program outcome menu in collaboration with the System Agency. The program outcome menu will need to be submitted to the System Agency within 60 days of contract execution. System Agency shall review and provide written notification of the approval of the program outcomes. At a minimum, the program outcome menu should link proposed strategies to outcomes similar to the following:
    i. Increase Resilience;
    ii. Increase Social and Community Connectedness;
    iii. Improve Life Satisfaction;
    iv. Increase ability to cope with adversity;
    v. Decrease feelings of anxiety, depression, stress, and/or loneliness;
    vi. Decrease poor mental health days; and,
    vii. Decrease substance use or intent of substance use.
d. Develop, submit, and implement strategies related to Problem Identification and Referral procedures for screening individuals presenting indicators related to ACEs, multigenerational trauma, and/or have emergent behavioral health needs such as mental health/substance use challenges. More information on the Service Requirements related to Problem Identification and Referral can be found in **Section VI.**

5. Grantee shall develop, submit, and implement mid-year, annual, and summative evaluation reports (process and outcome). The evaluation reports shall be submitted to System Agency, on a System Agency approved template, in accordance with deadlines in Section IX, Reporting and Submission Requirements.
    a. At a minimum, the mid-year evaluation report shall include the following:
        i. Number of individuals receiving non-clinical support services along with demographic information;
        ii. Number of individuals receiving Information and Referral services along with demographic information and referral service categories;
        iii. Progress towards achieving project goals; and,
        iv. An overview of challenges and TA needs.
    b. At a minimum, the annual evaluation report shall include the following:
        i. Summary of prior submitted mid-year and annual reports;
        ii. Sustainability plan; and
        iii. Recommendations for future implementation strategies.
    c. At a minimum, the summative evaluation report shall include the following:
        i. Summary of prior submitted quarterly and annual reports;
        ii. Key findings;

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iii. Research, policy, and community implications;
iv. Update on sustainability-related activities and challenges; and
v. Recommendations for future implementation strategies.

6. Grantee will designate a minimum of one representative to attend meetings and calls as requested by the System Agency. This will include, at a minimum, monthly planning meetings with System Agency staff and Grantee to review quarterly deliverable report and discuss any Technical Assistance (TA) needed with implementation of the HCPs. Grantee shall submit documentation of meeting attendance to System Agency.
7. Grantee shall ensure all sub-contractor agreements are in writing, managed, monitored, and include the following:
    a. Name and address of all parties;
    b. Detailed description of services to be provided;
    c. Measurable method and rate of payment and total amount of the subcontract;
    d. Clearly defined and executable termination clause;
    e. Beginning and ending dates that coincide with the dates of this Contract;
    f. A copy of the HHSC Uniform Terms and Conditions, Supplemental Conditions, and any other provision incorporated into the System Agency pass-thru contract with Grantee.
    g. A provision regarding forwarding client complaints to the Grantee.
8. Grantee shall submit the executed sub-contractor's written agreements to System Agency no later than 30 business days following the execution of the agreements.
9. Grantee is responsible for the performance of all sub-contractors.
10. Grantee must ensure sub-contractors are able to access training and technical assistance (TTA) necessary for service delivery. Grantee will coordinate with System Agency and Texas Prevention Training Vendor (texaspreventiontraining.org) for the provision of TTA. Upon System Agency request, Grantee shall provide documentation for the completion of these trainings for all sub-contractor employees, volunteers, and/or interns.
11. Grantee shall ensure subcontracted providers do not deny access to services based on age, race, religion, gender, sexual orientation, mental health, substance use, disability (including chronic illness and medical conditions), pregnancy or HIV, or the inability to pay for services.
12. Grantee shall provide Quality Management (QM) and oversight for the HCP sub-contracted providers. Grantee's Sub-Contracting QM responsibilities are as follows:
    a. Develop policies and procedures on QM duties that meet the requirements of providing oversight and monitoring to all sub-contractors. At a minimum, the evaluation and QM policies and procedures shall address the following:
        i. How the Grantee determines which providers to schedule for monitoring reviews;
        ii. How to conduct a monitoring review;
        iii. How to document a monitoring review;
        iv. Reporting requirements of providers;
        v. Follow-up monitoring based on the provider's individual findings;
        vi. Liquidated damages or recoupment of funds used to bring providers into compliance.

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13. Participate in continuous quality improvement (CQI) activities as defined and scheduled by the System Agency including, but not limited to, data verification, performing self-reviews; submitting self-review results and supporting documentation for the desk reviews; and participating in the System Agency's onsite or desk reviews.
14. For sites underperforming or noncompliant as a result of monitoring, submit plan of improvement and supporting documentation, as requested by System Agency.
15. Participate in and actively pursue CQI activities that support performance and outcomes improvement.
16. Respond to consultation recommendations by System Agency which may include, but are not limited to, the following:
    a. Staff training;
    b. Self-monitoring activities guided by System Agency including use of QM tools to self-identify compliance issues; and
    c. Monitoring of performance reports in the System Agency electronic clinical management system.
17. Monitor all subcontractors' financial and programmatic performance and maintain pertinent records that must be made available for inspection by System Agency upon request.
18. Grantee shall develop a quarterly review schedule and ensure all providers are reviewed at least once per fiscal year. Grantee shall submit a quarterly report by the due date documented in Section IX. The report shall document the QM activities performed in the quarter being reported. At a minimum, the report shall include the following:
    a. Date of review;
    b. Name of sub-contracted provider;
    c. Unique Provider Identifier for the review;
    d. Type of review;
    e. Name of staff that conducted review;
    f. List of findings;
    g. Number of monitoring reviews conducted;
    h. Types of monitoring reviews conducted;
    i. Summary evaluation of findings and Grantee plan of improvement;
    j. Number and nature of complaints received on providers;
    k. List of significant provider findings that must, at a minimum, include the following:
        i. Immediate risk to health or safety;
        ii. Client abuse, neglect, or exploitation;
        iii. Licensure revocation or suspension;
        iv. Fraud, waste or abuse reports;
        v. Report criminal activity of any provider's staff.
19. Grantee shall develop and utilize a QM monitoring tool that shall be completed to document all quality reviews. All completed Tools with plan of improvement documentation shall be stored, and made available to System Agency, upon request.

VI. HCP SERVICE REQUIREMENTS

A. The Grantee shall procure and establish written agreements to provide services at a minimum of fifteen (15) HCP locations, which shall provide promising, emerging, or

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evidence-based, non-clinical support to individuals at risk for substance misuse who have experienced ACEs, multigenerational trauma, and/or have emergent behavioral health needs that have been exacerbated due to COVID-19 among the contract's Population of Focus. The Grantee shall ensure the HCP providers, referenced as "sub-contractor", are able to meet the following service requirements:

1. Establish non-clinical support services that are promising, emerging, or evidence-based; align with outcomes as delineated in the program outcome menu; and are appropriate to and reach the Population of Focus. The non-clinical support services may include but are not limited to the following:
    a. Community behavioral health worker model programs;
    b. Community or school-based wellness centers;
    c. Innovative peer services;
    d. Mindfulness or yoga-based programs;
    e. Peer and cross-age mentorship programs;
    f. Peer helper/leadership programs; and
    g. Community or school-based wellness centers.
2. Examples of strategies documented in Section VI (A) (1) include but are not limited to the following:
    a. Across Ages (https://www.cebc4cw.org/program/across-ages/);
    b. Blues Program (https://www.cebc4cw.org/program/blues-program/);
    c. Coping Power Program (https://www.cebc4cw.org/program/coping-power-program/);
    d. Fostering Healthy Futures (https://www.cebc4cw.org/program/fostering-healthy-futures-fhf/);
    e. Good Behavior Game (https://www.paxis.org/pax-good-behavior-game/);
    f. Learning to Breathe (https://learning2breathe.org/);
    g. Learning Together (https://www.blueprintsprograms.org/dev/programs/1615999999/learning-together/print/), and other school-based social and emotional learning strategies;
    h. Groups 4 Health (https://sign.centre.uq.edu.au/products-services/products/social-connection-for-health);
    i. MY FRIENDS Youth Resilience programs (https://friendsresilience.org/)
3. Maintain the following minimum staffing requirements:
    a. Hire an HCP Program Director at a minimum of 0.25 Full-Time Equivalent (FTE). Grantee may require sub-contractors to allocate additional time to the Program Director role, depending on the size and scope of the HCP program(s), to ensure proper oversight.
    b. Hire a minimum of 1.0 FTE who will conduct HCP program services for this sub-contract.
4. Implement the proposed strategies with fidelity to the program design as determined by the program developers. All staff who are implementing the strategies must complete program-specific trainings and maintain appropriate certifications as required by the program developers before delivery of services. The Texas Prevention Training

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Vendor (texaspreventiontraining.org) is not responsible for providing program-specific certification trainings.

5. Adhere to the following general staff training requirements:
   a. All HCP program staff, including HCP Program Directors, Prevention Specialists, and temporary employees, must complete the required general trainings as specified in this section. Grantee will coordinate with System Agency and Texas Prevention Training Vendor (TPT) for the provision of the required trainings listed below to sub-contractors. The required trainings are:
      i. Prevention Skills Training (PST) is a one-time requirement. This required training must be completed through the System Agency-funded training entity within six (6) months from the date of hire This training includes a minimum of three (3) hours in each of the following prevention-specific areas:
         1. Cultural competency;
         2. Risk and protective factors/building resiliency;
         3. Child development and/or adolescent development, as appropriate;
         4. Communication; and,
         5. Prevention across the lifespan.
      ii. A minimum of 15 hours of continuing education units (CEUs), specifically related to prevention and/or job-related duties must be completed each fiscal year. Prevention Continuing Education hours may be obtained through TPT or the Annual Prevention Provider Meeting (APPM) with no registration cost. Although sub-grantees should budget for travel and lodging expenses associated with attending in-person trainings offered through TPT and APPM. CEUs may also be obtained through the Annual Texas HHSC Institute, or other entities approved by the Texas Certification Board (TCB) at a potential additional cost. Information on TCB-approved continuing education providers may be found on the Texas Certification Board website.
         1. Continuing education must include but is not limited to annual training on cultural competence; prevention-related ethics, and the six (6) Prevention Domains:
            a. Planning and Evaluation;
            b. Prevention Education and Service Delivery;
            c. Communication;
            d. Community Organization;
            e. Public Policy and Environmental Change; and
            f. Professional Growth and Responsibility.
         2. Optional, but encouraged, continuing education may include obtaining certification as a Healing Centered Engagement Practitioner (https://flourishagenda.com/healing-centered-engagement-certification/) and PAX Tools for Human Services (https://www.paxis.org/pax-tools/).
   b. All HCP staff directly serving youth and families must also:
      i. Obtain Cardiopulmonary Resuscitation (CPR) and First Aid certifications within 60 days of employment for this Contract or have valid certifications upon hire. CPR/First Aid training may be in-person or online as long as it

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is accredited through Red Cross, American Heart Association, or a similar accrediting body. Most accredited online CPR training opportunities will contain a hands-on testing component.

ii. Mental Health First Aid (MHFA) Training for either youth or adults to build competence and encourage integration of mental health promotion strategies in their work. This training must be maintained or, if not already completed, obtained within six (6) months from the date of hire and may be coordinated through the System Agency-funded training entity, the region's Prevention Resource Center, or other qualified sources.

iii. Suicide Prevention Training and Understanding Traumatic Stress Responses within six (6) months from the date of hire and then at least each year to build competence and encourage integration of mental health promotion strategies in their work. This training may be coordinated through the System Agency-funded training entity, your region's Prevention Resource Center, or other qualified sources.

c. Volunteers and interns working more than 10 hours a week and/or providing direct service delivery must complete the Prevention Skills Training. Volunteers that are providing direct services must also complete program facilitation trainings to ensure they can adhere to the program's implementation fidelity as well as the CPR, MHFA, and Suicide Prevention Trainings within the specified timeframes above.

6. Secure and maintain Community Agreements (CAs) with local providers and resources to develop collaborative relationships in order to provide appropriate resources, services, and supports to individuals who need both clinical and non-clinical support to support their healing. CAs may include a Memorandum of Understanding (MOU), a Letter of Agreement (LOA), Memorandum of Agreement (MOA) or other agreement as approved by System Agency. Sub-contractors should maintain documentation of CAs for inspection by System Agency upon request. At a minimum, CAs should be established with:
   a. Local Mental Health Authority (LMHA) and/or Local Behavioral Health Authority (LBHA);
   b. Outreach, Screening, Assessment, and Referral (OSAR) in the local service area to access prevention, intervention, and/or treatment services. The System Agency funded OSAR's are located at the following link: https://hhs.texas.gov/services/mental-health-substance-use/mental-health-substance-use-resources/outreach-screening-assessment-referral; and,
   c. Local Youth Recovery Centers and Recovery Support Service providers;
   d. Other local providers of resources, services, and supports for individuals who need both clinical and non-clinical support.
7. Implement Problem Identification and Referral services in accordance with the procedures developed by the Grantee. At a minimum, these services should aim to accomplish the following:
   a. Over the life of the contract, use appropriate screening or methods to identify at least 12,000 individuals who are at-risk for presenting problems related to ACEs, multigenerational trauma, and/or have emergent behavioral health needs that have been exacerbated due to COVID-19.

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b. These services are not aimed to determine if a person is in the need of clinical substance use treatment, instead the screenings shall determine if the presenting challenges can be addressed through providing information, education, and/or non-clinical support services.
c. Individuals who may need outside non-clinical or clinical services should be referred to local providers and resources by making a warm handoff whenever possible. When a warm handoff is not possible, sub-contractors should follow up with the individual receiving a referral within one week via the individuals preferred method of contact.
d. When a referral is made to a local provider, it is not an expectation of the HCPs to provide ongoing case management.

8. Obtain consent from participants and their parents/legal guardians in accordance with applicable laws. This includes obtaining consent for any HCP services as well as any activities that occur off-site or involve participant travel. Sub-contractors will document consent using a form or process as approved by the Grantee. Sub-contractors will maintain all relevant consent documentation on file.
9. Post and/or make available, in English and Spanish, the System Agency-developed prevention Participant Rights document during the delivery of program services. Additional languages, appropriate to the population being served, may be requested, and will be developed by the System Agency for use by the sub-contractors. Postings must be conveyed in an appropriate manner to participants who have impairments of vision, hearing, or cognition.
10. Document how they are adhering to the National Standards for Culturally and Linguistically Appropriate Services in the Health and Health Care (The National CLAS Standards, 2013) for the proposed Population of Focus and demonstrate good-faith efforts to reach out to underserved populations. These include, but are not limited to people:
    a. of color;
    b. with low educational and/or socioeconomic status;
    c. with limited English proficiency;
    d. with disabilities;
    e. of Native American Tribes;
    f. holding military and veteran status and their families;
    g. who live in Colonias; and
    h. who identify as lesbian, gay, bisexual, and transgender and queer (and/or questioning) (LGBTQ).
11. Attend quarterly project check in/technical assistance calls with the Grantee and System Agency representatives.

VII. SYSTEM AGENCY RESPONSIBILITIES AND ACKNOWLEDGEMENTS

1. Review and approve all deliverables outlined in Section IX within thirty (30) days of receipt.

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2. Provide TA to support the development and delivery of services in alignment with the goals and intention of the funding.
3. Provide guidance on data collection methods and measures as they relate to projected outcomes. Grantee staff will lead the analysis and evaluation of data collected from the projects in collaboration with the System Agency.
4. Participate in planning meetings, at least monthly, with the Grantee.
5. Participate in quarterly TA meetings with Grantee and sub-contractors
6. Provide access to training and technical assistance though existing System Agency resources.

VIII. CLINICAL MANAGEMENT FOR BEHAVIORAL HEALTH SERVICES (CMBHS) SYSTEM MINIMUM REQUIREMENTS

A. Grantee Shall:

1. Designate a Security Administrator and a back-up Security Administrator. The Security Administrator is required to implement and maintain a system for management of user accounts/user roles to ensure that all the CMBHS user accounts are current.
2. Establish and maintain a security policy that ensures adequate system security and protection of confidential information.
3. Notify the CMBHS Helpdesk within ten (10) business days of any change to the designated Security Administrator or the back-up Security Administrator.
4. Ensure that access to CMBHS is restricted to only authorized users. Grantee shall, within 24 hours, remove access to users who are no longer authorized to have access to secure data.
5. In addition to CMBHS Helpdesk notification, Grantee shall submit a signed CMBHS Security Attestation Form and a list of Grantee's employees, contracted laborers and sub-contractor's authorized to have access to secure data. The CMBHS Security Attestation Form shall be submitted in accordance with Section IX.
6. Attend System Agency training on CMBHS documentation.

IX. REPORTING AND SUBMISSION REQUIREMENTS

A. Grantee shall ensure compliance to the following requirements:

1. Grantee shall submit the required deliverables for this agreement to System Agency by the applicable due date outlined in the deliverable table in item (C) below. The deliverable table documents the submission system Grantee is required to submit each deliverable. Grantee is required to maintain access to the GlobalScape EFT and CMBHS for the term of this agreement.
2. Grantee's duty to submit the deliverables will survive the termination or expiration of this Contract.
3. System Agency will monitor Grantee's performance of the requirements in this agreement and compliance with the Contract's terms and conditions through the required deliverables.
4. System Agency may request additional deliverables to support data request by the Federal funding partner, U.S Health and Human Services, Substance Abuse and Mental Health Services Administration. Grantee shall provide additional requested deliverables, as applicable.
5. Grantee is required to submit a monthly invoice in CMBHS, the invoice will serve as Grantee's request for reimbursement for the previous month's activities.

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6. Grantee is required to submit a quarterly Financial Status Report (FSR) in CMBHS, the FSR will report how the funding paid was utilized, per the cost reimbursement categories.
7. Grantee is required to submit Grantee's General Ledger as supportive documentation to support the data reported in the FSR's.
8. Each fiscal year, Grantee is required to complete a System Agency Close-out packet, and return the packet to System Agency by the deadline.
9. The required deliverables documented in this agreement, shall be submitted as follows:

Item	**Deliverable (Report Name)**	**Due Date**	**Submission System**
Section V (A) (3)	Institutional Review Board Submission (if necessary)	Within 30 days of receipt of documentation of determination	Globalscape
Section V (A) (2)	Implementation Plan	Within 60 days of contract execution	GlobalScape
Section V (A) (3) (a)	Data Collection and Evaluation Plan	Within 90 days of contract execution	GlobalScape
Section V (A) (3) (c)	Program Outcome Measures Menu	Within 60 days of contract execution	GlobalScape
Section V (A) (4) (a)	Mid-year Evaluation Reports	March 31th of each fiscal year	GlobalScape
Section V(A) (4) (b)	Annual Evaluation Reports	Provide Annual Reports each fiscal year, due September 30th, 2023 and September 30th, 2024	GlobalScape
Section V (4) (c)	Summative Evaluation Report	September 30th, 2025	GlobalScape
Section V (7)	Subcontractor executed agreements	Within 30 business days following execution of subcontractor agreements	GlobalScape
Section V (17)	Subcontractor Quality Management Report	Beginning in FY23, quarterly report as follows: Q1: December 31st Q2: March 31st Q3: June 30th Q4: September 30th	GlobalScape
Section VIII (A) (5)	CMBHS Security Attestation Form and list of authorized users	September 15th and March 15th annually	GlobalScape
Section IX	Invoices in CMBHS	All invoices must be submitted by the15th of the month, request payment for previous month's expenditures.	CMBHS
Section IX	Financial Status Reports	Quarterly report, as follows: Q1: December 31st Q2: March 31st Q3: June 30th Q4: September 30th	CMBHS

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Item	Deliverable (Report Name)	Due Date	Submission System
Section IX	General Ledger	Quarterly report, as follows: Q1: December 31st Q2: March 31st Q3: June 30th Q4: September 30th	Globalscape
Section IX	Closeout documents	Each Fiscal Year, complete closeout packet, return to HHSC by October 15th.	GlobalScape

X. PERFORMANCE MEASURES

A. At a minimum, Grantee shall ensure the following performance measures goals are met to ensure compliance to reaching the goals outlined in Section II of this agreement. The performance measures shall be reported in the evaluation report deliverable.

Performance Measures	FY23 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**2000**	**667**	**1333**
Number of unduplicated participants receiving information and Referral services through screening for presenting problems	**3000**	**1000**	**2000**

Performance Measures	FY24 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**3000**	**1500**	**1500**
Number of unduplicated participants receiving information and Referral services through screening for presenting problems	**4500**	**2250**	**2250**

Performance Measures	FY25 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**3000**	**1500**	**1500**
Number of unduplicated participants receiving information and Referral services through screening for presenting problems	**4500**	**2250**	**2250**

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ATTACHMENT A- SUP1

STATEMENT OF WORK SUPPLEMENTAL

A. CONTRACT INFORMATION

Grantee ID:	37217217217
Grantee Name:	The University of Texas at Austin
Contract Type	Prevention
Payment Method:	Cost Reimbursement
Solicitation Type:	Exempt; Government entity

B. SERVICE AREA

Services or activities will be provided to individuals from the following counties:

Region 0: Statewide

C. RENEWALS

Renewals contingent on the availability of funding.

D. CONTACT INFORMATION

Name:	Angela Perkins
Email:	Angela.Perkins@hhs.texas.gov
Address:	909 W 45th Street, Bldg. 555 (MC 2058)
City/Zip:	Austin Texas 78751

E. PERFORMANCE MEASURES

1. At a minimum, Grantee shall ensure the performance measures outlined in the table below are met to ensure compliance. The performance measures shall be reported in the evaluation report deliverable.

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Performance Measures	FY23 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**2000**	**667**	**1333**
Number of unduplicated participants receiving information and Referral services through screening for presenting problems	**3000**	**1000**	**2000**

Performance Measures	FY24 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**3000**	**1500**	**1500**
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Performance Measures	FY25 Total	Sept-Feb	Mar-August
Number of unduplicated participants receiving non-clinical support services	**3000**	**1500**	**1500**
Number of unduplicated participants receiving information and Referral services through screening for presenting problems	**4500**	**2250**	**2250**

F. PERFORMANCE MEASURE METHODOLOGY

1. Performance Measure estimates of the number of participants to be served were calculated using a formula based on the number of projects to be funded as follows:
   A. 200 unduplicated participants receiving non-clinical support services per project per fiscal year
   B. 300 unduplicated participants receiving information and referral services through screening for presenting problems per project per fiscal year

2. The first fiscal year of the contract, FY23, was projected at a lower rate to allow for the projects to ramp up service delivery.

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ATTACHMENT B
BUDGET

A. This Contract is funded from the United States Health & Humans Services (HHS), Substance Abuse and Mental Health Services Administration (SAMSHA), Substance Abuse Prevention Treatment (SABG) Grant, Assistance Listing Number (ALN) 93.959.

B. Compliance with the Code of Federal Regulation (CFR), 45 CFR Part 96, Subpart C, as applicable.

C. Compliance with the following Grant requirements, located at System Agency's website, https://hhs.texas.gov/doing-business-hhs/grants.
   1. Electronic Code of Federal Regulations (2 CFR 200);
   2. Federal Uniform Grant Guidance;
   3. Grant Technical Assistance guide; and
   4. Texas Grant Management Standards

D. Access the Transactions List report in CMBHS to identify the amount of federal funds allocated to this award for each transaction.

E. Invoices
   1. Grantee will submit all invoices to the System Agency through the Clinical Management for Behavioral Health Services (CMBHS) system monthly. All invoices shall be submitted by the deadlines established in Attachment A, Reporting and Submission Requirements.
   2. After the closure of each Fiscal Year documented in Section G, System Agency shall conduct contract close-out activities. Grantee shall ensure all invoices for each fiscal year (September-August) and submitted in CMBHS by October 15th. Invoices submitted after October 15th may be denied.

F. Any unexpended balance associated with any other System Agency-funded contract may not be applied to this Contract.

G. Funding
   1. System Agency Share total reimbursements per fiscal year and Grantee-provided match requirements are further specified in Article V, Budget, of the Contract.

   2. Total Contract Amounts will not exceed $16,250,000.00 for the period from July 1, 2022 through August 31, 2025, as follows:
      a. Fiscal Year 2022, July 1, 2022 through August 31, 2022: $ 46,222.00
      b. Fiscal Year 2023, September 1, 2022 through August 31, 2023: $5,401,259.00
      c. Fiscal Year 2024, September 1, 2023 through August 31, 2024: $5,401,259.00
      d. Fiscal Year 2025, September 1, 2024 through August 31, 2025: $5,401,259.00

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H. Cost Reimbursement Budget

1. The Cost Reimbursement budget documents all approved and allowable expenditures; Grantee shall *only* utilize the funding detailed in Attachment B for approved and allowable costs. If Grantee requests to utilize funds for an expense not documented on the approved budget, Grantee shall notify, in writing, the System Agency assigned contract manager and request approval prior to utilizing the funds. System Agency shall provide written notification regarding if the requested expense is approved.

2. If needed, Grantee may revise the System Agency approved Cost Reimbursement budget. The requirements are as follows:

   a. Grantee is allowed to transfer funds from the budgeted direct categories only; with the exception of the Equipment Category. Grantee may transfer up to ten (10) percent of the Fiscal Year Contract value without System Agency approval. Budget revisions exceeding the ten percent requirement require System Agency's written approval.

   b. Grantee may request revisions to the approved Cost Reimbursement budgeted direct categories that exceed the ten (10) percent requirement stated in (H)(2)(a), by submitting a written request to the Assigned contract manager. This change is considered a minor administrative change and does not require an amendment. The System Agency shall provide written notification if the budget revision is approved; and the assigned Contract Manager will update CMBHS, as needed.

   c. Grantee may revise the Cost Reimbursement budget 'Equipment' and/or 'Indirect Cost' Categories, however a formal Amendment is required. Grantee shall submit to the assigned contract manager a written request to revise the budget, which includes a justification for the revisions. The assigned Contract Manager shall provide written notification stating if the requested revision is approved. If the revision is approved, the budget revision is *not* authorized, and funds *cannot* be utilized until the Amendment is executed and signed by both parties.

3. The budgeted indirect cost amount is provisional and subject to change. The System Agency reserves the right to negotiate Grantee's indirect cost amount, which may require Grantee to provide additional supporting documentation to the assigned contract manager.

The Categorical Budget is on the following page

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Categorical Budget

FY2022

PERSONNEL	$34,738.00
FRINGE BENEFITS	$10,734.00
TRAVEL	$0.00
EQUIPMENT	$0.00
SUPPLIES	$600.00
CONTRACTUAL	$0.00
OTHER	$150.00
TOTAL DIRECT CHARGES	$46,222.00
INDIRECT CHARGES	$0.00
TOTAL CONTRACT AMOUNT	$46,222.00
SYSTEM AGENCY SHARE	$46,222.00
MATCH	$0.00

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FY2023

PERSONNEL	$296,237.00
FRINGE BENEFITS	$93,018.00
TRAVEL	$27,134.00
EQUIPMENT	$0.00
SUPPLIES	$14,810.00
CONTRACTUAL	$4,959,239.00
OTHER	$10,821.00
TOTAL DIRECT CHARGES	$5,401,259.00
INDIRECT CHARGES	$0.00
TOTAL CONTRACT AMOUNT	$5,401,259.00
SYSTEM AGENCY SHARE	$5,401,259.00
MATCH	$0.00

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HEALTH AND HUMAN SERVICES
Contract Number HHS001190300001
Attachment C CONTRACT AFFIRMATIONS

For purposes of these Contract Affirmations, HHS includes both the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). System Agency refers to HHSC, DSHS, or both, that will be a party to this Contract. These Contract Affirmations apply to all Contractors and Grantees (referred to as "Contractor") regardless of their business form (e.g., individual, partnership, corporation).

By entering into this Contract, Contractor affirms, without exception, understands, and agrees to comply with the following items through the life of the Contract:

1. Contractor represents and warrants that these Contract Affirmations apply to Contractor and all of Contractor's principals, officers, directors, shareholders, partners, owners, agents, employees, subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Contract and any related Solicitation.

2. Complete and Accurate Information

Contractor represents and warrants that all statements and information provided to HHS are current, complete, and accurate. This includes all statements and information in this Contract and any related Solicitation Response.

3. Public Information Act

Contractor understands that HHS will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material prepared and submitted in connection with this Contract or any related Solicitation may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

4. Contracting Information Requirements

Contractor represents and warrants that it will comply with the requirements of Section 552.372(a) of the Texas Government Code. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J (Additional Provisions Related to Contracting Information), Chapter 552 of the Government Code, may apply to the Contract and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

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5. Assignment

A. Contractor shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from System Agency. Any attempted assignment in violation of this provision is void and without effect.

B. Contractor understands and agrees the System Agency may in one or more transactions assign, pledge, or transfer the Contract. Upon receipt of System Agency's notice of assignment, pledge, or transfer, Contractor shall cooperate with System Agency in giving effect to such assignment, pledge, or transfer, at no cost to System Agency or to the recipient entity.

6. Terms and Conditions

Contractor accepts the Solicitation terms and conditions unless specifically noted by exceptions advanced in the form and manner directed in the Solicitation, if any, under which this Contract was awarded. Contractor agrees that all exceptions to the Solicitation, as well as terms and conditions advanced by Contractor that differ in any manner from HHS' terms and conditions, if any, are rejected unless expressly accepted by System Agency in writing.

7. HHS Right to Use

Contractor agrees that HHS has the right to use, produce, and distribute copies of and to disclose to HHS employees, agents, and contractors and other governmental entities all or part of this Contract or any related Solicitation Response as HHS deems necessary to complete the procurement process or comply with state or federal laws.

8. Release from Liability

Contractor generally releases from liability and waives all claims against any party providing information about the Contractor at the request of System Agency.

9. Dealings with Public Servants

Contractor has not given, has not offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract or any related Solicitation, or related Solicitation Response.

10. Financial Participation Prohibited

Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

11. Prior Disaster Relief Contract Violation

Under Sections 2155.006 and 2261.053 of the Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), the Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this Contract

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and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

12. Child Support Obligation

Under Section 231.006(d) of the Texas Family Code regarding child support, Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive the specified payment and acknowledges that the Contract may be terminated and payment may be withheld if this certification is inaccurate. If the certification is shown to be false, Contractor may be liable for additional costs and damages set out in 231.006(f).

13. Suspension and Debarment

Contractor certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM*) maintained by the General Services Administration. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Contractor's subcontracts, if any, if payment in whole or in part is from federal funds.

14. Excluded Parties

Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order 13224, *"Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism,"* published by the United States Department of the Treasury, Office of Foreign Assets Control.'

15. Foreign Terrorist Organizations

Contractor represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

16. Executive Head of a State Agency

In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of an HHS agency, (2) a person who at any time during the four years before the date of this Contract was the executive head of an HHS agency, or (3) a person who employs a current or former executive head of an HHS agency.

17. Human Trafficking Prohibition

Under Section 2155.0061 of the Texas Government Code, Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

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18. Franchise Tax Status

Contractor represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.

19. Debts and Delinquencies

Contractor agrees that any payments due under this Contract shall be applied towards any debt or delinquency that is owed to the State of Texas.

20. Lobbying Prohibition

Contractor represents and warrants that payments to Contractor and Contractor's receipt of appropriated or other funds under this Contract or any related Solicitation are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).

21. Buy Texas

Contractor agrees to comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.

22. Disaster Recovery Plan

Contractor agrees that upon request of System Agency, Contractor shall provide copies of its most recent business continuity and disaster recovery plans.

23. Computer Equipment Recycling Program

If this Contract is for the purchase or lease of computer equipment, then Contractor certifies that it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.

24. Television Equipment Recycling Program

If this Contract is for the purchase or lease of covered television equipment, then Contractor certifies that it is compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.

25. Cybersecurity Training

A. Contractor represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

B. Contractor represents and warrants that if Contractor or Subcontractors, officers, or employees of Contractor have access to any state computer system or database, the Contractor, Subcontractors, officers, and employees of Contractor shall complete cybersecurity training pursuant to and in accordance with Government Code, Section 2054.5192.

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26. Restricted Employment for Certain State Personnel

Contractor acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving Contractor may not accept employment from Contractor before the second anniversary of the date the Contract is signed or the procurement is terminated or withdrawn.

27. No Conflicts of Interest

A. Contractor represents and warrants that it has no actual or potential conflicts of interest in providing the requested goods or services to System Agency under this Contract or any related Solicitation and that Contractor's provision of the requested goods and/or services under this Contract and any related Solicitation will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

B. Contractor agrees that, if after execution of the Contract, Contractor discovers or is made aware of a Conflict of Interest, Contractor will immediately and fully disclose such interest in writing to System Agency. In addition, Contractor will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Contractor or by System Agency as a potential conflict. System Agency reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Contractor agrees to abide by System Agency's decision.

28. Fraud, Waste, and Abuse

Contractor understands that HHS does not tolerate any type of fraud, waste, or abuse. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. Pursuant to Texas Government Code, Section 321.022, if the administrative head of a department or entity that is subject to audit by the state auditor has reasonable cause to believe that money received from the state by the department or entity or by a client or contractor of the department or entity may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operation of the department or entity, the administrative head shall report the reason and basis for the belief to the Texas State Auditor's Office (SAO). All employees or contractors who have reasonable cause to believe that fraud, waste, or abuse has occurred (including misconduct by any HHS employee, Grantee officer, agent, employee, or subcontractor that would constitute fraud, waste, or abuse) are required to immediately report the questioned activity to the Health and Human Services Commission's Office of Inspector General. Contractor agrees to comply with all applicable laws, rules, regulations, and System Agency policies regarding fraud, waste, and abuse including, but not limited to, HHS Circular C-027.

A report to the SAO must be made through one of the following avenues:

- SAO Toll Free Hotline: 1-800-TX-AUDIT
- SAO website: http://sao.fraud.state.tx.us/

All reports made to the OIG must be made through one of the following avenues:

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- OIG Toll Free Hotline 1-800-436-6184
- OIG Website: ReportTexasFraud.com
- Internal Affairs Email: InternalAffairsReferral@hhsc.state.tx.us
- OIG Hotline Email: OIGFraudHotline@hhsc.state.tx.us.
- OIG Mailing Address: Office of Inspector General
  Attn: Fraud Hotline
  MC 1300
  P.O. Box 85200
  Austin, Texas 78708-5200

29. Antitrust

The undersigned affirms under penalty of perjury of the laws of the State of Texas that:

A. in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;

B. in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any federal antitrust law; and

C. neither I nor any representative of the Contractor has directly or indirectly communicated any of the contents of this Contract and any related Solicitation Response to a competitor of the Contractor or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Contractor.

30. Legal and Regulatory Actions

Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Contractor or any of the individuals or entities included in numbered paragraph 1 of these Contract Affirmations within the five (5) calendar years immediately preceding execution of this Contract or the submission of any related Solicitation Response that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to System Agency's consideration of entering into this Contract. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has provided to System Agency a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to System Agency's consideration of entering into this Contract. In addition, Contractor acknowledges this is a continuing disclosure requirement. Contractor represents and warrants that Contractor shall notify System Agency in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update System Agency shall constitute breach of contract and may result in immediate contract termination.

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31. No Felony Criminal Convictions

Contractor represents that neither Contractor nor any of its employees, agents, or representatives, including any subcontractors and employees, agents, or representative of such subcontractors, have been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised System Agency in writing of the facts and circumstances surrounding the convictions.

32. Unfair Business Practices

Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings**.**

33. Entities that Boycott Israel

Contractor represents and warrants that (1) it does not, and shall not for the duration of the Contract, boycott Israel or (2) the verification required by Section 2271.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

34. E-Verify

Contractor certifies that for contracts for services, Contractor shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of this Contract to determine the eligibility of:

1. all persons employed by Contractor to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Contractor to perform work pursuant to this Contract within the United States of America.

35. Former Agency Employees – Certain Contracts

If this Contract is an employment contract, a professional services contract under Chapter 2254 of the Texas Government Code, or a consulting services contract under Chapter 2254 of the Texas Government Code, in accordance with Section 2252.901 of the Texas Government Code, Contractor represents and warrants that neither Contractor nor any of Contractor's employees including, but not limited to, those authorized to provide services under the Contract, were former employees of an HHS Agency during the twelve (12) month period immediately prior to the date of the execution of the Contract.

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36. Disclosure of Prior State Employment – Consulting Services

If this Contract is for consulting services,

A. In accordance with Section 2254.033 of the Texas Government Code, a Contractor providing consulting services who has been employed by, or employs an individual who has been employed by, System Agency or another State of Texas agency at any time during the two years preceding the submission of Contractor's offer to provide services must disclose the following information in its offer to provide services. Contractor hereby certifies that this information was provided and remains true, correct, and complete:

1. Name of individual(s) (Contractor or employee(s));
2. Status;
3. The nature of the previous employment with HHSC or the other State of Texas agency;
4. The date the employment was terminated and the reason for the termination; and
5. The annual rate of compensation for the employment at the time of its termination.

B. If no information was provided in response to Section A above, Contractor certifies that neither Contractor nor any individual employed by Contractor was employed by System Agency or any other State of Texas agency at any time during the two years preceding the submission of Contractor's offer to provide services.

37. Abortion Funding Limitation

Contractor understands, acknowledges, and agrees that, pursuant to Article IX of the General Appropriations Act (the Act), to the extent allowed by federal and state law, money appropriated by the Texas Legislature may not be distributed to any individual or entity that, during the period for which funds are appropriated under the Act:

1. performs an abortion procedure that is not reimbursable under the state's Medicaid program;
2. is commonly owned, managed, or controlled by an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program; or
3. is a franchise or affiliate of an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program.

The provision does not apply to a hospital licensed under Chapter 241, Health and Safety Code, or an office exempt under Section 245.004(2), Health and Safety Code. Contractor represents and warrants that it is not ineligible, nor will it be ineligible during the term of this Contract, to receive appropriated funding pursuant to Article IX.

38. Funding Eligibility

Contractor understands, acknowledges, and agrees that, pursuant to Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code, except as exempted under that Chapter, HHSC cannot contract with an abortion provider or an affiliate of an abortion provider. Contractor certifies that it is not ineligible to contract with HHSC under the terms of Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code.

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39. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (2 CFR 200.216)

Contractor certifies that the individual or business entity named in this Response or Contract is not ineligible to receive the specified Contract or funding pursuant to 2 CFR 200.216.

40. COVID-19 Vaccine Passports

Pursuant to Texas Health and Safety Code, Section 161.0085(c), Contractor certifies that it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from the Contractor's business. Contractor acknowledges that such a vaccine or recovery requirement would make Contractor ineligible for a state-funded contract.

41. Entities that Boycott Energy Companies

In accordance with Senate Bill 13, Acts 2021, 87th Leg., R.S., pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies boycotting certain energy companies), Contractor represents and warrants that: (1) it does not, and will not for the duration of the Contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

42. Entities that Discriminate Against Firearm and Ammunition Industries

In accordance with Senate Bill 19, Acts 2021, 87th Leg., R.S., pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies that discriminate against firearm and ammunition industries), Contractor verifies that: (1) it does not, and will not for the duration of the Contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

43. Security Controls for State Agency Data

In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.138, Contractor understands, acknowledges, and agrees that if, pursuant to this Contract, Contractor is or will be authorized to access, transmit, use, or store data for System Agency, Contractor is required to meet the security controls the System Agency determines are proportionate with System Agency's risk under the Contract based on the sensitivity of System Agency's data and that Contractor must periodically provide to System Agency evidence that Contractor meets the security controls required under the Contract.

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44. Cloud Computing State Risk and Authorization Management Program (TX-RAMP)

In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.0593, Contractor acknowledges and agrees that, if providing cloud computing services for System Agency, Contractor must comply with the requirements of the state risk and authorization management program and that System Agency may not enter or renew a contract with Contractor to purchase cloud computing services for the agency that are subject to the state risk and authorization management program unless Contractor demonstrates compliance with program requirements. If providing cloud computing services for System Agency that are subject to the state risk and authorization management program, Contractor certifies it will maintain program compliance and certification throughout the term of the Contract.

45. Office of Inspector General Investigative Findings Expert Review

In accordance with Senate Bill 799, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 531.102(m-1)(2) is applicable to this Contract, Contractor affirms that it possesses the necessary occupational licenses and experience.

46. Contract for Professional Services of Physicians, Optometrists, and Registered Nurses

In accordance with Senate Bill 799, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 2254.008(a)(2) is applicable to this Contract, Contractor affirms that it possesses the necessary occupational licenses and experience.

47. Foreign-Owned Companies in Connection with Critical Infrastructure

If Texas Government Code, Section 2274.0102(a)(1) (relating to prohibition on contracts with certain foreign-owned companies in connection with critical infrastructure) is applicable to this Contract, pursuant to Government Code Section 2274.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

48. Critical Infrastructure Subcontracts

For purposes of this Paragraph, the designated countries are China, Iran, North Korea, Russia, and any countries lawfully designated by the Governor as a threat to critical infrastructure. Pursuant to Section 113.002 of the Business and Commerce Code, Contractor shall not enter into a subcontract that will provide direct or remote access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business and Commerce Code, in this state, other than access specifically allowed for product warranty and support purposes to any subcontractor unless (i) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is majority owned or controlled by citizens or governmental entities of a designated country; and (ii) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is headquartered in a designated country. Contractor will notify the System Agency before entering into any subcontract that will provide direct or remote

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access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business & Commerce Code, in this state.

49. Enforcement of Certain Federal Firearms Laws Prohibited

In accordance with House Bill 957, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 2.101 is applicable to Contractor, Contractor certifies that it is not ineligible to receive state grant funds pursuant to Texas Government Code, Section 2.103.

50. Prohibition on Abortions

Contractor understands, acknowledges, and agrees that, pursuant to Article II of the General Appropriations Act, (1) no funds shall be used to pay the direct or indirect costs (including marketing, overhead, rent, phones, and utilities) of abortion procedures provided by contractors of HHSC; and (2) no funds appropriated for Medicaid Family Planning, Healthy Texas Women Program, or the Family Planning Program shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures. Contractor represents and warrants that it is not ineligible, nor will it be ineligible during the term of this Contract, to receive appropriated funding pursuant to Article II.

51. False Representation

Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.

52. False Statements

Contractor represents and warrants that all statements and information prepared and submitted by Contractor in this Contract and any related Solicitation Response are current, complete, true, and accurate. Contractor acknowledges any false statement or material misrepresentation made by Contractor during the performance of this Contract or any related Solicitation is a material breach of contract and may void this Contract. Further, Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.

53. Permits and License

Contractor represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to this Contract.

54. Equal Employment Opportunity

Contractor represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.

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55. Federal Occupational Safety and Health Law

Contractor represents and warrants that all articles and services shall meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Chapter 15).

56. Signature Authority

Contractor represents and warrants that the individual signing this Contract Affirmations document is authorized to sign on behalf of Contractor and to bind the Contractor.

Signature Page Follows

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Authorized representative on behalf of Contractor must complete and sign the following:

The University of Texas at Austin

Legal Name of Contractor

Assumed Business Name of Contractor, if applicable (d/b/a or 'doing business as')

Texas County(s) for Assumed Business Name (d/b/a or 'doing business as')
Attach Assumed Name Certificate(s) filed with the Texas Secretary of State and Assumed Name Certificate(s), if any, for each Texas County Where Assumed Name Certificate(s) has been filed.

DocuSigned by:
Elena Mota
A119D0ACEF174D4...

Signature of Authorized Representative

August 8, 2022

Date Signed

Elena Mota

Printed Name of Authorized Representative First, Middle Name or Initial, and Last Name

Assistant Director, OSP

Title of Authorized Representative

3295 West Braker Lane, Suite 3.340

Physical Street Address

Austin, TX 78759-5316

City, State, Zip Code

Mailing Address, if different

City, State, Zip Code

(512)471-6424

Phone Number

Fax Number

osp@austin.utexas.edu

170230239

Email Address

DUNS Number

746000203

37217217217

Federal Employer Identification Number

Texas Identification Number (TIN)

74-6000203

74-6000203

Texas Franchise Tax Number

Texas Secretary of State Filing Number

V6AFQPN18437

SAM.gov Unique Entity Identifier (UEI)

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TEXAS
Health and Human Services

Health and Human Services (HHS)

Uniform Terms and Conditions - Grant

Version 3.2

Published and Effective – July 2022

Responsible Office: Chief Counsel

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ABOUT THIS DOCUMENT

In this document, Grantees (also referred to in this document as subrecipients or contractors) will find requirements and conditions applicable to grant funds administered and passed-through by both the Texas Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). These requirements and conditions are incorporated into the Grant Agreement through acceptance by Grantee of any funding award by HHSC or DSHS.

The terms and conditions in this document are in addition to all requirements listed in the RFA, if any, under which applications for this grant award are accepted, as well as all applicable federal and state laws and regulations. Applicable federal and state laws and regulations may include, but are not limited to: 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; requirements of the entity that awarded the funds to HHS; Chapter 783 of the Texas Government Code; Texas Comptroller of Public Accounts' agency rules (including Uniform Grant and Contract Standards set forth in Title 34, Part 1, Chapter 20, Subchapter E, Division 4 of the Texas Administrative Code); the Texas Grant Management Standards (TxGMS) developed by the Texas Comptroller of Public Accounts; and the Funding Announcement, Solicitation, or other instrument/documentation under which HHS was awarded funds. HHS, in its sole discretion, reserves the right to add requirements, terms, or conditions.

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ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS

1.1 DEFINITIONS

As used in this Grant Agreement, unless a different definition is specified, or the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

"Amendment" means a written agreement, signed by the Parties, which documents changes to the Grant Agreement.

"Contract" or "Grant Agreement" means the agreement entered into by the Parties, including the Signature Document, these Uniform Terms and Conditions, along with any attachments and amendments that may be issued by the System Agency.

"Deliverables" means the goods, services, and work product, including all reports and project documentation, required to be provided by Grantee to the System Agency.

"DSHS" means the Department of State Health Services.

"Effective Date" means the date on which the Grant Agreement takes effect.

"Federal Fiscal Year" means the period beginning October 1 and ending September 30 each year, which is the annual accounting period for the United States government.

"GAAP" means Generally Accepted Accounting Principles.

"GASB" means the Governmental Accounting Standards Board.

"Grantee" means the Party receiving funds under this Grant Agreement. May also be referred to as "subrecipient" or "contractor" in this document.

"HHSC" means the Texas Health and Human Services Commission.

"Health and Human Services" or "HHS" includes HHSC and DSHS.

"Intellectual Property Rights" means the worldwide proprietary rights or interests, including patent, copyright, trade secret, and trademark rights, as such right may be evidenced by or embodied in:

i. any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement;
ii. any work of authorship, including any compilation, computer code, website or web page design, literary work, pictorial work, or graphic work;
iii. any trademark, service mark, trade dress, trade name, branding, or other indicia of source or origin;
iv. domain name registrations; and
v. any other proprietary or similar rights. The Intellectual Property Rights of a Party include all worldwide proprietary rights or interests that the Party may have acquired by assignment, by exclusive license, or by license with the right to grant sublicenses.

"Parties" means the System Agency and Grantee, collectively.

"Party" means either the System Agency or Grantee, individually.

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"Project" means specific activities of the Grantee that are supported by funds provided under this Grant Agreement.

"Signature Document" means the document executed by all Parties for this Grant Agreement.

"Solicitation," "Funding Announcement" or "Request for Applications (RFA)" means the document (including all exhibits, attachments, and published addenda), issued by the System Agency under which applications for grant funds were requested, which is incorporated by reference in the Grant Agreement for all purposes in its entirety.

"Solicitation Response" or "Application" means Grantee's full and complete Solicitation response (including any attachments and addenda), which is incorporated by reference in the Grant Agreement for all purposes in its entirety.

"State Fiscal Year" means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

"State of Texas *Textravel*" means the Texas Comptroller of Public Accounts' state travel rules, policies, and guidelines.

"Statement of Work" means the description of activities Grantee must perform to complete the Project, as specified in the Grant Agreement and as may be amended.

"System Agency" means HHSC or DSHS, as applicable.

"Work Product" means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the deliverables, that are developed, produced, generated or provided by Grantee in connection with Grantee's performance of its duties under the Grant Agreement or through use of any funding provided under this Grant Agreement.

"Texas Grant Management Standards" or "TxGMS" means uniform grant and contract administration procedures, developed under the authority of Chapter 783 of the Texas Government Code, to promote the efficient use of public funds in local government and in programs requiring cooperation among local, state, and federal agencies. Under this Grant Agreement, TxGMS applies to Grantee except as otherwise provided by applicable law or directed by System Agency. Additionally, except as otherwise provided by applicable law, in the event of a conflict between TxGMS and applicable federal or state law, federal law prevails over state law and state law prevails over TxGMS.

1.2 INTERPRETIVE PROVISIONS

A. The meanings of defined terms include the singular and plural forms.
B. The words "hereof," "herein," "hereunder," and similar words refer to this Grant Agreement as a whole and not to any particular provision, section, attachment, or schedule of this Grant Agreement unless otherwise specified.
C. The term "including" is not limiting and means "including without limitation" and, unless otherwise expressly provided in this Grant Agreement, (i) references to contracts

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(including this Grant Agreement) and other contractual instruments shall be deemed to include all subsequent Amendments and other modifications, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Grant Agreement, and (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting the statute or regulation.

D. Any references to agreements, contracts, statutes, or administrative rules or regulations in the Grant Agreement are references to these documents as amended, modified, or supplemented during the term of the Grant Agreement.
E. The captions and headings of this Grant Agreement are for convenience of reference only and do not affect the interpretation of this Grant Agreement.
F. All attachments, including those incorporated by reference, and any Amendments are considered part of the terms of this Grant Agreement.
G. This Grant Agreement may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative.
H. Unless otherwise expressly provided, reference to any action of the System Agency or by the System Agency by way of consent, approval, or waiver will be deemed modified by the phrase "in its sole discretion."
I. Time is of the essence in this Grant Agreement.
J. Prior to execution of the Grant Agreement, Grantee must notify System Agency's designated contact in writing of any ambiguity, conflict, discrepancy, omission, or other error. If Grantee fails to notify the System Agency designated contact of any ambiguity, conflict, discrepancy, omission or other error in the Grant Agreement prior to Grantee's execution of the Grant Agreement, Grantee:
    i. Shall have waived any claim of error or ambiguity in the Grant Agreement; and
    ii. Shall not contest the interpretation by the System Agency of such provision(s).

No grantee will be entitled to additional reimbursement, relief, or time by reason of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error or its later correction.

ARTICLE II. PAYMENT PROVISIONS

2.1 PROMPT PAYMENT

Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 of the Texas Government Code shall govern remittance of payment and remedies for late payment and non-payment.

2.2 TAXES

Grantee represents and warrants that it shall pay all taxes or similar amounts resulting from the Grant Agreement, including, but not limited to, any federal, State, or local income, sales or excise taxes of Grantee or its employees. System Agency shall not be liable for any taxes resulting from the Grant Agreement.

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2.3 Ancillary and Travel Expenses

A. Except as otherwise provided in the Grant Agreement, no ancillary expenses incurred by the Grantee in connection with its provision of the services or deliverables will be reimbursed by the System Agency. Ancillary expenses include, but are not limited to, costs associated with transportation, delivery, and insurance for each deliverable.

B. Except as otherwise provided in the Grant Agreement, when the reimbursement of travel expenses is authorized by the Grant Agreement, all such expenses will be reimbursed in accordance with the rates set by the Texas Comptroller's *Textravel* guidelines, which can currently be accessed at: https://fmx.cpa.texas.gov/fmx/travel/textravel/.

2.4 Billing

Unless otherwise provided in the Grant Agreement, Grantee shall bill the System Agency in accordance with the Grant Agreement. Unless otherwise specified in the Grant Agreement, Grantee shall submit requests for reimbursement or payment monthly by the last business day of the month following the month in which expenses were incurred or services provided. Grantee shall maintain all documentation that substantiates invoices and make the documentation available to the System Agency upon request.

2.5 Use of Funds

Grantee shall expend funds under this Grant Agreement only for approved services and for reasonable and allowable expenses directly related to those services.

2.6 Use for Match Prohibited

Grantee shall not use funds provided under this Grant Agreement for matching purposes in securing other funding without the written approval of the System Agency.

2.7 Program Income

Program income refers to gross income directly generated by a supporting activity during the period of performance. Unless otherwise required under the Grant Agreement, Grantee shall use Program Income, as provided in TxGMS, to further the Project, and Grantee shall spend the Program Income on the Project. Grantee shall identify and report Program Income in accordance with the Grant Agreement, applicable law, and any programmatic guidance. Grantee shall expend Program Income during the Grant Agreement term, when earned, and may not carry Program Income forward to any succeeding term. Grantee shall refund Program Income to the System Agency if the Program Income is not expended in the term in which it is earned. The System Agency may base future funding levels, in part, upon Grantee's proficiency in identifying, billing, collecting, and reporting Program Income, and in using Program Income for the purposes and under the conditions specified in this Grant Agreement.

2.8 Nonsupplanting

Grant funds must be used to supplement existing, new or corresponding programming and related activities. Grant funds may not be used to supplant (replace) existing funds that have been appropriated, allocated, or disbursed for the same purpose. System Agency may conduct Grant monitoring or audits may be conducted to review, among other things, Grantee's compliance with this provision.

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2.9 Indirect Cost Rates

The System Agency may acknowledge an indirect cost rate for Grantees that is utilized for all applicable Grant Agreements. For subrecipients receiving federal funds, indirect cost rates will be determined in accordance with applicable law including, but not limited to, 2 CFR 200.414(f). For recipients receiving state funds, indirect costs will be determined in accordance with applicable law including, but not limited to, TxGMS. Grantees funded with blended federal and state funding will be subject to both state and federal requirements when determining indirect costs. In the event of a conflict between TxGMS and applicable federal law or regulation, the provisions of federal law or regulation will apply. Grantee will provide any necessary financial documents to determine the indirect cost rate in accordance with the Uniform Grant Guidance (UGG) and TxGMS.

ARTICLE III. STATE AND FEDERAL FUNDING

3.1 Excess Obligations Prohibited

This Grant Agreement is subject to termination or cancellation, without penalty to System Agency, either in whole or in part, subject to the availability and actual receipt by System Agency of state or federal funds. System Agency is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If System Agency becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either System Agency's or Grantee's delivery or performance under the Grant Agreement impossible or unnecessary, the Grant Agreement will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Section, System Agency will not be liable to Grantee for any damages that are caused or associated with such termination or cancellation, and System Agency will not be required to give prior notice. Additionally, System Agency will not be liable to Grantee for any remaining unpaid funds under this Grant Agreement at time of termination.

3.2 No Debt Against the State

This Grant Agreement will not be construed as creating any debt by or on behalf of the State of Texas.

3.3 Debts and Delinquencies

Grantee agrees that any payments due under the Grant Agreement shall be directly applied towards eliminating any debt or delinquency it has to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support during the entirety of the Grant Agreement term.

3.4 Refunds and Overpayments

A. At its sole discretion, the System Agency may (i) withhold all or part of any payments to Grantee to offset overpayments, unallowable or ineligible costs made to the Grantee, or if any required financial status report(s) is not submitted by the due date(s); or (ii) require Grantee to promptly refund or credit - within thirty (30) calendar days of written notice – to System Agency any funds erroneously paid by System Agency which are not expressly authorized under the Grant Agreement.

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B. "Overpayments" as used in this Section include payments (i) made by the System Agency that exceed the maximum allowable rates; (ii) that are not allowed under applicable laws, rules, or regulations; or (iii) that are otherwise inconsistent with this Grant Agreement, including any unapproved expenditures. Grantee understands and agrees that it shall be liable to the System Agency for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Grant Agreement. Grantee further understands and agrees that reimbursement of such disallowed costs shall be paid by Grantee from funds which were not provided or otherwise made available to Grantee under this Grant Agreement.

ARTICLE IV. ALLOWABLE COSTS AND AUDIT REQUIREMENTS

4.1 Allowable Costs

A. Allowable Costs are restricted to costs that are authorized under Texas Uniform Grant Management Standards (TxGMS) and applicable state and federal rules and laws. This Grant Agreement is subject to all applicable requirements of TxGMS, including the criteria for Allowable Costs. Additional federal requirements apply if this Grant Agreement is funded, in whole or in part, with federal funds.

B. System Agency will reimburse Grantee for actual, allowable, and allocable costs incurred by Grantee in performing the Project, provided the costs are sufficiently documented. Grantee must have incurred a cost prior to claiming reimbursement and within the applicable term to be eligible for reimbursement under this Grant Agreement. At its sole discretion, the System Agency will determine whether costs submitted by Grantee are allowable and eligible for reimbursement. The System Agency may take repayment (recoup) from remaining funds available under this Grant Agreement in amounts necessary to fulfill Grantee's repayment obligations. Grantee and all payments received by Grantee under this Grant Agreement are subject to applicable cost principles, audit requirements, and administrative requirements including applicable provisions under 2 CFR 200, 48 CFR Part 31, and TxGMS.

C. OMB Circulars will be applied with the modifications prescribed by TxGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

4.2 Audits and Financial Statements

A. Audits

i. Grantee understands and agrees that Grantee is subject to any and all applicable audit requirements found in state or federal law or regulation or added by this Grant Agreement

ii. HHS Single Audit Unit will notify Grantee to complete the Single Audit Determination Form. If Grantee fails to complete the form within thirty (30) calendar days after receipt of notice, Grantee maybe subject to sanctions and remedies for non-compliance.

iii. If Grantee, within Grantee's fiscal year, expends at least SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($750,000) in federal funds awarded, Grantee shall have a single audit or program-specific audit in accordance with 2 CFR 200. The federal

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threshold amount includes federal funds passed through by way of state agency awards.

iv. If Grantee, within Grantee's fiscal year, expends at least SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($750,000) in state funds awarded, Grantee shall have a single audit or program-specific audit in accordance with TxGMS. The audit must be conducted by an independent certified public accountant and in accordance with 2 CFR 200, Government Auditing Standards, and TxGMS.

v. For-profit Grantees whose expenditures meet or exceed the federal or state expenditure thresholds stated above shall follow the guidelines in 2 CFR 200 or TxGMS, as applicable, for their program-specific audits.

vi. Each Grantee required to obtain a single audit must competitively re-procure single audit services once every six years. Grantee shall procure audit services in compliance with this section, state procurement procedures, as well as with applicable provisions of 2 CFR 200 and TxGMS.

B. Financial Statements.

Each Grantee that does not meet the expenditure threshold for a single audit or program-specific audit, must provide financial statements for the audit period.

4.3 Submission of Audits and Financial Statements

A. Audits.

Due the earlier of 30 days after receipt of the independent certified public accountant's report or nine months after the end of the fiscal year, Grantee shall submit one electronic copy of the single audit or program-specific audit to the System Agency via:

i. HHS portal at https://hhsportal.hhs.state.tx.us/heartwebextr/hhscSau or,

ii. Email to: single_audit_report@hhsc.state.tx.us.

B. Financial Statements.

Due no later than nine months after the Grantee's fiscal year-end, Grantees not required to submit an audit, shall submit one electronic copy of their financial statements via:

i. HHS portal at https://hhsportal.hhs.state.tx.us/heartwebextr/hhscSau; or,

ii. Email to: single_audit_report@hhsc.state.tx.us.

ARTICLE V. WARRANTY, AFFIRMATIONS, ASSURANCES AND CERTIFICATIONS

5.1 Warranty

Grantee warrants that all work under this Grant Agreement shall be completed in a manner consistent with standards under the terms of this Grant Agreement, in the applicable trade, profession, or industry; shall conform to or exceed the specifications set forth in the Grant Agreement; and all deliverables shall be fit for ordinary use, of good quality, and with no material defects. If System Agency, in its sole discretion, determines Grantee has failed to complete work timely or to perform satisfactorily under conditions required by this Grant Agreement, the System Agency may require Grantee, at its sole expense, to:

i. Repair or replace all defective or damaged work;

ii. Refund any payment Grantee received from System Agency for all defective or damaged work and, in conjunction therewith, require Grantee to accept the return of such work; and,

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iii. Take necessary action to ensure that Grantee's future performance and work conform to the Grant Agreement requirements.

5.2 General Affirmations

Grantee certifies that, to the extent affirmations are incorporated into the Grant Agreement, the Grantee has reviewed the affirmations and that Grantee is in compliance with all requirements.

5.3 Federal Assurances

Grantee further certifies that, to the extent federal assurances are incorporated into the Grant Agreement, the Grantee has reviewed the federal assurances and that Grantee is in compliance with all requirements.

5.4 Federal Certifications

Grantee further certifies that, to the extent federal certifications are incorporated into the Grant Agreement, the Grantee has reviewed the federal certifications and that Grantee is in compliance with all requirements. In addition, Grantee certifies that it is in compliance with all applicable federal laws, rules, and regulations, as they may pertain to this Grant Agreement.

5.5 State Assurances

Except to the extent of any conflict under applicable law or requirements or guidelines of any federal awarding agency from which funding for this Grant Agreement originated, the Grantee must comply with the applicable state assurances included within the TxGMS which are incorporated here by reference.

ARTICLE VI. INTELLECTUAL PROPERTY

6.1 Ownership of Work Product

A. All right, title, and interest in the Work Product, including all Intellectual Property Rights therein, is exclusively owned by System Agency. Grantee and Grantee's employees will have no rights in or ownership of the Work Product or any other property of System Agency.

B. Any and all Work Product that is copyrightable under United States copyright law is deemed to be "work made for hire" owned by System Agency, as provided by Title 17 of the United States Code. To the extent that Work Product does not qualify as a "work made for hire" under applicable federal law, Grantee hereby irrevocably assigns and transfers to System Agency, its successors and assigns, the entire right, title, and interest in and to the Work Product, including any and all Intellectual Property Rights embodied therein or associated therewith, and in and to all works based upon, derived from, or incorporating the Work Product, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing.

C. Grantee agrees to execute all papers and to perform such other acts as System Agency may deem necessary to secure for System Agency or its designee the rights herein assigned.

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D. In the event that Grantee has any rights in and to the Work Product that cannot be assigned to System Agency, Grantee hereby grants to System Agency an exclusive, worldwide, royalty-free, transferable, irrevocable, and perpetual license, with the right to sublicense, to reproduce, distribute, modify, create derivative works of, publicly perform and publicly display, make, have made, use, sell and offer for sale the Work Product and any products developed by practicing such rights.
E. The foregoing does not apply to Incorporated Pre-existing Works or Third Party IP that are incorporated in the Work Product by Grantee. Grantee shall provide System Agency access during normal business hours to all Grantee materials, premises, and computer files containing the Work Product.

6.2 Grantee's Pre-Existing Works

A. To the extent that Grantee incorporates into the Work Product any works of Grantee that were created by Grantee or that Grantee acquired rights in prior to the Effective Date of this Grant Agreement ("**Incorporated Pre-existing Works**"), Grantee retains ownership of such Incorporated Pre-existing Works.
B. Grantee hereby grants to System Agency an irrevocable, perpetual, non-exclusive, royalty-free, transferable, worldwide right and license, with the right to sublicense, to use, reproduce, modify, copy, create derivative works of, publish, publicly perform and display, sell, offer to sell, make and have made, the Incorporated Pre-existing Works, in any medium, with or without the associated Work Product.
C. Grantee represents, warrants, and covenants to System Agency that Grantee has all necessary right and authority to grant the foregoing license in the Incorporated Pre-existing Works to System Agency.

6.3 Third Party IP

A. To the extent that any Third Party IP is included or incorporated in the Work Product by Grantee, Grantee hereby grants to System Agency, or shall obtain from the applicable third party for System Agency's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for System Agency's internal business or governmental purposes only, to use, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Third Party IP and any derivative works thereof embodied in or delivered to System Agency in conjunction with the Work Product, and to authorize others to do any or all of the foregoing.
B. Grantee shall obtain System Agency's advance written approval prior to incorporating any Third Party IP into the Work Product, and Grantee shall notify System Agency on delivery of the Work Product if such materials include any Third Party IP.
C. Grantee shall provide System Agency all supporting documentation demonstrating Grantee's compliance with this Section 6.3, including without limitation documentation indicating a third party's written approval for Grantee to use any Third Party IP that may be incorporated in the Work Product.

6.4 Agreements with Employees and Subcontractors

Grantee shall have written, binding agreements with its employees and subcontractors that include provisions sufficient to give effect to and enable Grantee's compliance with Grantee's obligations under this Article VI, Intellectual Property.

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6.5 Delivery upon Termination or Expiration

No later than the first calendar day after the termination or expiration of the Grant Agreement or upon System Agency's request, Grantee shall deliver to System Agency all completed, or partially completed, Work Product, including any Incorporated Pre-existing Works, and any and all versions thereof. Grantee's failure to timely deliver such Work Product is a material breach of the Grant Agreement. Grantee will not retain any copies of the Work Product or any documentation or other products or results of Grantee's activities under the Grant Agreement without the prior written consent of System Agency.

6.6 Survival

The provisions and obligations of this Article survive any termination or expiration of the Grant Agreement.

6.7 System Agency Data

A. As between the Parties, all data and information acquired, accessed, or made available to Grantee by, through, or on behalf of System Agency or System Agency contractors, including all electronic data generated, processed, transmitted, or stored by Grantee in the course of providing data processing services in connection with Grantee's performance hereunder (the "System Agency Data"), is owned solely by System Agency.
B. Grantee has no right or license to use, analyze, aggregate, transmit, create derivatives of, copy, disclose, or process the System Agency Data except as required for Grantee to fulfill its obligations under the Grant Agreement or as authorized in advance in writing by System Agency.
C. For the avoidance of doubt, Grantee is expressly prohibited from using, and from permitting any third party to use, System Agency Data for marketing, research, or other non-governmental or commercial purposes, without the prior written consent of System Agency.
D. Grantee shall make System Agency Data available to System Agency, including to System Agency's designated vendors, as directed in writing by System Agency. The foregoing shall be at no cost to System Agency.
E. Furthermore, the proprietary nature of Grantee's systems that process, store, collect, and/or transmit the System Agency Data shall not excuse Grantee's performance of its obligations hereunder.

ARTICLE VII. PROPERTY

7.1 Use of State Property

A. Grantee is prohibited from using State Property for any purpose other than performing Services authorized under the Grant Agreement.
B. State Property includes, but is not limited to, System Agency's office space, identification badges, System Agency information technology equipment and networks (*e.g.,* laptops, portable printers, cell phones, iPads or tablets, external hard drives, data storage devices, any System Agency-issued software, and the System Agency Virtual Private Network (VPN client)), and any other resources of System Agency.

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C. Grantee shall not remove State Property from the continental United States. In addition, Grantee may not use any computing device to access System Agency's network or e-mail while outside of the continental United States.
D. Grantee shall not perform any maintenance services on State Property unless the Grant Agreement expressly authorizes such Services.
E. During the time that State Property is in the possession of Grantee, Grantee shall be responsible for:
   i. all repair and replacement charges incurred by State Agency that are associated with loss of State Property or damage beyond normal wear and tear, and
   ii. all charges attributable to Grantee's use of State Property that exceeds the Grant Agreement scope. Grantee shall fully reimburse such charges to System Agency within ten (10) calendar days of Grantee's receipt of System Agency's notice of amount due. Use of State Property for a purpose not authorized by the Grant Agreement shall constitute breach of contract and may result in termination of the Grant Agreement and the pursuit of other remedies available to System Agency under contract, at law, or in equity.

7.2 Damage to State Property

A. In the event of loss, destruction, or damage to any System Agency or State of Texas owned, leased, or occupied property or equipment by Grantee or Grantee's employees, agents, Subcontractors, or suppliers, Grantee shall be liable to System Agency and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property.
B. Grantee shall notify System Agency of the loss, destruction, or damage of equipment or property within one (1) business day. Grantee shall reimburse System Agency and the State of Texas for such property damage within ten (10) calendar days after Grantee's receipt of System Agency's notice of amount due.

7.3 Property Rights upon Termination or Expiration of Contract

In the event the Grant Agreement is terminated for any reason or expires, State Property remains the property of the System Agency and must be returned to the System Agency by the earlier of the end date of the Grant Agreement or upon System Agency's request.

7.4 Equipment and Property

A. The Grantee must ensure equipment with a per-unit cost of $5,000 or greater purchased with grant funds under this award is used solely for the purpose of this Grant or is properly pro-rated for use under this Grant. Grantee must have control systems to prevent loss, damage, or theft of property funded under this Grant. Grantee shall maintain equipment management and inventory procedures for equipment, whether acquired in part or whole with grant funds, until disposition occurs.
B. When equipment acquired by Grantee under this Grant Agreement is no longer needed for the original project or for other activities currently supported by System Agency, the Grantee must properly dispose of the equipment pursuant to 2 CFR and/or TxGMS, as applicable. Upon termination of this Grant Agreement, use and disposal of equipment by the Grantee shall conform with TxGMS requirements.
C. Grantee shall initiate the purchase of all equipment approved in writing by the System Agency in accordance with the schedule approved by System Agency, as applicable.

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Failure to timely initiate the purchase of equipment may result in the loss of availability of funds for the purchase of equipment. Requests to purchase previously approved equipment after the first quarter in the Grant Agreement must be submitted to the assigned System Agency contract manager.

D. Controlled Assets include firearms, regardless of the acquisition cost, and the following assets with an acquisition cost of $500 or more, but less than $5,000: desktop and laptop computers (including notebooks, tablets and similar devices), non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment. Controlled Assets are considered supplies.

E. System Agency funds must not be used to purchase buildings or real property without prior written approval from System Agency. Any costs related to the initial acquisition of the buildings or real property are not allowable without written pre-approval.

ARTICLE VIII. RECORD RETENTION, AUDIT, AND CONFIDENTIALITY

8.1 Record Maintenance and Retention

A. Grantee shall keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the System Agency, the Texas State Auditor's Office, the United States Government, and their authorized representatives sufficient information to determine compliance with the terms and conditions of this Grant Agreement and all state and federal rules, regulations, and statutes.

B. Grantee shall maintain and retain legible copies of this Grant Agreement and all records relating to the performance of the Grant Agreement, including supporting fiscal documents adequate to ensure that claims for grant funds are in accordance with applicable State of Texas requirements. These records shall be maintained and retained by the Grantee for a minimum of seven (7) years after the Grant Agreement expiration date or seven (7) years after all audits, claims, litigation or disputes involving the Grant Agreement are resolved, whichever is later.

8.2 Agency's Right to Audit

A. Grantee shall make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, supporting documents kept current by Grantee pertaining to the Grant Agreement for purposes of inspecting, monitoring, auditing, or evaluating by System Agency and the State of Texas.

B. In addition to any right of access arising by operation of law, Grantee and any of Grantee's affiliate or subsidiary organizations, or Subcontractors shall permit the System Agency or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, unrestricted access to and the right to examine any site where business is conducted or services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Grant Agreement. If the Grant Agreement includes federal funds, federal agencies that shall have a right of access to records as described in this section include: the federal agency providing the funds, the Comptroller General of the United States, the General Accounting Office, the Office of the Inspector General, and any of their authorized

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representatives. In addition, agencies of the State of Texas that shall have a right of access to records as described in this section include: the System Agency, HHS's contracted examiners, the State Auditor's Office, the Office of the Texas Attorney General, and any successor agencies. Each of these entities may be a duly authorized authority.

C. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Grantee shall produce original documents related to this Grant Agreement.
D. The System Agency and any duly authorized authority shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings.
E. Grantee shall include this provision concerning the right of access to, and examination of, sites and information related to this Grant Agreement in any Subcontract it awards.

8.3 Response/Compliance with Audit or Inspection Findings

A. Grantee must act to ensure its and its Subcontractors' compliance with all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle, or any other deficiency identified in any audit, review, or inspection of the Grant Agreement and the services and Deliverables provided. Any such correction will be at Grantee's or its Subcontractor's sole expense. Whether Grantee's action corrects the noncompliance shall be solely the decision of the System Agency.
B. As part of the services, Grantee must provide to HHS upon request a copy of those portions of Grantee's and its Subcontractors' internal audit reports relating to the services and Deliverables provided to the State under the Grant Agreement.

8.4 State Auditor's Right to Audit

The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the Grant Agreement or indirectly through a subcontract under the Grant Agreement. The acceptance of funds directly under the Grant Agreement or indirectly through a subcontract under the Grant Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

8.5 Confidentiality

Grantee shall maintain as confidential and shall not disclose to third parties without System Agency's prior written consent, any System Agency information including but not limited to System Agency's business activities, practices, systems, conditions and services. This section will survive termination or expiration of this Grant Agreement. This requirement must be included in all subcontracts awarded by Grantee.

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ARTICLE IX. GRANT REMEDIES, TERMINATION AND PROHIBITED ACTIVITIES

9.1 Remedies

A. To ensure Grantee's full performance of the Grant Agreement and compliance with applicable law, System Agency reserves the right to hold Grantee accountable for breach of contract or substandard performance and may take remedial or corrective actions, including, but not limited to the following:
   i. temporarily withholding cash disbursements or reimbursements pending correction of the deficiency;
   ii. disallowing or denying use of funds for the activity or action deemed not to be in compliance;
   iii. disallowing claims for reimbursement that may require a partial or whole return of previous payments or reimbursements;
   iv. suspending all or part of the Grant Agreement;
   v. requiring the Grantee to take specific actions in order to remain in compliance with the Grant Agreement;
   vi. recouping payments made by the System Agency to the Grantee found to be in error;
   vii. suspending, limiting, or placing conditions on the Grantee's continued performance of the Project;
   viii. prohibiting the Grantee from receiving additional funds for other grant programs administered by the System Agency until satisfactory compliance resolution is obtained;
   ix. withholding release of new grant agreements; and
   x. imposing any other remedies, sanctions or penalties authorized under this Grant Agreement or permitted by federal or state statute, law, regulation or rule.

B. Unless expressly authorized by System Agency, Grantee may not be entitled to reimbursement for expenses incurred while the Grant Agreement is suspended.

C. No action taken by System Agency in exercising remedies or imposing sanctions will constitute or operate as a waiver of any other rights or remedies available to System Agency under the Grant Agreement or pursuant to law. Additionally, no action taken by System Agency in exercising remedies or imposing sanctions will constitute or operate as an acceptance, waiver, or cure of Grantee's breach. Unless expressly authorized by System Agency, Grantee may not be entitled to reimbursement for expenses incurred while the Grant Agreement is suspended or after termination.

9.2 Termination for Convenience

The System Agency may terminate the Grant Agreement, in whole or in part, at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in the System Agency's notice of termination.

9.3 Termination for Cause

A. Except as otherwise provided by the U.S. Bankruptcy Code, or any successor law, the System Agency may terminate the Grant Agreement, in whole or in part, upon either of the following conditions:

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i. **Material Breach**
The System Agency may terminate the Grant Agreement, in whole or in part, if the System Agency determines, in its sole discretion, that Grantee has materially breached the Grant Agreement or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, whether or not such violation prevents or substantially impairs performance of Grantee's duties under the Grant Agreement. Grantee's misrepresentation in any aspect including, but not limited to, of Grantee's Solicitation Application, if any, or Grantee's addition to the SAM exclusion list (identification in SAM as an excluded entity) may also constitute a material breach of the Grant Agreement.

ii. **Failure to Maintain Financial Viability**
The System Agency may terminate the Grant Agreement if the System Agency, in its sole discretion, determines that Grantee no longer maintains the financial viability required to complete the services and deliverables, or otherwise fully perform its responsibilities under the Grant Agreement.

B. System Agency will specify the effective date of such termination in the notice to Grantee. If no effective date is specified, the Grant Agreement will terminate on the date of the notification.

9.4 Grantee Responsibility for System Agency's Termination Costs

If the System Agency terminates the Grant Agreement for cause, the Grantee shall be responsible to the System Agency for all costs incurred by the System Agency and the State of Texas to replace the Grantee. These costs include, but are not limited to, the costs of procuring a substitute grantee and the cost of any claim or litigation attributable to Grantee's failure to perform any work in accordance with the terms of the Grant Agreement.

9.5 Inherently Religious Activities

Grantee may not use grant funding to engage in inherently religious activities, such as proselytizing, scripture study, or worship. Grantees may engage in inherently religious activities; however, these activities must be separate in time or location from the grant-funded program. Moreover, grantees must not compel program beneficiaries to participate in inherently religious activities. These requirements apply to all grantees, not just faith-based organizations.

9.6 Political Activities

Grant funds cannot be used for the following activities:

A. Grantees and their relevant sub-grantees or subcontractors are prohibited from using grant funds directly or indirectly for political purposes, including lobbying, advocating for legislation, campaigning for, endorsing, contributing to, or otherwise supporting political candidates or parties, and voter registration campaigns. Grantees may use private, or non-System Agency money or contributions for political purposes but may not charge to, or be reimbursed from, System Agency contracts or grants for the costs of such activities.

B. Grant-funded employees may not use official authority or influence to achieve any political purpose and grant funds cannot be used for the salary, benefits, or any other compensation of an elected official.

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C. Grant funds may not be used to employ, in any capacity, a person who is required by Chapter 305 of the Texas Government Code to register as a lobbyist. Additionally, grant funds cannot be used to pay membership dues to an organization that partially or wholly pays the salary of a person who is required by Chapter 305 of the Texas Government Code to register as a lobbyist.

D. As applicable, Grantee will comply with 31 USC § 1352, relating to the limitation on use of appropriated funds to influence certain Federal contracting and financial transactions.

ARTICLE X. INDEMNITY

10.1 General Indemnity

A. GRANTEE SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND SYSTEM AGENCY, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES ARISING OUT OF OR RESULTING FROM ANY ACTS OR OMISSIONS OF GRANTEE OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE GRANT AGREEMENT AND ANY PURCHASE ORDERS ISSUED UNDER THE GRANT AGREEMENT.

B. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE GRANTEE TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF THE SYSTEM AGENCY OR ITS EMPLOYEES.

C. For the avoidance of doubt, System Agency shall not indemnify Grantee or any other entity under the Grant Agreement.

10.2 Intellectual Property

GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE SYSTEM AGENCY AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM:

i. THE PERFORMANCE OR ACTIONS OF GRANTEE PURSUANT TO THIS GRANT AGREEMENT;

ii. ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR

iii. SYSTEM AGENCY'S AND/OR GRANTEE'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO SYSTEM AGENCY BY GRANTEE OR OTHERWISE TO WHICH SYSTEM

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AGENCY HAS ACCESS AS A RESULT OF GRANTEE'S PERFORMANCE UNDER THE GRANT AGREEMENT.

10.3 Additional Indemnity Provisions

A. GRANTEE AND SYSTEM AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY INDEMNITY CLAIM. GRANTEE SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES.

B. THE DEFENSE SHALL BE COORDINATED BY THE GRANTEE WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL.

C. GRANTEE SHALL REIMBURSE SYSTEM AGENCY AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF THE SYSTEM AGENCY DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF GRANTEE OR IF SYSTEM AGENCY IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, SYSTEM AGENCY WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND GRANTEE SHALL PAY ALL REASONABLE COSTS OF SYSTEM AGENCY'S COUNSEL.

ARTICLE XI. GENERAL PROVISIONS

11.1 Amendments

Except as otherwise expressly provided, the Grant Agreement may only be amended by a written Amendment executed by both Parties.

11.2 No Quantity Guarantees

The System Agency makes no guarantee of volume or usage of work under this Grant Agreement. All work requested may be on an irregular and as needed basis throughout the Grant Agreement term.

11.3 Child Abuse Reporting Requirements

A. Grantees shall comply with child abuse and neglect reporting requirements in Texas Family Code Chapter 261. This section is in addition to and does not supersede any other legal obligation of the Grantee to report child abuse.

B. Grantee shall use the Texas Abuse Hotline Website located at https://www.txabusehotline.org/Login/Default.aspx as required by the System Agency. Grantee shall retain reporting documentation on site and make it available for inspection by the System Agency.

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11.4 Certification of Meeting or Exceeding Tobacco-Free Workplace Policy Minimum Standards

A. Grantee certifies that it has adopted and enforces a Tobacco-Free Workplace Policy that meets or exceeds all of the following minimum standards of:
   i. Prohibiting the use of all forms of tobacco products, including but not limited to cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff and chewing tobacco;
   ii. Designating the property to which this Policy applies as a "designated area," which must at least comprise all buildings and structures where activities funded under this Grant Agreement are taking place, as well as Grantee owned, leased, or controlled sidewalks, parking lots, walkways, and attached parking structures immediately adjacent to this designated area;
   iii. Applying to all employees and visitors in this designated area; and
   iv. Providing for or referring its employees to tobacco use cessation services.

B. If Grantee cannot meet these minimum standards, it must obtain a waiver from the System Agency.

11.5 Insurance and Bonds

Unless otherwise specified in this Contract, Grantee shall acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry as determined by the System Agency. Grantee shall provide evidence of insurance as required under this Contract, including a schedule of coverage or underwriter's schedules establishing to the satisfaction of the System Agency the nature and extent of coverage granted by each such policy, upon request by the System Agency. In the event that any policy is determined by the System Agency to be deficient to comply with the terms of this Contract, Grantee shall secure such additional policies or coverage as the System Agency may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Grantee must produce renewal certificates for each type of coverage. In addition, if required by System Agency, Grantee must obtain and have on file a blanket fidelity bond that indemnifies System Agency against the loss or theft of any grant funds, including applicable matching funds. The fidelity bond must cover the entirety of the grant term and any subsequent renewals. The failure of Grantee to comply with these requirements may subject Grantee to remedial or corrective actions detailed in section 10.1, General Indemnity, above.

These and all other insurance requirements under the Grant apply to both Grantee and its Subcontractors, if any. Grantee is responsible for ensuring its Subcontractors' compliance with all requirements.

11.6 Limitation on Authority

A. Grantee shall not have any authority to act for or on behalf of the System Agency or the State of Texas except as expressly provided for in the Grant Agreement; no other authority, power, or use is granted or implied. Grantee may not incur any debt,

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obligation, expense, or liability of any kind on behalf of System Agency or the State of Texas.

B. Grantee may not rely upon implied authority and is not granted authority under the Grant Agreement to:
   i. Make public policy on behalf of the System Agency;
   ii. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of a System Agency program; or
   iii. Unilaterally communicate or negotiate with any federal or state agency or the Texas Legislature on behalf of the System Agency regarding System Agency programs or the Grant Agreement. However, upon System Agency request and with reasonable notice from System Agency to the Grantee, the Grantee shall assist the System Agency in communications and negotiations regarding the Work under the Grant Agreement with state and federal governments.

11.7 Change in Laws and Compliance with Laws

Grantee shall comply with all laws, regulations, requirements and guidelines applicable to a Grantee providing services and products required by the Grant Agreement to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the Grant Agreement. Notwithstanding Section 11.1, Amendments, above, System Agency reserves the right, in its sole discretion, to unilaterally amend the Grant Agreement to incorporate any modifications necessary for System Agency's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

11.8 Subcontractors

Grantee may not subcontract any or all of the Work and/or obligations under the Grant Agreement without prior written approval of the System Agency. Subcontracts, if any, entered into by the Grantee shall be in writing and be subject to the requirements of the Grant Agreement. Should Grantee subcontract any of the services required in the Grant Agreement, Grantee expressly understands and acknowledges System Agency is in no manner liable to any subcontractor(s) of Grantee. In no event shall this provision relieve Grantee of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the Grant Agreement.

11.9 Permitting and Licensure

At Grantee's sole expense, Grantee shall procure and maintain for the duration of this Grant Agreement any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Grantee to provide the goods or services required by this Grant Agreement. Grantee shall be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Grantee shall be responsible for payment of any such government obligations not paid by its Subcontractors during performance of this Grant Agreement.

11.10 Independent Contractor

Grantee and Grantee's employees, representatives, agents, Subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services

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under the Grant Agreement. Neither Grantee nor System Agency is an agent of the other and neither may make any commitments on the other party's behalf. The Grantee is not a "governmental body" solely by virtue of this Grant Agreement or receipt of grant funds under this Grant Agreement. Grantee shall have no claim against System Agency for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The Grant Agreement shall not create any joint venture, partnership, agency, or employment relationship between Grantee and System Agency.

11.11 Governing Law and Venue

The Grant Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the Grant Agreement is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the System Agency.

11.12 Severability

If any provision contained in this Grant Agreement is held to be unenforceable by a court of law or equity, such construction will not affect the legality, validity, or enforceability of any other provision or provisions of this Grant Agreement. It is the intent and agreement of the Parties this Grant Agreement shall be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving its intent or, if such modification is not possible, by substituting another provision that is valid, legal and enforceable and that achieves the same objective. All other provisions of this Grant Agreement will continue in full force and effect.

11.13 Survivability

Expiration or termination of the Grant Agreement for any reason does not release Grantee from any liability or obligation set forth in the Grant Agreement that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the Grant Agreement, including without limitation the provisions regarding return of grant funds, audit requirements, records retention, public information, warranty, indemnification, confidentiality, and rights and remedies upon termination.

11.14 Force Majeure

Neither Grantee nor System Agency shall be liable to the other for any delay in, or failure of performance, of any requirement included in the Grant Agreement caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

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11.15 No Implied Waiver of Provisions

The failure of the System Agency to object to or to take affirmative action with respect to any conduct of the Grantee which is in violation or breach of the terms of the Grant Agreement shall not be construed as a waiver of the violation or breach, or of any future violation or breach.

11.16 Funding Disclaimers and Labeling

A. Grantee shall not use System Agency's name or refer to System Agency directly or indirectly in any media appearance, public service announcement, or disclosure relating to this Grant Agreement including any promotional material without first obtaining written consent from System Agency. The foregoing prohibition includes, without limitation, the placement of banners, pop-up ads, or other advertisements promoting Grantee's or a third party's products, services, workshops, trainings, or other commercial offerings on any website portal or internet-based service or software application hosted or managed by Grantee. This does not limit the Grantee's responsibility to comply with obligations related to the Texas Public Information Act or Texas Open Meetings Act.

B. In general, no publication (including websites, reports, projects, etc.) may convey System Agency's recognition or endorsement of the Grantee's project without prior written approval from System Agency. Publications funded in part or wholly by HHS grant funding must include a statement that "HHS and neither any of its components operate, control, are responsible for, or necessarily endorse, this publication (including, without limitation, its content, technical infrastructure, and policies, and any services or tools provided)" at HHS's request.

11.17 Media Releases

A. Grantee shall not use System Agency's name, logo, or other likeness in any press release, marketing material or other announcement without System Agency's prior written approval. System Agency does not endorse any vendor, commodity, or service. Grantee is not authorized to make or participate in any media releases or public announcements pertaining to this Grant Agreement or the Services to which they relate without System Agency's prior written consent, and then only in accordance with explicit written instruction from System Agency.

B. Grantee may publish, at its sole expense, results of Grantee performance under the Grant Agreement with the System Agency's prior review and approval, which the System Agency may exercise at its sole discretion. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

11.18 Prohibition on Non-Compete Restrictions

Grantee shall not require any employees or Subcontractors to agree to any conditions, such as non-compete clauses or other contractual arrangements, that would limit or restrict such persons or entities from employment or contracting with the State of Texas.

11.19 Sovereign Immunity

Nothing in the Grant Agreement will be construed as a waiver of the System Agency's or the State's sovereign immunity. This Grant Agreement shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the

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System Agency or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas under the Grant Agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. System Agency does not waive any privileges, rights, defenses, or immunities available to System Agency by entering into the Grant Agreement or by its conduct prior to or subsequent to entering into the Grant Agreement.

11.20 Entire Contract and Modification

The Grant Agreement constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Grant Agreement will be harmonized with this Grant Agreement to the extent possible.

11.21 Counterparts

This Grant Agreement may be executed in any number of counterparts, each of which will be an original, and all such counterparts will together constitute but one and the same Grant Agreement.

11.22 Proper Authority

Each Party represents and warrants that the person executing this Grant Agreement on its behalf has full power and authority to enter into this Grant Agreement.

11.23 E-Verify Program

Grantee certifies that it utilizes and will continue to utilize the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:

A. all persons employed to perform duties within Texas during the term of the Grant Agreement; and
B. all persons, (including subcontractors) assigned by the Grantee to perform work pursuant to the Grant Agreement within the United States of America.

11.24 Civil Rights

A. Grantee agrees to comply with state and federal anti-discrimination laws, including:
   i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.);
   ii. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
   iii. Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.);
   iv. Age Discrimination Act of 1975 (42 U.S.C. §§6101-6107);
   v. Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688);
   vi. Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.); and
   vii. The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Grant Agreement.
B. Grantee agrees to comply with all amendments to the above-referenced laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States may, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from

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participation in or denied any aid, care, service or other benefits provided by Federal or State funding, or otherwise be subjected to discrimination.

C. Grantee agrees to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations at 45 C.F.R. Part 80 or 7 C.F.R. Part 15, prohibiting a contractor from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. State and federal civil rights laws require contractors to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Grantee agrees to take reasonable steps to provide services and information, both orally and in writing, in appropriate languages other than English, in order to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities.
D. Grantee agrees to post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHS Civil Rights Office. The posters are available on the HHS website at: https://hhs.texas.gov/about-hhs/your-rights/civil-rights-office/civil-rights-posters.
E. Grantee agrees to comply with Executive Order 13279, and its implementing regulations at 45 C.F.R. Part 87 or 7 C.F.R. Part 16. These provide in part that any organization that participates in programs funded by direct financial assistance from the United States Department of Agriculture or the United States Department of Health and Human Services shall not discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
F. Upon request, Grantee shall provide HHSC's Civil Rights Office with copies of the Grantee's civil rights policies and procedures.
G. Grantee must notify HHSC's Civil Rights Office of any complaints of discrimination received relating to its performance under this Grant Agreement. This notice must be delivered no more than ten (10) calendar days after receipt of a complaint. Notice provided pursuant to this section must be directed to:

HHSC Civil Rights Office
701 W. 51st Street, Mail CodeW206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
Fax: (512) 438-5885
Email: HHSCivilRightsOffice@hhsc.state.tx.us.

11.25 Enterprise Information Management Standards

Grantee shall conform to HHS standards for data management as described by the policies of the HHS Office of Data, Analytics, and Performance. These include, but are not limited to, standards for documentation and communication of data models, metadata, and other data definition methods that are required by HHS for ongoing data governance, strategic portfolio analysis, interoperability planning, and valuation of HHS System data assets.

11.26 Disclosure of Litigation

A. The Grantee must disclose in writing to the contract manager assigned to this Grant Agreement any material civil or criminal litigation or indictment either threatened or

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pending involving the Grantee. “Threatened litigation” as used herein shall include governmental investigations and civil investigative demands. “Litigation” as used herein shall include administrative enforcement actions brought by governmental agencies. The Grantee must also disclose any material litigation threatened or pending involving Subcontractors, consultants, and/or lobbyists. For purposes of this section, “material” refers, but is not limited, to any action or pending action that a reasonable person knowledgeable in the applicable industry would consider relevant to the Work under the Grant Agreement or any development such a person would want to be aware of in order to stay fully apprised of the total mix of information relevant to the Work, together with any litigation threatened or pending that may result in a substantial change in the Grantee’s financial condition.

B. This is a continuing disclosure requirement; any litigation commencing after Grant Agreement Award must be disclosed in a written statement to the assigned contract manager within seven calendar days of its occurrence.

11.27 No Third Party Beneficiaries

The Grant Agreement is made solely and specifically among and for the benefit of the Parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the Grant Agreement as a third-party beneficiary or otherwise.

11.28 Binding Effect

The Grant Agreement shall inure to the benefit of, be binding upon, and be enforceable against each Party and their respective permitted successors, assigns, transferees, and delegates.

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ATTACHMENT E
UNIVERSITY OF TEXAS SYSTEM
SUPPLEMENTAL CONDITIONS - GRANT

The Uniform Terms and Conditions, Attachment E of this Contract, are revised as follows:

Section 2.2, Taxes, is deleted in its entirety and replaced with the following:

2.2 Taxes
Purchases made for the State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. Grantee represents and warrants that it shall pay all applicable taxes or similar amounts resulting from the Contract.

Section 3.1, Excess Obligations Prohibited, is deleted in its entirety and replaced with the following:

3.1 Excess Obligations Prohibited
The Contract is subject to termination or cancellation, without penalty to the System Agency, either in whole or in part, subject to the availability of state funds. System Agency is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If System Agency becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either System Agency's or Grantee's delivery or performance under the Contract impossible or unnecessary, the Contract will be terminated or cancelled and be deemed null and void. To the extent authorized under the constitution and laws of the state of Texas, Grantee agrees that in the event of a termination or cancellation under this Section, System Agency will not be liable to Grantee for any damages that are caused or associated with such termination, or cancellation, and System Agency will not be required to give prior notice. Nothing in this Contract may be deemed (i) an admission or assumption of liability by Grantee or (ii) a waiver of any claim or defense available to Grantee under applicable laws.

Section 3.3, Debt and Delinquencies, is deleted in its entirety.

Section 3.4 (A), Refunds and Overpayments, is deleted in its entirety and replaced with the following:

A. Subject to prior discussion and agreement with Grantee and exchange of supporting documentation, System Agency may:
   i. withhold all or part of any payments to Grantee to offset overpayments, unallowable or ineligible costs made to the Grantee, or if any required financial status report(s) is not submitted by the due date(s); or
   ii. withhold payments to Grantee of any expenditures that System Agency disputes in good faith, or deduct from funding advancements to Grantee, until such time as System Agency has determined that Grantee has provided additional information, documentation, or justification that supports or justifies the expenditure(s).

Section 5.1, Warranty, is deleted in its entirety and replaced with the following:

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5.1 Representations

Grantee represents that all Work under this Contract shall be completed in a manner consistent with standards under the terms of this Contract and shall conform to the specifications set forth in the Contract. The Grantee, at its sole expense, agrees to promptly repair or replace all Work that was defective or damaged Work upon delivery. Notwithstanding anything to the contrary in the Contract, Work modifications only may be made through formal written amendment signed by both Parties.

Section 6.1, Ownership of Work Product, is deleted in its entirety and replaced with the following:

6.1 Ownership of Intellectual Property Rights Resulting from Work Product

A. To the extent any Work results in the creation of intellectual property and Intellectual Property Rights, all right, title, and interest in and to such intellectual property shall vest in the Party that creates such intellectual property.

B. Grantee hereby grants to the System Agency and the State of Texas a royalty-free, paid up, worldwide, perpetual, non-exclusive, non-transferable, non-commercial license to use all Deliverables and any intellectual property invented or created by Grantee, Grantee's contractor, or a subcontractor in the performance of the Work under this Contract.

C. The System Agency shall have the right to review and provide comment to any written report, publication or other literature including copyrightable intellectual property invented or created in the performance of this Contract, prior to the publication of such literature. The Grantee agrees to provide the System Agency with an advance copy of any such report, publication, or literature at least 30 Calendar days prior to publication. The Grantee agrees to insert the following statement into any such report, publication or literature: "The views expressed do not necessarily reflect the official policies of the Department of Health and Human Services or the Texas Health and Human Services System; nor does any mention of trade names, commercial practices, or organizations imply endorsement by the U.S. or Texas Government or by any party other than Grantee."

Section 6.2, Grantee's Pre-Existing Works, is deleted in entirety and replaced with the following:

6.2 Grantee's Pre-Existing Works

A. To the extent the Grantee incorporates into the Work Product any works of Grantee that were created by Grantee or to which Grantee acquired rights prior to the Effective Date of this Contract ("**Incorporated Pre-Existing Works**"), Grantee retains ownership to such Incorporated Pre-Existing Works. For avoidance of doubt, Grantee also retains ownership of any works developed by Grantee that are unrelated to the Work under this Contract.

B. To the extent legally permitted, Grantee hereby grants System Agency an irrevocable, perpetual, non-exclusive, royalty-free, worldwide right and license to use, reproduce, modify, copy, create derivative works of, publish, publicly perform and display the Incorporated Pre-Existing Works for the exclusive purpose of

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utilizing the Work Product for System Agency's non-commercial, governmental purposes.

Section 6.4, Agreements with Employees and Subcontractors, is deleted in its entirety and replaced with the following:

6.4 Applicability to Employees and Subcontractors
Grantee shall have written, binding agreements with its subcontractors and written policies applicable to its employees that include provisions sufficient to give effect to and enable Grantee's compliance with Grantee's obligations under this Article V.

Section 6.5, Delivery Upon Termination or Expiration, is deleted in its entirety and replaced with the following:

6.5 Delivery Upon Termination or Expiration
Unless otherwise agreed in writing, no later than 5 business days, or such other time period as set forth within the Contract), after the termination or expiration of the Contract or upon System Agency's request, Grantee shall deliver to System Agency all completed, or partially completed, Work Product, including any Incorporated Pre-Existing Works, and any versions thereof. Grantee's failure to timely deliver such Work Product is a material breach of the Contract. Grantee is permitted to retain copies of the Work Product and any documentation or other products or results of Grantee's activities under the Contract for its internal academic, educational, non-commercial patient-care, and/or research use.

Section 6.7, System Agency Data, is deleted in its entirety and replaced with the following:

6.7 System Agency Data
Grantee will comply with all applicable federal and state privacy, security and breach notification laws and regulations. Grantee will comply with the terms of the then-current applicable HHS Data Use Agreement, Texas Statewide Data Exchange Compact, or the HHS Covered Entity Privacy, Security, and Breach Notifications Terms set forth in the Contract, which agreement will be incorporated herein by reference.

Section 7.1(A), Use of State Property, is deleted in its entirety and replaced with the following:

A. Grantee is prohibited from using state property belonging to System Agency ("**State Property**") for any purpose other than performing services authorized under the Contract.

Section 7.1(E), Use of State Property, is deleted in its entirety and replaced with the following:

E. Each party shall take responsibility for the actions of its employees, including but not limited to, the possibility of any damages (repairs and replacements) caused by its employees during the course and scope of their employment to the other Party's property. Nothing in this Contract may be deemed (i) an admission or assumption of liability by either Party or (ii) a waiver of any claim or defense available to either Party under

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applicable laws. Grantee shall notify System Agency of the loss, destruction, or damage of equipment or property within 5 business day of discovery.

Section 7.2, Damage to State Property, is deleted in its entirety.

Section 8.1(B), Record Maintenance and Retention, is deleted in its entirety and replaced with the following:

B. Grantee shall maintain and retain legible copies of this Contract and all records relating to the performance of the Contract including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records shall be maintained and retained by Grantee for a minimum of: (i) 7 years after the Contract expiration date; (ii) 3 years after the completion of all audit, claim, litigation, or dispute matters involving the Contract are resolved; or (iii) as otherwise required under Texas law, whichever term is longer.

Section 8.3(A), Response/Compliance with Audit of Inspection Findings, is amended by deleting the last sentence in its entirety.

Section 8.5, Confidentiality, is deleted in its entirety and replaced with the following:

8.5 Confidentiality

Parties shall maintain as confidential and shall not disclose to third parties without the disclosing Party's prior written consent, except to the extent required by the Texas Public Information Act, Chapter 552 of the Texas Government Code, or as otherwise required by law, any information identified in writing as confidential or that is included in the following definition of "**confidential information**": "Confidential Information" means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to a Party or that a Party may create, receive, maintain, use, disclose or have access to on behalf of the other Party (the "**disclosing party**") that consists of any or all of the following:

(1) Education records as defined in the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g; 34 C.F.R. Part 99;
(2) Federal Tax Information as defined in Internal Revenue Code §6103 and Internal Revenue Service Publication 1075;
(3) Personal Identifying Information (**PII**) as defined in Texas Business and Commerce Code, Chapter 521;
(4) Protected Health Information (**PHI**) in any form including without limitation, Electronic Protected Health Information or Unsecured Protected Health Information as defined in 45 C.F.R. §160.103;
(5) Sensitive Personal Information (**SPI**) as defined in Texas Business and Commerce Code, Chapter 521;
(6) Social Security Administration Data, including, without limitation, Medicaid information means disclosures of information made by the Social Security Administration or the Centers for Medicare and Medicaid Services from a federal

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system of records for administration of federally funded benefit programs under the Social Security Act, 42 U.S.C., Chapter 7;

(7) Patient identifying information as defined in 42 C.F.R. Part 2;

(8) All privileged work product;

(9) All information designated as confidential under the constitution and laws of the State of Texas and of the United States, including the Texas Health & Safety Code and the Texas Public Information Act, Texas Government Code, Chapter 552.

This Section will survive termination or expiration of this Contract. The obligations of the Parties to safeguard confidential information in compliance with all applicable federal and state laws and regulations under this Section will survive termination or expiration of this Contract until the Confidential Information is returned to the disclosing party, destroyed, or is deemed no longer confidential. For the avoidance of any doubt, Confidential Information is deemed no longer confidential if it: (i) is or later becomes generally available to the public through no act or omission of the non-disclosing party, unless made available by an unauthorized disclosure; (ii) was possessed by the non-disclosing party prior to the latest execution date of the Contract without being subject to an obligation to keep such information confidential; (iii) is lawfully obtained without restriction from a third party who had the legal right to disclose the same; (iv) is independently developed by the non-disclosing party without the use or benefit of Confidential Information as evidenced by the non-disclosing party's written records; or (v) disclosing party has agreed in writing it is no longer subject to the restrictions applicable to Confidential Information under the term of this Contract. In the event the non-disclosing party becomes legally compelled or required by regulation to disclose any Confidential Information, it shall promptly provide to disclosing party notice thereof, shall use its reasonable efforts to minimize the disclosure of any Confidential Information, and shall cooperate with disclosing party should the disclosing party seek to obtain a protective order or other appropriate remedy. This requirement must be included in all subcontracts awarded by non-disclosing party.

Section 9.1, Remedies, is amended by adding a new paragraph at the end of the section as follows:

The Parties will attempt to resolve all Contract issues through good faith negotiations. If negotiations are unsuccessful then the Parties agrees to use the dispute resolution process in Texas Government Code Chapter 2260.

Section 9.2, Termination for Convenience, is deleted in its entirety and replaced with the following:

9.2 Termination for Convenience

Either Party may terminate the Contract, with at least 10 business days' advance written notice at any time when, in its sole discretion, it determines that termination is in its best interest. The termination will be effective on the date specified in the terminating Party's notice of termination.

Section 9.4, Grantee Responsibility for System Agency's Termination Costs, is deleted in its entirety.

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Section 10.1, General Indemnity, is deleted in its entirety and replaced with the following:

10.1 Indemnity

TO THE EXTENT ALLOWED BY LAW, GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND ITS OFFICERS AND EMPLOYEES, AND THE SYSTEM AGENCY AND ITS OFFICERS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING ATTORNEYS' FEES AND COURT COSTS (IF SO AWARDED BY A COURT OF COMPETENT JURISDICTION) ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM:

a. GRANTEE'S PERFORMANCE OF THE CONTRACT, INCLUDING ANY NEGLIGENT ACTS OR OMISSIONS OF GRANTEE, OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR

b. ANY BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, RULE, OR BREACH OF CONTRACT BY GRANTEE, ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR

c. EMPLOYMENT OR ALLEGED EMPLOYMENT, INCLUDING CLAIMS OF DISCRIMINATION AGAINST GRANTEE, ITS OFFICERS, OR ITS AGENTS.

THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE GRANTEE TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING SOLELY FROM THE NEGLIGENCE OF THE SYSTEM AGENCY OR ITS EMPLOYEES. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS CONTRACT.

Section 11.7 Change in Laws and Compliance with Laws, is deleted in its entirety and replaced with the following:

11.7 Change in Laws and Compliance with Laws

Grantee shall comply with all laws, regulations, requirements and guidelines applicable to a state agency performing work as required by the Contract, as these laws, regulations, requirements, and guidelines currently exist and as amended throughout the term of the Contract. The Parties will amend the Contract to incorporate any modifications necessary for the parties' compliance, as agencies of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

Section 11.9, Permitting and Licensure, is deleted in its entirety and replaced with the following:

11.9 Permitting and Licensure

At Grantee's sole expense, Grantee will procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver,

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permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Grantee to provide the goods or Services required by this Contract. Grantee will be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law.

Section 11.17, Media Releases, is deleted in its entirety and replaced with the following:

11.17 Media Releases

Except as provided in this Contract or required under applicable law, neither party shall use the other party's name, logo, or other likeness in any press release, marketing material, or other announcement without prior written approval. System Agency does not endorse any vendor, commodity, or service. Grantee is not authorized to make or participate in any media releases or public announcements pertaining to this Contract or the Services to which they relate without System Agency's prior written consent, and then only in accordance with explicit written instruction from System Agency. However, Grantee will, if appropriate, acknowledge support received from the System Agency and/or other agency in any publication under 6.1(C) as revised herein by the UT System Supplemental Conditions to HHS Uniform Terms and Conditions – Grant.

Section 11.19, Sovereign Immunity, is deleted in its entirety and replaced with the following:

11.19 Sovereign Immunity

Nothing in this Contract shall be construed as a waiver of the State of Texas' sovereign immunity with respect to either the System Agency or the Grantee. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to either party or the State of Texas. The failure to enforce, or any delay in the enforcement of, any privileges, rights, defenses, remedies, or immunities available to the System Agency, Grantee, or the State of Texas under the Contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. Neither party waives any privileges, rights, defenses, or immunities available to it by entering into the Contract or by its conduct prior to or subsequent to entering into the Contract.

Section 11.23(B), E-Verify Program, is deleted in its entirety and replaced with the following:

B. seek the same assurances from all subcontractors regarding their employees to perform Work pursuant to the Contract within the United States of America.

Section 11.25, Enterprise Information Management Standards, is deleted in its entirety.

Section 11.26, Disclosure of Litigation, is deleted in its entirety.

Article XI, General Provisions, is amended by adding after Section 11.28, the following new Sections 11.29 and 11.30:

11.29 Texas Public Information Act

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It shall be the independent responsibility of the System Agency and Grantee to comply with the provisions of Chapter 552, Texas Government Code (the "**Public Information Act**"), as those provisions apply to the Parties' respective information. Neither Party is authorized to receive public information requests or take any action under the Public Information Act on behalf of any other Party.

11.30 Limitations

THE PARTIES ARE AWARE THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS ON THE AUTHORITY OF A STATE AGENCY TO ENTER INTO CERTAIN TERMS AND CONDITIONS THAT MAY BE PART OF THIS CONTRACT, INCLUDING TERMS AND CONDITIONS RELATING TO LIENS ON A PARTY'S PROPERTY; DISCLAIMERS AND LIMITATIONS OF WARRANTIES; DISCLAIMERS AND LIMITATIONS OF LIABILITY FOR DAMAGES; WAIVERS, DISCLAIMERS AND LIMITATIONS OF LEGAL RIGHTS, REMEDIES, REQUIREMENTS AND PROCESSES; LIMITATIONS OF PERIODS TO BRING LEGAL ACTION; GRANTING CONTROL OF LITIGATION OR SETTLEMENT TO ANOTHER PARTY; LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES; PAYMENT OF ATTORNEYS' FEES; DISPUTE RESOLUTION AND BINDING ARBITRATION; INDEMNITIES; AND CONFIDENTIALITY, AND TERMS AND CONDITIONS RELATED TO SUCH LIMITATIONS WILL NOT BE BINDING ON A PARTY EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

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TEXAS
Health and Human Services

Health and Human Services (HHS)
Additional Provisions
Version 1.0
Effective: September 2021

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ATTACHMENT F
HHSC ADDITIONAL PROVISIONS

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The terms and conditions of these Additional Provisions are incorporated into and made a part of the Contract. Capitalized items used in these Additional Provisons and not otherwise defined have the meanings assigned to them in HHSC Uniform Terms and Conditions.

If any provision contained in this HHSC Special Conditions is in conflict with, or inconsistent with the HHSC Uniform Terms and Conditions (UTC), the provision contained in the UTCs shall prevail.

1. SPECIAL DEFINITIONS

A. **"Conflict of Interest"** means a set of facts or circumstances, a relationship, or other situation under which Grantee, a Subcontractor, or individual has past, present, or currently planned personal or financial activities or interests that either directly or indirectly: (1) impairs or diminishes the Grantee's, or Subcontractor's ability to render impartial or objective assistance or advice to the HHSC; or (2) provides the Grantee or Subcontractor an unfair competitive advantage in future HHSC procurements.

B. **"Grantee Agents"** means Grantee's representatives, employees, officers, as well as any contractor or subgrantee's employees, contractors, officers, principals and agents.

C. **"Data Use Agreement"** means the agreement incorporated into the Contract to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information.

D. **"Item of Noncompliance"** means Grantee's acts or omissions that: (1) violate a provision of the Contract; (2) fail to ensure adequate performance of the Project; (3) represent a failure of Grantee to be responsive to a request of HHSC relating to the Project under the Contract.

E. **"Minor Administrative Change"** refers to a change to the Contract that does not increase the fees or term and done in accordance with Section 4.

F. **"Other Confidential System Information"** means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Grantee; or that Grantee may create, receive, maintain, use, disclose or have access to on behalf of HHSC or through performance of the Project, which is not designated as Confidential Information in a Data Use Agreement.

G. **"State"** means the State of Texas and, unless otherwise indicated or appropriate, will be interpreted to mean HHSC and other agencies of the State of Texas that may participate in the administration of HHSC Programs; provided, however, that no provision will be interpreted to include any entity other than HHSC as the contracting agency.

H. **"Software"** means all operating system and applications software used or created by Grantee to perform the work under the Contract.

I. **"Third Party Software"** refers to software programs or plug-ins developed by companies or individuals other than Grantee which are used in performance of the Project. It does not include items which are ancillary to the performance of the Project, such as internal systems

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of Grantee which were deployed by Grantee prior to the Contract and not procured to perform the Project.

J. **"UTC"** means the HHSC Uniform Terms and Conditions – Grant, Version 2.16.1.

2. GRANTEES PERSONAL AND SUBCONTRACTORS

A. Qualifications

Grantee agrees to maintain the organizational and administrative capacity and capabilities to carry out all duties and responsibilities under the Contract. Grantee Agents assigned to perform the duties and responsibilities under the Contract must be and remain properly trained and qualified for the functions they are to perform. Notwithstanding the transfer or turnover of personnel, Grantee remains obligated to perform all duties and responsibilities under the Contract without degradation and in strict accordance with the terms of the Contract.

A. Conduct and Removal

While performing the Project, Grantee Agents must comply with applicable Contract terms, State and federal rules, regulations, HHSC's policies, and HHSC's requests regarding personal and professional conduct; and otherwise conduct themselves in a businesslike and professional manner.

If HHSC determines in good faith that a particular Grantee Agent is not conducting himself or herself in accordance with the terms of the Contract, HHSC may provide Grantee with notice and documentation regarding its concerns. Upon receipt of such notice, Grantee must promptly investigate the matter and, at HHSC's election, take appropriate action that may include removing the Grantee Agent from performing the Project.

B. Contracts with Subcontractors

1. Grantee may enter into contracts with subcontractors unless restricted or otherwise prohibited in the Contract.
2. Grantees are prohibited from subcontracting with for-profit organizations under this Contract.
3. Prior to entering into a subcontract agreement equaling or exceeding $100,000, Grantee will obtain written approval from the System Agency.
4. Grantee will obtain written approval from System Agency before modifying any subcontract agreement to cause the agreement to exceed $100,000.
5. Grantee will establish written policies and procedures for competitive procurement and monitoring of subcontracts and will develop a subcontracting monitoring plan.
6. Monitor subcontractors for both financial and programmatic performance and will maintain pertinent records.
7. Submit quarterly subcontracting monitoring reports to the System Agency in a format determined by the System Agency.
8. Ensure all subcontracts, must be in writing and include the following:
    i. Name and address of all parties and subcontractor's Vendor Identification Number (VIN) or Employee Identification Number (EIN);
    ii. Detailed description of the services to be provided;
    iii. Measureable method and rate of payment and total not-to-exceed amount of the contract;

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iv. Clearly defined and executable termination clause; and
v. Beginning and ending dates that coincide with the dates of the Contract.

9. Ensure and be responsible for the performance of the subcontractor(s).
10. Not contract with a subcontractor, at any tier, that is debarred, suspended, or excluded from or ineligible for participation in federal assistance programs or if the subcontractor would be otherwise ineligible to abide by the terms of this Contract.

C. Status of Subcontractors

Grantees will require that all subcontractors certify that they are/have:

1. In good standing with all state and federal funding and regulatory agencies;
2. Not currently debarred, suspended or otherwise excluded from participation in federal grant programs;
3. Not delinquent on any repayment agreements;
4. Not had a required license or certification revoked;
5. Not ineligible under the terms of the Contract; and
6. Not had a System Agency contract terminated for cause.

D. Incorporation of Terms in Subcontracts

1. Grantee will include in all its contracts with subrecipient subcontractors and solicitations for subrecipient subcontracts, without modification (except as required to make applicable to the subcontract) the following provisions:
   i. Statements of Work
   ii. Uniform Terms and Conditions
   iii. Special Conditions
   iv. Federal Assurances and Certifications
   v. Non-Exclusive List of Applicable Laws
   vi. A provision granting to the System Agency, State Auditor's Office (SAO), Office of Inspector General (OIG), and the Comptroller General of the United States, and any of their representatives, the right of access to inspect the work and the premises on which any work is performed, and the right to audit the subcontractor.
2. Grantee will ensure that all written agreements with subcontractors incorporate the terms of this Contract so that all terms, conditions, provisions, requirements, duties and liabilities under this Contract applicable to the services provided or activities conducted by a subcontractor are passed down to that subcontractor.
3. No provision of this Contract creates privity of contract between the System Agency and any subcontractor of Grantee.

E. Notice of Legal Matter or Litigation

Grantee will send notice to the Substance Use Disorder (SUD) email box, SubstanceAbuse.Contracts@hhsc.state.tx.us of any litigation or legal matter related to or affecting this Contract within seven calendar days of becoming aware of the litigation or legal matter.

F. Unilateral Amendment

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The System Agency reserves the right to amend this Contract through execution of a unilateral amendment signed by the contract manager for this Contract and provided to the Grantee with ten days notice prior to execution of the amendment under the following circumstances to:

1. To comply with a court order or judgement
2. Incorporate new or revised federal or state laws, regulations, rules or policies
3. Correct an obvious clerical error in this Contract;
4. Change the name of the Contractor in order to reflect the Contractor's name as recorded by the Texas Secretary of State.
5. To correct the name, mailing address, or contact information for persons name in the Contract;
6. To update service descriptions or rates (if applicable);

3. CONFIDENTIALITY – CONFIDENTIAL SYSTEM INFORMATION

HHSC prohibits the unauthorized disclosure of Other Confidential Information. Grantee and all Grantee Agents will not disclose or use any Other Confidential Information in any manner except as is necessary for the Project or the proper discharge of obligations and securing of rights under the Contract. Grantee will have a system in effect to protect Other Confidential Information. Any disclosure or transfer of Other Confidential Information by Grantee, including information requested to do so by HHSC, will be in accordance with the Contract. If Grantee receives a request for Other Confidential Information, Grantee will immediately notify HHSC of the request, and will make reasonable efforts to protect the Other Confidential Information from disclosure until further instructed by the HHSC.

Grantee will notify HHSC promptly of any unauthorized possession, use, knowledge, or attempt thereof, of any Other Confidential Information by any person or entity that may become known to Grantee. Grantee will furnish to HHSC all known details of the unauthorized possession, use, or knowledge, or attempt thereof, and use reasonable efforts to assist HHSC in investigating or preventing the reoccurrence of any unauthorized possession, use, or knowledge, or attempt thereof, of Other Confidential Information.

HHSC will have the right to recover from Grantee all damages and liabilities caused by or arising from Grantee or Grantee Agents' failure to protect HHSC's Other Confidential Information as required by this section.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE UTC, Grantee WILL IDEMNITY AND HOLD HARMLESS HHSC FROM ALL DAMAGES, COSTS, LIABILTIES, AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COSTS) CAUSED BY OR ARISING FROM Grantee OR Grantee AGENTS FAILURE TO PROTECT OTHER CONFIDENTIAL INFORMATION. Grantee WILL FULFILL THIS PROVISION WITH COUNSEL APPROVED BY HHSC.

4. MISCELLANEOUS PROVISIONS

A. Minor Administrative Changes

System Agency is authorized to provide written approval of mutually agreed upon Minor Administrative Changes to the Project or the Contract that do not increase the fees or term.

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Upon approval of a Minor Administrative Change, HHSC and Grantee will maintain written notice that the change has been accepted in their Contract files.

B. Conflicts of Interest

Grantee warrants to the best of its knowledge and belief, except to the extent already disclosed to HHSC, there are no facts or circumstances that could give rise to a Conflict of Interest and further that Grantee or Grantee Agents have no interest and will not acquire any direct or indirect interest that would conflict in any manner or degree with their performance under the Contract. Grantee will, and require Grantee Agents, to establish safeguards to prohibit Contract Agents from using their positions for a purpose that constitutes or presents the appearance of personal or Organizational Conflict of Interest, or for personal gain. Grantee and Grantee Agents will operate with complete independence and objectivity without actual, potential or apparent Conflict of Interest with respect to the activities conducted under the Contract.

Grantee agrees that, if after Grantee's execution of the Contract, Grantee discovers or is made aware of a Conflict of Interest, Grantee will immediately and fully disclose such interest in writing to HHSC. In addition, Grantee will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Grantee or by HHSC as a potential conflict. HHSC reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Grantee agrees to abide by HHSC's decision.

If HHSC determines that Grantee was aware of a Conflict of Interest and did not disclose the conflict to HHSC, such nondisclosure will be considered a material breach of the Contract. Furthermore, such breach may be submitted to the Office of the Attorney General, Texas.

C. Flow Down Provisions

Grantee must include any applicable provisions of the Contract in all subcontracts based on the scope and magnitude of work to be performed by such Subcontractor. Any necessary terms will be modified appropriately to preserve the State's rights under the Contract.

5. HHSC Vendor Access

At HHSC's request, Grantee will allow parties interested in responding to other HHSC solicitations to have reasonable access during normal business hours to the Work, software, systems documentation, and site visits to the Grantee's facilities. Grantee may elect to have such parties inspecting the Work, facilities, software or systems documentation to agree to use the information so obtained only in the State of Texas and only for the purpose of responding to the relevant HHSC solicitation.

6. HHSC Approval of Staffing

A. Grantee shall not employ or contract with or permit the employment of unfit or unqualified persons or persons not skilled in the tasks assigned to them. Grantee shall at all times employ sufficient labor to carry out functions and services in the manner and time prescribed by the Contract. Grantee shall be responsible to HHSC for the acts and omissions of Grantee's employees, agents (including, but not limited to, lobbyists) and Subcontractors and Grantee shall enforce strict discipline among Grantee's employees,

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agents (including, but not limited to, lobbyists) and Subcontractors performing the services under the Contract.

B. Any person employed by Grantee shall, at the written request of HHSC, and within HHSC's sole discretion, be removed immediately by the Contractor from work relating to the Contract.

7. TURNOVER PLAN

HHSC, in its sole discretion, may require Grantee to develop and submit a Turnover Plan at any time during the term of the Contract. Grantee must submit the Turnover Plan to HHSC for review and approval. The Turnover Plan must describe Grantee's policies and procedures that will ensure:

A. The least disruption in the delivery of the Work during Turnover to HHSC or its designee; and

B. Full cooperation with HHSC or its designee in transferring the Work and the obligations of the Contract.

8. TURNOVER ASSISTANCE

Grantee will provide any assistance and actions reasonably necessary to enable HHSC or its designee to effectively close out the Contract and transfer the Work and the obligations of the Contract to another vendor or to perform the Work by itself. Grantee agrees that this obligation survives the termination, regardless of whether for cause or convenience, or the expiration of the Contract and remains in effect until completed to the satisfaction of HHSC.

9. TRADEMARK LICENSE

HHSC grants to Contractor, for the term of the Contract, a limited non-exclusive, royalty-free, non-assignable, non-transferable license to reproduce HHSC's trademarks on published materials in the United States related to the performance of the Contract, provided that such license is expressly conditional upon, and subject to, the following:

A. Grantee is in compliance with all provisions of the Contract;

B. Grantee's use of the trademarks is strictly in accordance with the quality standards and in conformance with the reproduction requirements set forth or as otherwise communicated by HHSC;

C. Grantee takes no action to damage the goodwill associated with the trademarks, and refrains from any attempt to contest, attack, dispute, challenge, cancel and/or oppose HHSC's right, title and interest in the trademarks or their validity;

D. Grantee makes no attempt to sublicense any rights under this trademark license; and

E. Grantee complies with any marking requests HHSC may make in relation to the trademarks, including without limitation to use the phase "Registered Trademark," the registered trademark symbol "®" for registered trademarks, and the system "™" for unregistered trademarks.

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10. TRADEMARK OWNERSHIP

Grantee acknowledges and agrees that the trademarks remain the exclusive property of HHSC, that all right, title and interest in and to the trademarks is exclusively held by HHSC, and all goodwill associated with such trademarks inures solely to HHSC.

11. NOTICE OF CRIMINAL ACTIVITY AND DISCIPLINARY ACTIONS

A. Grantee shall immediately report in writing to its assigned HHSC contract manager when Grantee learns of or has any reason to believe it or any person with ownership or controlling interest in Grantee, or their agent, employee, subcontractor or volunteer who is providing services under this Contract has:

   1. Engaged in any activity that could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; or
   2. Been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime.

B. Grantee shall not permit any person who engaged, or was alleged to have engaged, in any activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed in writing by the System Agency.

12. NOTICE OF IRS OR TWC INSOLVENCY

Grantee shall notify in writing its assigned HHSC contract manager of any insolvency, incapacity or outstanding unpaid obligations of Grantee owed to the Internal Revenue Service (IRS) or the State of Texas, or any agency or political subdivision of the State of Texas within five days of the date of Grantee's becoming aware of such.

13. DISASTER SERVICES

In the event of a local, state, or federal emergency, including natural, man-made, criminal, terrorist, and/or bioterrorism events, declared as a state disaster by the Governor, or a federal disaster declared by the appropriate federal official, Grantee may be called upon to assist the System Agency in providing the following services:

A. Expand, increase, or modify service delivery in impacted areas;
B. Community evacuation;
C. Health and medical assistance;
D. Assessment of health and medical needs;
E. Health surveillance;
F. Medical care personnel;
G. Health and medical equipment and supplies;
H. Patient evacuation;
I. In-hospital care and hospital facility status;
J. Food, drug and medical device safety;

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K. Worker health and safety;

L. Mental health and substance abuse;

M. Public health information;

N. Vector control and veterinary services; and

O. Victim identification and mortuary services.

Disaster related services may not commence, or expenditures incurred, until System Agency provides Grantee with a written Notification to Proceed. The contract may be amended to incorporate additional funds and performance or reporting requirements to support disaster services in the event services must be expanded, increased, or modified.

14. NOTICE OF A LICENSE ACTION

Grantee shall notify its assigned HHSC contract manager of any action impacting Grantee's license to provide services under this Contract within five days of becoming aware of the action and include the following:

A. Reason for such action;

B. Name and contact information of the local, state or federal department or agency or entity;

C. Date of the license action; and

D. License or case reference number.

15. NOTION OF A CONTRACT ACTION

Grantee will send notice to the Substance Use Disorder (SUD) email box, SubstanceAbuse.Contracts@hhsc.state.tx.us if Grantee has had any contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within five (5) business days of becoming aware of the action and include the following:

A. Reason for such action;

B. Name and contact information of the loca, state or federal department or agency or entity;

C. Date of the contract;

D. Date of suspension or termination; and

E. Contract or case reference number.

16. CHILD ABUSE REPORTING REQUIREMENT

Grantee will:

A. Comply with child abuse and neglect reporting requirements in Texas Family Code Chapter 261. This section is in addition to and does not supersede any other legal obligation of the Grantee to report child abuse.

B. Develop, implement and enforce a written policy that includes at a minimum the System Agency's Child Abuse Screening, Documenting, and Reporting Policy for Grantees/Providers and train all staff on reporting requirements.

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1. Use the System Agency Child Abuse Reporting Form located at https://www.dfps.state.tx.us/Contact_Us/report_abuse.asp as required by the System Agency.

C. Retain reporting documentation on site and make it available for inspection by the System Agency.

17. ABUSE, NEGLECT, EXPLOITATION

Grantee will;

A. Take all steps necessary, to protect the health, safety and welfare of its clients and participants.

B. Develop and implement written policies and procedures for abuse, neglect and exploitation.

C. Notify appropriate authorities of any allegations of abuse, neglect or exploitation as required by 25 TAC § 448.703.

18. GRANTEE'S NOTIFICATION OF CHANGE OF CONTACT PERSON OR KEY PERSONNEL

Within 10 business days, Grantee will submit notice to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us and SUPrevention@hhs.texas.gov of any change in the Grantee's Contact Persons or Key Personnel.

19. NOTION OF ORGANIZATIONAL CHANGE

Grantee will submit notice to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us and SUPrevention @hhsc.state.tx.us within ten (10) business days of any change to Grantee's name, contact information, organizational structure, such as merger, acquisition, or change in form of business, legal standing, or authority to do business in Texas.

20. SIGNIFICANT INCIDENTS

In addition to notifying the appropriate authorities, Grantee will submit notice to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.ts.us and SUPrevention@hhs.texas.gov significant incidents involving substantial distruption of Grantee's program operation or affecting or potentially affecting the health, safety or welfare of the System Agency funded clients or participants within three calendar dys of discovery.

21. RESPONSIBILITIES AND RESTRICTIONS CONCERNING GOVERNING BODY, OFFICERS AND EMPLOYEES

Grantee and its governing body will:

A. Bear full responsibility for the integrity of the fiscal and programmatic management of the organization.

B. Be accountable for all funds and materials received from the System Agency. The responsibility of Grantee's governing body will also include accountability for compliance with the System Agency Rules, policies, procedures, and applicable federal and state laws and regulations; and correction of fiscal and program deficiencies identified through self-evaluation and the System Agency's monitoring processes.

C. Ensure separation of powers, duties, and functions of governing body members and staff. No member of Grantee's governing body, or officer or employee of Grantee will vote for,

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confirm or act to influence the employment, compensation or change in status of any person related within the second degree of affinity or the third degree of consanguinity (as defined in Texas Government Code Chapter 573) to the member of the governing body or the officer or any employee authorized to employ or supervise such person. This prohibition does not prohibit the continued employment of a person who has been continuously employed for a period of two years prior to the election, appointment or employment of the officer, employee, or governing body member related to such person in the prohibited degree. These restrictions also apply to the governing body, officers, and employees of Grantee's subcontractors.

22. DIRECT OPERATION

System Agency may temporarily assume operations of a Grantee's program or programs funded under this Contract when the continued operation of the program by Grantee puts, at risk, the health or safety of clients and/or participants served by Grantee.

23. INTERIM EXTENSION AMENDMENT

A. Prior to or on the expiration date of this Contract, the Parties agree that this Contract can be extended as provided under this Section, subject to the availability of funding.

B. The System Agency will provide written notice of interim extension amendment to the Grantee under one of the following circumstances:

1. Continue provision of services in response to a disaster declared by the governor; or
2. To ensure that services to clients continue without interruption.

C. The System Agency will provide written notice of the interim extension amendment that specifies the reason and length of time for the extension.

D. Grantee will provide and invoice for services in the same manner as stated in the Contract.

E. An interim extension under Section (b)(1) above will extend the term of the contract not longer than 30 days after governor's disaster declaration is declared unless the Parties agree to a shorter period of time.

F. An interim extension under Section (b)(2) above will be a one-time extension for time determined by the System Agency.

24. MEDICAL RECORDS RETENTION

Grantee will;

A. Retain medical records in accordance with 22 TAC §165.1(b) or other applicable statutes, rules and regulations governing medical information.

B. Retain and preserve records in accordance with applicable state and federal statutes, rules and regulations.

C. Maintain all non-financial records that are generated or collected by Grantee under the provisions of this Contract for a period of at least seven years after the termination of this Contract.

D. Retain the records in accordance with the federal retention period, if the federal retention period for services funded through Medicaid is more than seven years.

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E. Retain all records pertaining to this Contract that are the subject of litigation or an audit until the litigation has ended or all questions pertaining to the audit are resolved.

F. Include this provision concerning records retention in any subcontract it awards.

G. Ensure that records relating to this Contract are securely stored and are accessible by the System Agency upon System Agency's request for at least seven years from the date Grantee ceases business or from the date this Contract terminates, whichever is sooner.

H. Provide and update as necessary, the name and address of the party responsible for storage of records to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us.

25. GRANTEE'S CERTIFICATION OF MEETING OR EXCEEDING TOBACCO-FREE WORKPLACE POLICY MINIMUM STANDARDS

Grantee certifies that it has adopted and enforces a Tobacco-Free Workplace Policy that meets or exceeds all of the following minimum standards of:

A. Prohibiting the use of all forms of tobacco products, including but not limited to cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff and chewing tobacco;

B. Designating the property to which this Policy applies as a "designated area," which must at least comprise all buildings and structures where activities funded under this Contract are taking place, as well as Grantee owned, leased, or controlled sidewalks, parking lots, walkways, and attached parking structures immediately adjacent to this designated area;

C. Applying to all employees and visitors in this designated area; and

D. Providing for or referring its employees to tobacco use cessation services.

If Grantee cannot meet these minimum standards, it must obtain a waiver from the System Agency.

26. ELECTRONIC AND INFORMATION RESOURCES ACCESSIBILITY AND SECURITY STANDARDS

A. Applicability

The following Electronic and Information Resources (EIR) requirements apply to the Contract because the Grantee performs services that include EIR that the System Agency's employees are required or permitted to access or members of the public are required or permitted to access.

This Section does not apply to incidental uses of EIR in the performance of the Agreement, unless the Parties agree that the EIR will become property of the State of Texas or will be used by HHSC's clients or recipients after completion of the Agreement.

Nothing in this section is intended to prescribe the use of particular designs or technologies or to prevent the use of alternative technologies, provided they result in substantially equivalent or greater access to and use of a Product.

B. Definitions

1. **"Accessibility Standards"** means accessibility standards and specifications for Texas agency and institution of higher education websites and EIR set forth in 1 TAC Chapter 206 and/or Chapter 213.
2. "**Electronic and Information Resources**" means information resources, including information resources technologies, and any equipment or interconnected system of

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equipment that is used in the creation, conversion, duplication, or delivery of data or information. The term includes telephones and other telecommunications products, information kiosks, transaction machines, Internet websites, multimedia resources, and office equipment, including copy machines and fax machines.

3. **"Electronic and Information Resources Accessibility Standards**" means the accessibility standards for electronic and information resources contained in 1 Texas Administrative Code Chapter 213.
4. **"Product"** means information resources technology that is, or is related to EIR.
5. **"Web Site Accessibility Standards/Specifications"** means standards contained in Volume 1 Tex. Admin. Code Chapter 206(c) Accessibility Requirements. Under Tex. Gov't Code Chapter 2054, Subchapter M, and implementing rules of the Texas Department of Information Resources, the System Agency must procure Products and services that comply with the Accessibility Standards when those Products are available in the commercial marketplace or when those Products are developed in response to a procurement solicitation. Accordingly, Grantee must provide electronic and information resources and associated Product documentation and technical support that comply with the Accessibility Standards.

C. Evaluation, Testing and Monitoring

1. The System Agency may review, test, evaluate and monitor Grantee's Products and services, as well as associated documentation and technical support for compliance with the Accessibility Standards. Review, testing, evaluation and monitoring may be conducted before and after the award of a contract. Testing and monitoring may include user acceptance testing. Neither the review, testing (including acceptance testing), evaluation or monitoring of any Product or service, nor the absence of review, testing, evaluation or monitoring, will result in a waiver of the State's right to contest the Grantee's assertion of compliance with the Accessibility Standards.
2. Grantee agrees to cooperate fully and provide the System Agency and its representatives timely access to Products, records, and other items and information needed to conduct such review, evaluation, testing, and monitoring.

D. Representations and Warranties

1. Grantee represents and warrants that:
    i. As of the Effective Date of the Contract, the Products and associated documentation and technical support comply with the Accessibility Standards as they exist at the time of entering the Agreement, unless and to the extent the Parties otherwise expressly agree in writing; and
    ii. If the Products will be in the custody of the state or a System Agency's client or recipient after the Contract expiration or termination, the Products will continue to comply with Accessibility Standards after the expiration or termination of the Contract Term, unless the System Agency or its clients or recipients, as applicable, use the Products in a manner that renders it noncompliant.
2. In the event Grantee becomes aware, or is notified that the Product or service and associated documentation and technical support do not comply with the Accessibility Standards, Grantee represents and warrants that it will, in a timely manner and at no cost to the System Agency, perform all necessary steps to satisfy the Accessibility

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Standards, including remediation, replacement, and upgrading of the Product or service, or providing a suitable substitute.

i. Grantee acknowledges and agrees that these representations and warranties are essential inducements on which the System Agency relies in awarding this Contract.

ii. Grantee's representations and warranties under this subsection will survive the termination or expiration of the Contract and will remain in full force and effect throughout the useful life of the Product.

E. Remedies

1. Under Tex. Gov't Code § 2054.465, neither the Grantee nor any other person has cause of action against the System Agency for a claim of a failure to comply with Tex. Gov't Code Chapter 2054, Subchapter M, and rules of the Department of Information Resources.
2. In the event of a breach of Grantee's representations and warranties, Grantee will be liable for direct, consequential, indirect, special, or liquidated damages and any other remedies to which the System Agency may be entitled under this Contract and other applicable law. This remedy is cumulative of any other remedies to which the System Agency may be entitled under this Contract and other applicable law.

27. EQUIPMENT, SUPPLIES AND PROPERTY

A. Equipment

Equipment is defined as tangible personal property having a useful lifetime of more than one year and a per-unit acquisition cost that exceeds $5,000 or more.

Grantee will:

1. Inventory all equipment and report the inventory on the Grantees Property Inventory Form.
2. Initiate the purchase of all equipment, approved in writing by the System Agency, in the first quarter of the Contract or Contract term, as applicable. Failure to initiate purchase of equipment may result in the loss of availability of funds for the purchase of equipment. Requests to purchase previously approved equipment after the first quarter in the Contract must be submitted to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us.

B. Equipment List

1. All items of equipment to be purchased with funds under this Contract must be itemized in Grantee's equipment list as finally approved by the System Agency in the executed Contract.

The equipment list must include:

i. Description of the property;
ii. Serial numer or other identification number;
iii. Source of funding for the property (including the Federal Assistance Identification Number);
iv. Who holds titile,
v. Acquisition date and cost of the property;
vi. Percentage of Federal particiapation of the project costs for the Federal award under which the property was acquired;

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vii. Location use and condition of the property; and
viii. Any ultimate disposition data including the date of disposal and sale price of property.

2. Any changes to the approved equipment list in this Contract must be approved in writing by the System Agency prior to the purchase of equipment.
3. Grantee will submit to the assigned contract manager, a written description including complete product specifications and need justification prior to purchasing any item of unapproved equipment. If approved, the System Agency will acknowledge its approval by means of a written amendment.

C. Supplies

1. Supplies are defined as consumable items necessary to carry out the services under this Contract including medical supplies, drugs, janitorial supplies, office supplies, patient educational supplies, software, and any items of tangible personal property other than those defined as equipment above.
2. Tangible personal property includes controlled assets, including firearms, regardless of the acquisition cost, and the following assets with an acquisition cost of $500 or more, but less than $5,000, which includes desktop and laptop computers (including notebooks, tablets and similar devices), non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment are also considered Supplies.
3. Prior approval by the System Agency of the purchase of Controlled Assets is not required, but such purchases must be reported on the Grantees Property Inventory Form.

D. Property Inventory and Protection of Assets

Grantee will;

1. Maintain an inventory of equipment, supplies defined as controlled assets, and property described in this Contract and submit to the assigned contract manager, upon request.
2. Maintain, repair and protect assets under this Contract to assure their full availability and usefulness.
3. If Grantee is indemnified, reimbursed or otherwise compensated for any loss of, destruction of, or damage to the assets provided or obtained under this Contract, use the proceeds to repair or replace those assets.

E. Assets as Collateral Prohibited

Grantees will not encumber equipment purchased with System Agency funds without prior written approval from the System Agency.

F. Bankruptcy

In the event of bankruptcy, Grantee will;

1. Sever the System Agency property, equipment, and supplies in possession of Grantee from the bankruptcy, and title must revert to the System Agency.
2. When directed by the System Agency, return all such property, equipment and supplies to the System Agency.
3. Ensure that its subcontracts, if any, contain a specific provision requiring that in the

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event of the subcontractor's bankruptcy, the subcontractor must sever the System Agency property, equipment, and supplies in possession of the subcontractor from the bankruptcy, and title must revert to the System Agency, who may require that the property, equipment and supplies be returned to the System Agency.

G. Title to Property

At the expiration or termination of this Contact for any reason, title to any remaining equipment and supplies purchased with funds under this Contract reverts to System Agency. Title may be transferred to any other party designated by System Agency. The System Agency may, at its option and to the extent allowed by law, transfer the reversionary interest to such property to Grantee.

H. Disposition of Property

1. Grantee will follow the procedures in the American Hospital Association's (AHA) "Estimated Useful Lives of Depreciable Hospital Assets" in disposing, at any time during or after the Contract term, of equipment purchased with the System Agency funds, except when federal or state statutory requirements supersede or when the equipment requires licensure or registration by the state, or when the acquisition price of the equipment is equal to or greater than $5,000.
2. All other equipment not listed in the AHA reference (other than equipment that requires licensure or registration or that has an acquisition cost equal to or greater than $5,000) will be controlled by the requirements of UGMS.
3. If, prior to the end of the useful life, any item of equipment is no longer needed to perform services under this Contract, or becomes inoperable, or if the equipment requires licensure or registration or had an acquisition price equal to or greater than $5,000, Grantee will request disposition approval and instructions in writing from the contract manager assigned to this Contract.
4. After an item reaches the end of its useful life, Grantee will ensure that disposition of any equipment is in accordance with Generally Accepted Accounting Principles, and any applicable federal guidance.

I. Closeout of Equipment

1. At the end of the term of a Contract that has no additional renewals or that will not be renewed (Closeout), or when a Contract is otherwise terminated, Grantee will submit to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us an inventory of equipment purchased with System Agency funds and request disposition instructions for such equipment.
2. All equipment purchased with System Agency funds must be secured by Grantee at the time of Closeout, or termination of this Contract, and must be disposed of according to the System Agency's disposition instructions, which may include return of the equipment to System Agency or transfer of possession to another System Agency Grantee, at Grantee's expense.

J. Insurance

In addition to the Insurance provision of the Uniform Terms and Conditions, Grantee will:

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1. Maintain insurance or other means of repairing or replacing assets purchased with System Agency funds.
2. Repair or replace with comparable equipment any such equipment not covered by insurance that is lost, stolen, damage or destroyed. If any insured equipment purchased with System Agency funds is lost, stolen, damaged or destroyed.
3. Notify the contract manager assigned to this Contract within 5 business days of learning of the lolss, to obtain instructions whether to submit and pursue an insurance claim.
4. Use any insurance proceeds to repair the equipment or replace the equipment with comparable equipment or remit the insurance proceeds to System Agency.

K. Travel

The System Agency's travel policy will apply to all travel reimbursement if Grantee does not have a formal Travel Policy. If Grantee has a formal Travel Policy,

Grantee will:

1. Submit Grantee's formal travel policy to be approved by the assigned contract manager.
2. Ensure travel policy specifies reimbursement limits for meals, lodging, and the mileage rate.
3. Ensure all travel costs are reasonable and necessary.
4. Ensure all out-of-state travel is approved by the assigned contract manager prior to travel.
5. Submit all out-of-state travel requests to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us, at least, thirty (30) days prior to travel.

L. Management and Control Systems

Grantee will:

1. Maintain an appropriate contract administration system to ensure that all terms, conditions, and specifications are met during the term of the contract through the completion of the closeout procedures.
2. Develop, implement, and maintain financial management and control systems that meet or exceed the requirements of Uniform Statewide Accounting System (UGMS). Those requirements and procedures include, at a minimum, the following:
    i. Financial planning, including the development of budgets that adequately reflect all functions and resources necessary to carry out authorized activities and the adequate determination of costs;
    ii. Financial management systems that include accurate accounting records that are accessible and identify the source and application of funds provided under each Contract of this Contract, and original source documentation substantiating that costs are specifically and solely allocable to a Contract and its Contract and are traceable from the transaction to the general ledger;
    iii. Effective internal and budgetary controls;
    iv. Comparison of actual costs to budget; determination of reasonableness, allowableness, and allocability of costs;
    v. Timely and appropriate audits and resolution of any findings;
    vi. Billing and collection policies; and
    vii. Mechanism capable of billing and making reasonable efforts to collect from

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clients and third parties.

M. Property Acquistions

System Agency funds must not be used to purchase buildings or real property. Any costs related to the initial acquisition of the buildings or real property are not allowable.

N. Condition Precedent to Requesting Payment

Grantee will disburse program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting cash payments including any advance payments from the System Agency.

O. Overtime Compensation

1. Except as provided in this section, Grantee will be responsible for any obligations of premium overtime pay due employees. Premium overtime pay is defined as any compensation paid to an individual in addition to the employee's normal rate of pay for hours worked in excess of normal working hours.
2. Funds provided under this Contract may be used to pay the premium portion of overtime only under the following conditions:
    i. With the prior written approval of System Agency;
    ii. Temporarily, in the case of an emergency or an occasional operational bottleneck;
    iii. When employees are performing indirect functions, such as administration, maintenance, or accounting;
    iv. In performance of tests, laboratory procedures, or similar operations that are continuous in nature and cannot reasonably be interrupted or otherwise completed; or
    v. When lower overall cost to System Agency will result.

P. Fidelity Bond

For the benefit of System Agency, Grantee is required to carry a fidelity bond or insurance coverage equal to the amount of funding provided under this Contract up to $100,000 that covers each employee of Grantee handling funds under this Contract, including person(s) authorizing payment of such funds.

1. The fidelity bond or insurance must provide for indemnification of losses occasioned by any fraudulent or dishonest act or acts committed by any of Grantee's employees, either individually or in concert with others, and/or failure of Grantee or any of its employees to perform faithfully his/her duties or to account properly for all monies and property received by virtue of his/her position or employment. The bond or insurance acquired under this section must include coverage for third party property.
2. Grantee will notify, and obtain prior approval from, the System Agency Contract Oversight and Support Section before settling a claim on the fidelity bond or insurance.

Q. Liability Coverage

For the benefit of System Agency, Grantee will at all times maintain liability insurance coverage, referred to in Tex. Gov. Code § 2261.102, as "director and officer liability coverage" or similar coverage for all persons in management or governing positions within Grantee's

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organization or with management or governing authority over Grantee's organization (collectively "responsible persons").

Grantee will:

1. Maintain copies of liability policies on site for inspection by System Agency and will submit copies of policies to System Agency upon request.
2. Maintain liability insurance coverage in an amount not less than the total value of this Contract and that is sufficient to protect the interests of System Agency in the event an actionable act or omission by a responsible person damages System Agency's interests.
3. Notify, and obtain prior approval from, the System Agency Contract Oversight and Support Section before settling a claim on the insurance.

R. Quality Management

Grantee will:

1. Comply with quality management requirements as directed by the System Agency.
2. Develop and implement a Quality Management Plan (QMP) that conforms with 25 TAC § 448.504 and make the QMP available to System Agency upon request. The QMP must be developed no later than the end of the first quarter of the Contract term.
3. Update and revise the QMP each biennium or sooner, if necessary. Grantee's governing body will review and approve the initial QMP, within the first quarter of the Contract term, and each updated and revised QMP thereafter. The QMP must describe Grantee's methods to measure, assess, and improve -
    i. Implementation of evidence-based practices, programs and research-based approaches to service delivery;
    ii. Client/participant satisfaction with the services provided by Grantee;
    iii. Service capacity and access to services;
    iv. Client/participant continuum of care; and
    v. Accuracy of data reported to the state.
4. Participate in continuous quality improvement (CQI) activities as defined and scheduled by the state including, but not limited to data verification, performing self-reviews; submitting self-review results and supporting documentation for the state's desk reviews; and participating in the state's onsite or desk reviews.
5. Submit plan of improvement or corrective action plan and supporting documentation as requested by System Agency.
6. Participate in and actively pursue CQI activities that support performance and outcomes improvement.
7. Respond to consultation recommendations by System Agency, which may include, but are not limited to the following:
    i. Staffing training;
    ii. Self-monitoring activities guided by System Agency, including use of quality management tools to self-identify compliance issues; and
    iii. Monitoring of performance reports in the System Agency electronic clinical management system

S. Abuse, Neglect, Exploitation

Grantee will:

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1. Take all steps necessary, to protect the health, safety and welfare of its clients and participants.
2. Develop and implement written policies and procedures for abuse, neglect and exploitation.
3. Notify appropriate authorities of any allegations of abuse, neglect, or exploitation as required by 25 TAC § 448.703.

T. Personnel Requirements and Documentation

Grantee will;

1. Maintain current personnel documentation on each employee. All documents must be factual and accurate. Health-related information must be stored separately with restricted access as appropriate under Tex. Gov. Code §552.102. training records may be stored separately from the main personnel file but must be easily accessible upon request. Required documentation includes the following, as applicable:
    i. A copy of the current job description signed by the employee;
    ii. Application or resume with documentation of required qualifications and verification of required credentials;
    iii. Verification of work experience;
    iv. Annual performance evaluations;
    v. Personnel data that includes date hired, rate of pay, and documentation of all pay increases and bonuses;
    vi. Documentation of appropriate screening and/or background checks, to include probation or parole documentation;
    vii. Signed documentation of initial and other required training; and
    viii. Records of any disciplinary actions.
2. Document authentication must include signature, credentials when applicable, and date. If the document relates to past activity, the date of the activity must also be recorded. Documentation must be permanent and legible. When it is necessary to correct a required document, the error must be marked through with a single line, dated, and initialed by the writer.

28. CLINICAL MANAGEMENT FOR BEHAVIORAL HEALTH SERVICES (CMBHS) SYSTEM

The CMBHS is the official record of documentation by System Agency.

Grantee shall:

1. request access to CMBHS via the CMBHS Helpline at (866) 806-7806.
2. use the CMBHS time frames specified by System Agency.
3. use System Agency-specified functionality of the CMBHS in its entirety.
4. submit all bills and reports to System Agency through the CMBHS, unless otherwise instructed

A. Resources

Grantee shall ensure that Grantee's employees have appropriate Internet access and an adequate number of computers of sufficient capabilities to use the CMBHS. Equipment purchased with System Agency funds must be inventoried, maintained in working order, and secured.

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ATTACHMENT F
HHSC ADDITIONAL PROVISIONS

B. Security Administrator and Authorized Users

Grantee shall:

1. Designate a Security Administrator and a back-up Security Administrator. The Security Administrator is required to implement and maintain a system for management of user accounts/user roles to ensure that all the CMBHS user accounts are current.
2. Have a security policy that ensures adequate system security and protection of confidential information.
3. Notify the CMBHS Help-desk within ten (10) business days of any change to the designated Security Administrator or the back-up Security Administrator.

   Grantee will:

   i. Ensure that access to CMBHS is restricted to only currently authorized users.
   ii. Within 24 hours, remove access to users who are no longer authorized to have access to secure data in CMBHS.
   iii. Maintain the CMBHS Authorized Users List which includes former and current Grantee's employees, contracted labor, subcontractors or any other users authorized to have access to secure data in CMBHS. The CMBHS Authorized Users List shall document whose authority has been added and terminated; and the date the authority was added and terminated.
4. Submit the CMBHS Security Attestation Form and the CMBHS Authorized Users List as stated in Attachment A, to the following e-mail address: SubstanceAbuse.Contracts@hhsc.state.tx.us.
5. continually maintain the current CMBHS Authorized Users List on file and make available to System Agency upon request within five business days.
6. immediately block access to CMBHS of any person who should no longer have access to CMBHS, due to severance of employment with Grantee or otherwise,
   i. immediately modify access when there is a change in a user's job responsibilities that affects the user's need for access to CMBHS,
   ii. update records on a daily basis to reflect any changes in account status.

C. Security Violations and Accounts Updates

Grantee will adhere to the Confidentiality Article requirements and HHS Data Usage Agreement of this contract and immediately contact System Agency if a security violation is detected, or if Grantee has any reason to suspect that the security or integrity of the CMBHS data has been or may be compromised in any way.

D. Electronic Transfer of Information

Grantee will establish and maintain adequate internal controls, security, and oversight for the approval and electronic transfer of information regarding payments and reporting requirements. Grantee certifies that the electronic payment requests and reports transmitted will contain true, accurate, and complete information.

E. Access

System Agency reserves the right to limit or deny access, to the CMBHS by Grantee, at any time for any reason deemed appropriate by System Agency. Grantee access to CMBHS will

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be placed in inactive status when theGrantee ceases to have an executed contract with System Agency Mental Health and Substance Abuse Division.

F. Customer Support and Training

System Agency will provide support for the CMBHS, including problem tracking and problem resolution. System Agency will provide telephone numbers for Grantees to obtain access to expert assistance for CMBHS-related problem resolution. System Agency will provide initial CMBHS training. Grantee shall provide subsequent ongoing end-user training.

29. HIV/AIDS Model Workplace Guidelines

Grantee will:

A. Implement the System Agency's policies based on the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), AIDS Model Workplace Guidelines for Businesses at http://www.dshs.state.tx.us/hivstd/policy/policies.shtm, State Agencies and State Grantees Policy No. 090.021.

B. Educate employee and clients concerning HIV and its related conditions, including AIDS, in accordance with the Texas Health & Safety Code §§ 85.112-114.

30. Medicaid Enrollment

Treatment Grantees shall enroll as a provider with Texas Medicaid and Healthcare Partnership (TMHP) and all Medicaid Managed Care organizations in Grantee's service region within the first quarter of this procurement term and maintain through the procurement term.

31. Billing for Treatment and Payment Restrictions

Grantees will;

A. Bill for only one intensity of service and service type (either outpatient or residential) per client per day

B. Not bill for an intensity of service and service type if another System Agency-funded Treatment Grantee is providing and billing System Agency for another intensity of service and service type.

The following are the exception to item b.:
A client may receive;

i. co-occurring psychiatric / substance use disorder services,
ii. ambulatory detoxification, or
iii. opioid substitution therapy services, at the same time the client receives SUD outpatient or residential treatment services or items 1-3 listed above.

If two Grantees provide services to the same client under this exception, the Grantees must coordinate services and both Grantees must document the service coordination in CMBHS.

32. Substance abuse Block Grant (SABG) Requirements

Grantee will comply with the requirements of the SABG, including the restrictions on expenditure of grant funds, stated in 45 CFR § 96.135 and the Notice of Grant Award:

The State shall not expend the Block Grant on the following activities:

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A. To provide inpatient hospital services, except as provided in paragraph (c) of this section;

B. To make cash payments to intended recipients of health services;

C. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

D. To satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

E. To provide financial assistance to any entity other than a public or nonprofit private entity; or

F. To provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for AIDS.

33. MATCH AND PROGRAM INCOME

Grantee will:

A. Contribute match that is, at minimum, the percentage, stated on Attachment B, of Total System Agency Share unless otherwise stated on Attachment B.

B. Report match on each Financial Status Report (FSR) or Quarterly Match Report, including description, source, and dollar amount in the FSR comment section for the non-System Agency funding and in-kind contributions for the program or as directed by System Agency.

C. Adhere to the Program Income requirements in Uniform Grants Management Standards (UGMS) or Texas Grant Management Standards (TxGMS) as appropriate.

D. Not use program income as match without prior approval of the contract manager assigned to the Contract.

E. If the match ratio requirement is not met by the beginning of the last three months ofthe term of the Contract, System Agency may withhold or reduce payments to satisfy match insufficiency or demand a refund of the amount of the match insufficiency.

34. CONTRACT RECONCILIATION

Grantee, within 45 calendar days after the end of each fiscal term year, will submit to the System Agency email box, SubstanceAbuse.Contracts@hhsc.state.tx.us, financial and reconciliation reports required by System Agency in forms as determined by System Agency.

35. BREACH OF CONTRACT AND LIQUIDATED DAMAGES

A. Contract Monitoring

System Agency:

1. Will monitor Grantee for programmatic and financial compliance with this Contract and;

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2. May impose liquidated damages for any breach of this Contract.
3. But its discretion, may place Grantee on accelerated monitoring, which entails more frequent or more extensive monitoring than ordinarily conducted by System Agency.
4. May allow the Grantee the opportunity to correct identified deficiencies prior to imposing actions stated in this section.

B. Liquidated Damages.

Grantee agrees that noncompliance with the requirements specified in the Contract causes damages to System Agency that are difficult to ascertain and quantify.

Grantee further agrees that System Agency may impose liquidated damages each month for so long as the noncompliance continues. Failure to comply with any of the Contract requirements, System Agency may impose liquidated damages of:

1. $500 for the first occurrence of noncompliance during a fiscal year;
2. $750 for the second occurrence of noncompliance with the same requirement during the same fiscal year; and
3. $1,000 for the third and subsequent occurrence(s) of noncompliance with the same requirement during the same fiscal year.

C. Grantee Repayment

System Agency may withhold payments to Grantee to satisfy any recoupment or liquidated damage imposed by System Agency under this Article. System Agency may take repayment from funds available under this Contract, active or expired, or any subsequent renewal, in amounts necessary to fulfill Grantee's repayment obligations.

D. Notice of Liquidated Damages

System Agency will formally notify Grantee in writing when liquidated damages action is imposed, stating the nature of the action, the reasons for imposing, and the method of appealing. Grantee must submit a written appeal, within ten (10) calendar days of receipt of the notice, to the SUD email box, SubstanceAbuse.Contracts@hhsc.state.tx.us.

A submitted appeal must;

1. Include documented proof that Grantee submitted the information by the due date or received an exemption from the assigned contract manager.
2. Demonstrate the findings on which the Liquidated Damage is based are either invalid or do not warrant the action(s).

If System Agency determines the liquidated damage is warranted, System Agency's decision is final and the remedy or sanction shall be imposed.

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ATTACHMENT F
HHSC ADDITIONAL PROVISIONS

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ATTACHMENT G
DATA USE AGREEMENT

ARTICLE 1. PURPOSE AND APPLICABILITY

The purpose of this Data Use Agreement (DUA) is to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information with Contractor, and describe Contractor's rights and obligations with respect to the Confidential Information and the limited purposes for which the Contractor may create, receive, maintain, use, disclose or have access to Confidential Information. *45 CFR 164.504(e)(1)-(3)* This DUA also describes the System Agency's remedies in the event of Contractor's noncompliance with its obligations under this DUA. This DUA applies to both Business Associates and contractors who are not Business Associates who create, receive, maintain, use, disclose or have access to Confidential Information on behalf of the System Agency, HHS, its programs or clients as described in the Base Contract. **The Texas Health and Human Services Commission (HHSC) has the right to exercise all powers granted hereunder on behalf of the System Agency.**

ARTICLE 2. DEFINITIONS

For the purposes of this DUA, **the following terms have the meanings set forth in the following:** Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (42 U.S.C. §1320d, *et seq*.) and regulations thereunder in 45 CFR Parts 160 and 164, including all amendments, regulations and guidance issued thereafter; The Social Security Act, including Section 1137 (42 U.S.C. §§ 1320b-7), Title XVI of the Act; The Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. § 552a and regulations and guidance thereunder; Internal Revenue Code, Title 26 of the United States Code and regulations and publications adopted under that code, including IRS Publication 1075; OMB Memorandum 07-18; Texas Business and Commerce Code Ch. 521; Texas Government Code, Ch. 552, and Texas Government Code §2054.1125. In addition, the following terms in this DUA are defined as follows:

"Authorized Purpose" means the specific purpose or purposes described in the Scope of Work of the Base Contract for Contractor to fulfill its obligations under the Base Contract, or any other purpose expressly authorized by HHS in writing in advance.

"Authorized User" means a Person:

(1) Who is authorized to create, receive, maintain, have access to, process, view, handle, examine, interpret, or analyze Confidential Information pursuant to this DUA;

(2) For whom Contractor warrants and represents has a demonstrable need to create, receive, maintain, use, disclose or have access to the Confidential Information; and

(3) Who has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information as required by this DUA.

"Confidential Information" means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of System Agency that consists of or includes any or all of the following:

(1) Protected Health Information in any form including without limitation, Electronic Protected Health Information or Unsecured Protected Health Information;

(2) Sensitive Personal Information defined by Texas Business and Commerce Code Ch. 521;

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(3) Federal Tax Information;

(4) Personally Identifiable Information;

(5) Social Security Administration Data, including, without limitation, Medicaid information;

(6) All privileged work product;

(7) All information designated as confidential under the constitution and laws of the State of Texas and of the United States, including the Texas Health & Safety Code and the Texas Public Information Act, Texas Government Code, Chapter 552.

"Legally Authorized Representative" of the Individual, as defined by Texas law, including as provided in 45 CFR 435.923 (Medicaid); 45 CFR 164.502(g)(1) (HIPAA); Tex. Occ. Code § 151.002(6); Tex. H. & S. Code §166.164; Estates Code Ch. 752 and Texas Prob. Code § 3.

ARTICLE 3. CONTRACTOR'S DUTIES REGARDING CONFIDENTIAL INFORMATION

Section 3.01 Obligations of Contractor

Contractor agrees that:

(A) Contractor will exercise reasonable care and no less than the same degree of care Contractor uses to protect its own confidential, proprietary and trade secret information to prevent any portion of the Confidential Information from being used in a manner that is not expressly an Authorized Purpose under this DUA or as Required by Law. *45 CFR 164.502(b)(1); 45 CFR 164.514(d)*

(B) Contractor will not, without System Agency's prior written consent, disclose or allow access to any portion of the Confidential Information to any Person or other entity, other than Authorized User's Workforce or Subcontractors of Contractor who have completed training in confidentiality, privacy, security and the importance of promptly reporting any Event or Breach to Contractor's management, to carry out the Authorized Purpose or as Required by Law. All of Contractor's Authorized Users, Workforce and Subcontractors with access to a state computer system or database will complete a cybersecurity training program certified under Texas Government Code Section 2054.519 by the Texas Department of Information Resources.

System Agency, at its election, may assist Contractor in training and education on specific or unique System Agency processes, systems and/or requirements. Contractor will produce evidence of completed training to System Agency upon request. *45 C.F.R. 164.308(a)(5)(i); Texas Health & Safety Code §181.101*

(C) Contractor will establish, implement and maintain appropriate sanctions against any member of its Workforce or Subcontractor who fails to comply with this DUA, the Base Contract or applicable law. Contractor will maintain evidence of sanctions and produce it to System Agency upon request. *45 C.F.R. 164.308(a)(1)(ii)(C); 164.530(e); 164.410(b); 164.530(b)(1)*

(D) Contractor will not, without prior written approval of System Agency, disclose or provide access to any Confidential Information on the basis that such act is Required by Law without notifying System Agency so that System Agency may have the opportunity to object to the disclosure or access and seek appropriate relief. If System Agency objects to such disclosure or access, Contractor will refrain from disclosing or providing access to the Confidential Information until System Agency has exhausted all alternatives for relief. *45 CFR 164.504(e)(2)(ii)(A)*

(E) Contractor will not attempt to re-identify or further identify Confidential Information or De-identified Information, or attempt to contact any Individuals whose records are contained in the Confidential Information, except for an Authorized Purpose, without express written authorization from System Agency or as expressly permitted by the Base Contract. *45 CFR 164.502(d)(2)(i) and (ii)*

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(F) Contractor will not engage in prohibited marketing or sale of Confidential Information. *45 CFR 164.501, 164.508(a)(3) and (4); Texas Health & Safety Code Ch. 181.002*

(G) Contractor will not permit, or enter into any agreement with a Subcontractor to, create, receive, maintain, use, disclose, have access to or transmit Confidential Information, on behalf of Contractor without requiring that Subcontractor first execute the Form Subcontractor Agreement, Attachment 1, which ensures that the Subcontractor will comply with the identical terms, conditions, safeguards and restrictions as contained in this DUA for PHI and any other relevant Confidential Information and which permits more strict limitations; and *45 CFR 164.502(e)(1)(1)(ii); 164.504(e)(1)(i) and (2)*

(H) Contractor is directly responsible for compliance with, and enforcement of, all conditions for creation, maintenance, use, disclosure, transmission and Destruction of Confidential Information and, to the extent permitted by law, the acts or omissions of Subcontractors as may be reasonably necessary to prevent unauthorized use. *45 CFR 164.504(e)(5); 42 CFR 431.300, et seq.*

(I) If Contractor maintains PHI in a Designated Record Set, Contractor will make PHI available to System Agency in a Designated Record Set or, as directed by System Agency, provide PHI to the Individual, or Legally Authorized Representative of the Individual who is requesting PHI in compliance with the requirements of the HIPAA Privacy Regulations. Contractor will make other Confidential Information in Contractor's possession available pursuant to the requirements of HIPAA or other applicable law upon a determination of a Breach of Unsecured PHI as defined in HIPAA. *45 CFR 164.524and 164.504(e)(2)(ii)(E)*

(J) Contractor will make PHI as required by HIPAA available to System Agency for amendment and incorporate any amendments to this information that System Agency directs or agrees to pursuant to the HIPAA. *45 CFR 164.504(e)(2)(ii)(E) and (F)*

(K) Contractor will document and make available to System Agency the PHI required to provide access, an accounting of disclosures or amendment in compliance with the requirements of the HIPAA Privacy Regulations. *45 CFR 164.504(e)(2)(ii)(G) and 164.528*

(L) If Contractor receives a request for access, amendment or accounting of PHI by any Individual subject to this DUA, it will promptly forward the request to System Agency; however, if it would violate HIPAA to forward the request, Contractor will promptly notify System Agency of the request and of Contractor's response. Unless Contractor is prohibited by law from forwarding a request, System Agency will respond to all such requests, unless System Agency has given prior written consent for Contractor to respond to and account for all such requests. *45 CFR 164.504(e)(2)*

(M) Contractor will provide, and will cause its Subcontractors and agents to provide, to System Agency periodic written certifications of compliance with controls and provisions relating to information privacy, security and breach notification, including without limitation information related to data transfers and the handling and disposal of Confidential Information. *45 CFR 164.308; 164.530(c); 1 TAC 202*

(N) Except as otherwise limited by this DUA, the Base Contract, or law applicable to the Confidential Information, Contractor may use or disclose PHI for the proper management and administration of Contractor or to carry out Contractor's legal responsibilities if: *45 CFR 164.504(e)(ii)(1)(A)*

(1) Disclosure is Required by Law, provided that Contractor complies with Section 3.01(D);

(2) Contractor obtains reasonable assurances from the Person to whom the information is disclosed that the Person will:

(a) Maintain the confidentiality of the Confidential Information in accordance with this DUA;

(b) Use or further disclose the information only as Required by Law or for the Authorized Purpose for which it was disclosed to the Person; and

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(c) Notify Contractor in accordance with Section 4.01 of any Event or Breach of Confidential Information of which the Person discovers or should have discovered with the exercise of reasonable diligence. *45 CFR 164.504(e)(4)(ii)(B)*

(O) Except as otherwise limited by this DUA, Contractor will, if requested by System Agency, use PHI to provide data aggregation services to System Agency, as that term is defined in the HIPAA, 45 C.F.R. §164.501 and permitted by HIPAA. *45 CFR 164.504(e)(2)(i)(B)*

(P) Contractor will, on the termination or expiration of this DUA or the Base Contract, at its expense, return to System Agency or Destroy, at System Agency's election, and to the extent reasonably feasible and permissible by law, all Confidential Information received from System Agency or created or maintained by Contractor or any of Contractor's agents or Subcontractors on System Agency's behalf if that data contains Confidential Information. Contractor will certify in writing to System Agency that all the Confidential Information that has been created, received, maintained, used by or disclosed to Contractor, has been Destroyed or returned to System Agency, and that Contractor and its agents and Subcontractors have retained no copies thereof. Notwithstanding the foregoing, Contractor acknowledges and agrees that it may not Destroy any Confidential Information if federal or state law, or System Agency record retention policy or a litigation hold notice prohibits such Destruction. If such return or Destruction is not reasonably feasible, or is impermissible by law, Contractor will immediately notify System Agency of the reasons such return or Destruction is not feasible, and agree to extend indefinitely the protections of this DUA to the Confidential Information and limit its further uses and disclosures to the purposes that make the return of the Confidential Information not feasible for as long as Contractor maintains such Confidential Information. *45 CFR 164.504(e)(2)(ii)(J)*

(Q) Contractor will create, maintain, use, disclose, transmit or Destroy Confidential Information in a secure fashion that protects against any reasonably anticipated threats or hazards to the security or integrity of such information or unauthorized uses. *45 CFR 164.306; 164.530(c)*

(R) If Contractor accesses, transmits, stores, and/or maintains Confidential Information, Contractor will complete and return to System Agency at infosecurity@hhsc.state.tx.us the System Agency information security and privacy initial inquiry (SPI) at Attachment 2 . The SPI identifies basic privacy and security controls with which Contractor must comply to protect System Agency Confidential Information. Contractor will comply with periodic security controls compliance assessment and monitoring by System Agency as required by state and federal law, based on the type of Confidential Information Contractor creates, receives, maintains, uses, discloses or has access to and the Authorized Purpose and level of risk. Contractor's security controls will be based on the National Institute of Standards and Technology (NIST) Special Publication 800-53. Contractor will update its security controls assessment whenever there are significant changes in security controls for System Agency Confidential Information and will provide the updated document to System Agency. System Agency also reserves the right to request updates as needed to satisfy state and federal monitoring requirements. *45 CFR 164.306*

(S) Contractor will establish, implement and maintain any and all appropriate procedural, administrative, physical and technical safeguards to preserve and maintain the confidentiality, integrity, and availability of the Confidential Information, and with respect to PHI, as described in the HIPAA Privacy and Security Regulations, or other applicable laws or regulations relating to Confidential Information, to prevent any unauthorized use or disclosure of Confidential Information as long as Contractor has such Confidential Information in its actual or constructive possession. *45 CFR 164.308 (administrative safeguards); 164.310 (physical safeguards); 164.312 (technical safeguards); 164.530(c)(privacy safeguards)*

(T) Contractor will designate and identify, subject to System Agency approval, a Person or Persons, as Privacy Official *45 CFR 164.530(a)(1)* and Information Security Official, each of whom is authorized to act on behalf of Contractor and is responsible for the development and implementation of the privacy and security requirements in this DUA. Contractor will provide name and current address, phone

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number and e-mail address for such designated officials to System Agency upon execution of this DUA and prior to any change. *45 CFR 164.308(a)(2)*

(U) Contractor represents and warrants that its Authorized Users each have a demonstrated need to know and have access to Confidential Information solely to the minimum extent necessary to accomplish the Authorized Purpose pursuant to this DUA and the Base Contract, and further, that each has agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information contained in this DUA. *45 CFR 164.502; 164.514(d)*

(V) Contractor and its Subcontractors will maintain an updated, complete, accurate and numbered list of Authorized Users, their signatures, titles and the date they agreed to be bound by the terms of this DUA, at all times and supply it to System Agency, as directed, upon request.

(W) Contractor will implement, update as necessary, and document reasonable and appropriate policies and procedures for privacy, security and Breach of Confidential Information and an incident response plan for an Event or Breach, to comply with the privacy, security and breach notice requirements of this DUA prior to conducting work under the DUA. *45 CFR 164.308; 164.316; 164.514(d); 164.530(i)(1)*

(X) Contractor will produce copies of its information security and privacy policies and procedures and records relating to the use or disclosure of Confidential Information received from, created by, or received, used or disclosed by Contractor on behalf of System Agency for System Agency's review and approval within 30 days of execution of this DUA and upon request by System Agency the following business day or other agreed upon time frame. *45 CFR 164.308; 164.514(d)*

(Y) Contractor will make available to System Agency any information System Agency requires to fulfill System Agency's obligations to provide access to, or copies of, PHI in accordance with HIPAA and other applicable laws and regulations relating to Confidential Information. Contractor will provide such information in a time and manner reasonably agreed upon or as designated by the Secretary, or other federal or state law. *45 CFR 164.504(e)(2)(i)(I)*

(Z) Contractor will only conduct secure transmissions of Confidential Information whether in paper, oral or electronic form. A secure transmission of electronic Confidential Information *in motion* includes secure File Transfer Protocol (SFTP) or Encryption at an appropriate level or otherwise protected as required by rule, regulation or law. System Agency Confidential Information *at rest* requires Encryption unless there is adequate administrative, technical, and physical security, or as otherwise protected as required by rule, regulation or law. All electronic data transfer and communications of Confidential Information will be through secure systems. Proof of system, media or device security and/or Encryption must be produced to System Agency no later than 48 hours after System Agency's written request in response to a compliance investigation, audit or the Discovery of an Event or Breach. Otherwise, requested production of such proof will be made as agreed upon by the parties. De-identification of System Agency Confidential Information is a means of security. With respect to de-identification of PHI, "secure" means de-identified according to HIPAA Privacy standards and regulatory guidance. *45 CFR 164.312; 164.530(d)*

(AA) Contractor will comply with the following laws and standards *if applicable to the type of Confidential Information and Contractor's Authorized Purpose*:

- Title 1, Part 10, Chapter 202, Subchapter B, Texas Administrative Code;
- The Privacy Act of 1974;
- OMB Memorandum 07-16;
- The Federal Information Security Management Act of 2002 (FISMA);

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- The Health Insurance Portability and Accountability Act of 1996 (HIPAA) as defined in the DUA;
- Internal Revenue Publication 1075 – Tax Information Security Guidelines for Federal, State and Local Agencies;
- National Institute of Standards and Technology (NIST) Special Publication 800-66 Revision 1 – An Introductory Resource Guide for Implementing the Health Insurance Portability and Accountability Act (HIPAA) Security Rule;
- NIST Special Publications 800-53 and 800-53A – Recommended Security Controls for Federal Information Systems and Organizations, as currently revised;
- NIST Special Publication 800-47 – Security Guide for Interconnecting Information Technology Systems;
- NIST Special Publication 800-88, Guidelines for Media Sanitization;
- NIST Special Publication 800-111, Guide to Storage of Encryption Technologies for End User Devices containing PHI;
- Texas Business and Commerce Code Chapter 521; and
- Any other State or Federal law, regulation, or administrative rule relating to the specific System Agency program area that Contractor supports on behalf of System Agency.

ARTICLE 4. BREACH NOTICE, REPORTING AND CORRECTION REQUIREMENTS

Section 4.01. Breach or Event Notification to System Agency. *45 CFR 164.400-414*

(A) Contractor will cooperate fully with System Agency in investigating, mitigating to the extent practicable and issuing notifications directed by System Agency, for any Event or Breach of Confidential Information to the extent and in the manner determined by System Agency.

(B) Contractor's obligation begins at the Discovery of an Event or Breach and continues as long as related activity continues, until all effects of the Event are mitigated to System Agency's satisfaction (the "incident response period"). *45 CFR 164.404*

(C) Breach Notice:

1. Initial Notice.

a. For federal information, including without limitation, Federal Tax Information, Social Security Administration Data, and Medicaid Client Information, within the first, consecutive clock hour of Discovery, and for all other types of Confidential Information not more than 24 hours after Discovery, ***or in a timeframe otherwise approved by System Agency in writing***, initially report to System Agency's Privacy and Security Officers via email at: privacy@HHSC.state.tx.us and to the System Agency division responsible for this DUA; and *IRS Publication 1075; Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. § 552a; OMB Memorandum 07-16 as cited in HHSC-CMS Contracts for information exchange.*

b. Report all information reasonably available to Contractor about the Event or Breach of the privacy or security of Confidential Information. *45 CFR 164.410*

c. Name, and provide contact information to System Agency for, Contractor's single point of contact who will communicate with System Agency both on and off business hours during the incident response period.

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2. 48-Hour Formal Notice. No later than 48 consecutive clock hours after Discovery, or a time within which Discovery reasonably should have been made by Contractor of an Event or Breach of Confidential Information, provide formal notification to the State, including all reasonably available information about the Event or Breach, and Contractor's investigation, including without limitation and to the extent available*: For (a) - (m) below: 45 CFR 164.400-414*

a. The date the Event or Breach occurred;

b. The date of Contractor's and, if applicable, Subcontractor's Discovery;

c. A brief description of the Event or Breach; including how it occurred and who is responsible (or hypotheses, if not yet determined);

d. A brief description of Contractor's investigation and the status of the investigation;

e. A description of the types and amount of Confidential Information involved;

f. Identification of and number of all Individuals reasonably believed to be affected, including first and last name of the individual and if applicable the, Legally authorized representative, last known address, age, telephone number, and email address if it is a preferred contact method, to the extent known or can be reasonably determined by Contractor at that time;

g. Contractor's initial risk assessment of the Event or Breach demonstrating whether individual or other notices are required by applicable law or this DUA for System Agency approval, including an analysis of whether there is a low probability of compromise of the Confidential Information or whether any legal exceptions to notification apply;

h. Contractor's recommendation for System Agency's approval as to the steps Individuals and/or Contractor on behalf of Individuals, should take to protect the Individuals from potential harm, including without limitation Contractor's provision of notifications, credit protection, claims monitoring, and any specific protections for a Legally Authorized Representative to take on behalf of an Individual with special capacity or circumstances;

i. The steps Contractor has taken to mitigate the harm or potential harm caused (including without limitation the provision of sufficient resources to mitigate);

j. The steps Contractor has taken, or will take, to prevent or reduce the likelihood of recurrence of a similar Event or Breach;

k. Identify, describe or estimate of the Persons, Workforce, Subcontractor, or Individuals and any law enforcement that may be involved in the Event or Breach;

l. A reasonable schedule for Contractor to provide regular updates to the foregoing in the future for response to the Event or Breach, but no less than every three (3) business days or as otherwise directed by System Agency, including information about risk estimations, reporting, notification, if any, mitigation, corrective action, root cause analysis and when such activities are expected to be completed; and

m. Any reasonably available, pertinent information, documents or reports related to an Event or Breach that System Agency requests following Discovery.

Section 4.02 Investigation, Response and Mitigation. For A-F below: *45 CFR 164.308, 310 and 312; 164.530*

(A) Contractor will immediately conduct a full and complete investigation, respond to the Event or Breach, commit necessary and appropriate staff and resources to expeditiously respond,

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and report as required to and by System Agency for incident response purposes and for purposes of System Agency's compliance with report and notification requirements, to the satisfaction of System Agency.

(B) Contractor will complete or participate in a risk assessment as directed by System Agency following an Event or Breach, and provide the final assessment, corrective actions and mitigations to System Agency for review and approval.

(C) Contractor will fully cooperate with System Agency to respond to inquiries and/or proceedings by state and federal authorities, Persons and/or Individuals about the Event or Breach.

(D) Contractor will fully cooperate with System Agency's efforts to seek appropriate injunctive relief or otherwise prevent or curtail such Event or Breach, or to recover or protect any Confidential Information, including complying with reasonable corrective action or measures, as specified by System Agency in a Corrective Action Plan if directed by System Agency under the Base Contract.

Section 4.03 Breach Notification to Individuals and Reporting to Authorities. *Tex. Bus. & Comm. Code §521.053; 45 CFR 164.404 (Individuals), 164.406 (Media); 164.408 (Authorities)*

(A) System Agency may direct Contractor to provide Breach notification to Individuals, regulators or third-parties, as specified by System Agency following a Breach.

(B) Contractor must obtain System Agency's prior written approval of the time, manner and content of any notification to Individuals, regulators or third-parties, or any notice required by other state or federal authorities, including without limitation, Texas Business and Commerce Code, Chapter 521.053(b) and HIPAA. Notice letters will be in Contractor's name and on Contractor's letterhead, unless otherwise directed by System Agency, and will contain contact information, including the name and title of Contractor's representative, an email address and a toll-free telephone number, for the Individual to obtain additional information.

(C) Contractor will provide System Agency with copies of distributed and approved communications.

(D) Contractor will have the burden of demonstrating to the satisfaction of System Agency that any notification required by System Agency was timely made. If there are delays outside of Contractor's control, Contractor will provide written documentation of the reasons for the delay.

(E) If System Agency delegates notice requirements to Contractor, System Agency shall, in the time and manner reasonably requested by Contractor, cooperate and assist with Contractor's information requests in order to make such notifications and reports.

ARTICLE 5. GENERAL PROVISIONS

Section 5.01 Ownership of Confidential Information

Contractor acknowledges and agrees that the Confidential Information is and will remain the property of System Agency. Contractor agrees it acquires no title or rights to the Confidential Information.

Section 5.02 System Agency Commitment and Obligations

System Agency will not request Contractor to create, maintain, transmit, use or disclose PHI in any manner that would not be permissible under applicable law if done by System Agency.

Section 5.03 System Agency Right to Inspection

At any time upon reasonable notice to Contractor, or if System Agency determines that Contractor has violated this DUA, System Agency, directly or through its agent, will have the right to inspect the

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facilities, systems, books and records of Contractor to monitor compliance with this DUA. For purposes of this subsection, System Agency's agent(s) include, without limitation, the System Agency, HHS Office of the Inspector General or the Office of the Attorney General of Texas, outside consultants or legal counsel or other designee.

Section 5.04 Term; Termination of DUA; Survival

(A) System Agency may immediately terminate the Contract upon a material violation of this DUA.

(B) Termination or Expiration of the Contract will not relieve Contractor of its obligation to return or **Destroy** the **Confidential Information** as set forth in this DUA and to continue to safeguard the Confidential Information until such time as determined by System Agency.

(D) If System Agency determines that Contractor has violated a material term of this DUA; System Agency may in its sole discretion:

1. Exercise any of its rights including but not limited to reports, access and inspection under this DUA or as otherwise provided under the Contract; or

2. Require Contractor to submit to a corrective action plan, including a plan for monitoring and plan for reporting, as System Agency may determine necessary to maintain compliance with this DUA; or

3. Provide Contractor with a reasonable period to cure the violation as determined by System Agency; or

4. Terminate the Contract immediately, and seek relief in a court of competent jurisdiction.

(E) If neither termination nor cure is feasible, HHS shall report the violation to the Secretary.

(F) The duties of Contractor or its Subcontractor under this DUA survive the expiration or termination of Contract until all the Confidential Information is destroyed or returned to System Agency, as required by this DUA.

Section 5.05 Injunctive Relief

(A) Contractor acknowledges and agrees that System Agency may suffer irreparable injury if Contractor or its Subcontractor fails to comply with any of the terms of this DUA with respect to the Confidential Information or a provision of HIPAA or other laws or regulations applicable to Confidential Information.

(B) Contractor further agrees that monetary damages may be inadequate to compensate System Agency for Contractor's or its Subcontractor's failure to comply. Accordingly, Contractor agrees that System Agency will, in addition to any other remedies available to it at law or in equity, be entitled to seek injunctive relief without posting a bond and without the necessity of demonstrating actual damages, to enforce the terms of this DUA.

Section 5.06 Indemnification

TO THE EXTENT PERMITTED BY LAW, CONTRACTOR WILL INDEMNIFY, DEFEND AND HOLD HARMLESS SYSTEM AGENCY AND ITS RESPECTIVE EXECUTIVE COMMISSIONER, EMPLOYEES, SUBCONTRACTORS, AGENTS (INCLUDING OTHER STATE AGENCIES ACTING ON BEHALF OF SYSTEM AGENCY) OR OTHER MEMBERS OF ITS WORKFORCE (EACH OF THE FOREGOING HEREINAFTER REFERRED TO AS

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"INDEMNIFIED PARTY") AGAINST ALL ACTUAL AND DIRECT LOSSES SUFFERED BY THE INDEMNIFIED PARTY AND ALL LIABILITY TO THIRD PARTIES ARISING FROM OR IN CONNECTION WITH ANY BREACH OF THIS DUA OR FROM ANY ACTS OR OMISSIONS RELATED TO THIS DUA BY CONTRACTOR OR ITS EMPLOYEES, DIRECTORS, OFFICERS, SUBCONTRACTORS, OR AGENTS OR OTHER MEMBERS OF ITS WORKFORCE. THE DUTY TO INDEMNIFY, DEFEND AND HOLD HARMLESS IS INDEPENDENT OF THE DUTY TO INSURE AND CONTINUES TO APPLY EVEN IN THE EVENT INSURANCE COVERAGE REQUIRED, IF ANY, IN THE DUA OR BASE CONTRACT IS DENIED, OR COVERAGE RIGHTS ARE RESERVED BY ANY INSURANCE CARRIER. UPON DEMAND, CONTRACTOR WILL REIMBURSE SYSTEM AGENCY FOR ANY AND ALL LOSSES, LIABILITIES, LOST PROFITS, FINES, PENALTIES, COSTS OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) WHICH MAY FOR ANY REASON BE IMPOSED UPON ANY INDEMNIFIED PARTY BY REASON OF ANY SUIT, CLAIM, ACTION, PROCEEDING OR DEMAND BY ANY THIRD PARTY TO THE EXTENT CAUSED BY AND WHICH RESULTS FROM THE CONTRACTOR'S FAILURE TO MEET ANY OF ITS OBLIGATIONS UNDER THIS DUA. TO THE EXTENT PERMITTED BY LAW, CONTRACTOR'S OBLIGATION TO DEFEND, INDEMNIFY AND HOLD HARMLESS ANY INDEMNIFIED PARTY WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS DUA.

Section 5.07 Insurance

As an agency of the State of Texas, Contractor hereby agrees to maintain the highest levels of insurance as required by applicable law. Contractor is self-insured with respect to Worker's Compensation Insurance (Texas Labor Code title 5, Chapter 503, Workers' Compensation Insurance for Employees of The University of Texas System). Under the law of the State of Texas, Contractor is unable to obtain Employer's Liability, Comprehensive General or Public Liability, and Comprehensive Automobile Insurance. In lieu of this, the Texas Tort Claims Act provides for remedies against the State for legal proceedings for claimants for personal injuries or death (Texas Civil Code Title 5, Chapter 101, Governmental Liability).

Section 5.08 Fees and Costs

Except as otherwise specified in this DUA or the Base Contract, including but not limited to requirements to insure and/or indemnify System Agency, if any legal action or other proceeding is brought for the enforcement of this DUA, or because of an alleged dispute, contract violation, Event, Breach, default, misrepresentation, or injunctive action, in connection with any of the provisions of this DUA, each party will bear their own legal expenses and the other cost incurred in that action or proceeding.

Section 5.09 Automatic Amendment and Interpretation

Upon the effective date of any amendment or issuance of additional regulations to HIPAA, or any other law applicable to Confidential Information, this DUA will automatically be amended so that the obligations imposed on System Agency or Contractor remain in compliance with such requirements. Any ambiguity in this DUA will be resolved in favor of a meaning that permits System Agency and Contractor to comply with HIPAA or any other law applicable to Confidential Information.

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ATTACHMENT 1. SUBCONTRACTOR AGREEMENT FORM

System Agency CONTRACT NUMBER _____

The DUA between System Agency and Contractor establishes the permitted and required uses and disclosures of Confidential Information by Contractor.

Contractor has subcontracted with_____ (SUBContractor) for performance of duties on behalf of CONTACTOR which are subject to the DUA. SUBContractor acknowledges, understands and agrees to be bound by the identical terms and conditions applicable to Contractor under the DUA, incorporated by reference in this Agreement, with respect to System Agency Confidential Information. Contractor and SUBContractor agree that System Agency is a third-party beneficiary to applicable provisions of the subcontract.

System Agency has the right but not the obligation to review or approve the terms and conditions of the subcontract by virtue of this Subcontractor Agreement Form.

Contractor and SUBContractor assure System Agency that any Breach or Event as defined by the DUA that SUBContractor Discovers will be reported to System Agency by Contractor in the time, manner and content required by the DUA.

If Contractor knows or should have known in the exercise of reasonable diligence of a pattern of activity or practice by SUBContractor that constitutes a material breach or violation of the DUA or the SUBContractor's obligations Contractor will:

1. Take reasonable steps to cure the violation or end the violation, as applicable;
2. If the steps are unsuccessful, terminate the contract or arrangement with SUBContractor, if feasible;
3. Notify System Agency immediately upon reasonably discovery of the pattern of activity or practice of SUBContractor that constitutes a material breach or violation of the DUA and keep System Agency reasonably and regularly informed about steps Contractor is taking to cure or end the violation or terminate SUBCONTACTOR's contract or arrangement.

This Subcontractor Agreement Form is executed by the parties in their capacities indicated below.

CONTRACTOR	**SUBCONTRACTOR**
BY:	**BY:**
NAME: _____	**NAME:**_____
TITLE: _____	**TITLE:**_____
DATE _____**, 201 .**	**DATE:**_____

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OMB Number: 4040-0007
Expiration Date: 02/28/2025

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C.§§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U. S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

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9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
DocuSigned by: A119D0ACEF174D4...	Assistant Director, OSP
APPLICANT ORGANIZATION	DATE SUBMITTED
The University of Texas at Austin	August 8, 2022

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CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

* APPLICANT'S ORGANIZATION

The University of Texas at Austin

* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: | * First Name: Elena | Middle Name:

* Last Name: Mota | Suffix:

* Title: Assistant Director, OSP

* SIGNATURE: DocuSigned by: Elena Mota A119D0ACEF174D4...

* DATE: August 8, 2022

DocuSign Envelope ID: D4E69EF8-6589-4CBE-B1FD-E841D431C43B

TEXAS
Health and Human Services

Cecile Erwin Young
Executive Commissioner

July 20, 2022

The University of Texas at Austin
Mark Featherston
3925 West Braker Lane, Building 156
Austin, Texas 78759

Re: Federal Funding Accountability and Transparency Act Reporting Guidance

Dear Mr. Featherston The University of Texas at Austin:

This letter provides background information regarding the Federal Funding Accountability and Transparency Act (FFATA) and outlines the requirements for contactors or awardees receiving federal funding.

2 Code of Federal Regulations Part 170 states that any person or entity receiving contract or grant funds directly from the federal government must report certain information regarding those funds through the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). FFATA requires the following:

- Subrecipient contract awards equal to or greater than $30,000 must be reported.
- Prime awardees (those agencies or entities receiving funds directly from the federal government) must report certain information regarding those funds.
- Compensation of the top five executives within an organization must be reported as well, if certain criteria apply.

You are receiving this letter because our records identify you as a subrecipient under a Health and Human Services Commission (HHSC) contract award. HHSC is the prime awardee for most of the federal awards that you receive from HHSC. As a result, HHSC is responsible for reporting sub-award information to the federal government via the FSRS website. To ensure information is accurately reported, subrecipients (sub-awardees) must provide HHSC with all required information.

If a new award is initially below $30,000, but subsequent contract modifications result in a total award equal to or greater than $30,000, the award will be subject to FFATA reporting requirements as of the date the award exceeds $30,000. To comply with the FFATA reporting requirements, HHSC is requesting that your organization completes Attachment B, FFATA Certification Form. The FFATA Certification Form identifies the applicability of the FFATA requirements to your organization.

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2 Code of Federal Regulations Part 25 states that subrecipients are required to obtain a Unique Entity Identifier (UEI) in order to receive federal subawards. If your organization does not have a UEI, follow the instructions outlined in Attachment A, How to Obtain a Unique Entity Identifier. The UEI must be obtained via the System for Award Management Registration and provided to HHSC. Please refer to Attachment A for additional guidelines regarding the UEI requirement.

If your organization meets the FFATA reporting requirements, provide the compensation amount and names of your organization's top five highly compensated officers or senior executives on Attachment B, FFATA Certification Form. Only one certification per state fiscal year is required even if your organization has multiple contracts with HHSC.

Summary of Information Requested:

1) Register your organization for a Unique Entity Identifier (Attachment A) if not already done; and

2) Complete and return the FFATA Certification Form (Attachment B).

The required FFATA Certification Form and the FFATA Reporting Template must be completed and returned to HHSC by 07/27/2022. If you have any questions regarding this correspondence, contact Contract Management Branch of the Substance Use Disorder Contract Management Unit by email at SubstanceAbuse.Contracts@hhsc.state.tx.us or by phone at 512-206-5064.

Sincerely,

Santa Monica Esquivel Alpizar

Digitally signed by Santa Monica Esquivel Alpizar
Date: 2022.07.20 15:19:29 -05'00'

Santa Monica Esquivel Alpizar, CTCM
Health and Human Services Commission
Contract Management Branch

Enclosures: Attachment A: How to Obtain a Unique Entity Identifier
Attachment B: FFATA Certification Form

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TEXAS Health and Human Services

How to Obtain a Unique Entity Identifier

By April of 2022, the federal government will stop using the DUNS number to uniquely identify entities. At that point, subrecipients receiving federal awards from HHSC will use a Unique Entity Identifier created in SAM.gov. The Unique Entity Identifier is provided to entities who request to only get a Unique Entity Identifier and to entities who complete an entity registration.

The process of obtaining a Unique Entity Identifier will depend on the date your entity has received a federal award from HHSC.

Your entity has received a federal award from HHSC before April of 2022

Before April of 2022, the DUNS number is issued by Dun & Bradstreet is the authoritative entity identifier used by the federal government. You need to get a DUNS Number first before you can request a Unique Entity Identifier.

Requesting a DUNS Number

1) To verify an existing DUNS number or to request a new DUNS number, go to D&B D-U-N-S Request Service for US Federal Government Contractors and Assistance Awardees.

2) You will need the following information to obtain a DUNS number:

   a. Legal name of organization;

   b. Doing business as (DBA) or other name by which your organization is commonly known or recognized;

   c. Headquarters name and organization address;

   d. Name of Chief Executive Officer (CEO)/organization owner;

   e. Business structure of the organization (corporation, partnership, proprietorship);

   f. Year the organization started;

   g. Primary type of business; and

   h. Total number of employees (full and part time).

Note: HHSC does not have the technical expertise to assist contractors in applying for a DUNS number. All questions regarding the DUNS number should be directed to Dun & Bradstreet.

Requesting a Unique Entity Identifier

You can get a Unique Entity Identifier (UEI) by going to SAM.gov and request to only get a Unique Entity Identifier.

Your entity has received a federal award from HHSC after April of 2022

Requesting a Unique Entity Identifier

You can get a Unique Entity Identifier (UEI) by going to SAM.gov and request to only get a Unique Entity Identifier.

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TEXAS Health and Human Services

FFATA Certification Form

The certifications enumerated below represent material facts upon which HHSC relies when reporting information to the federal government required under federal law. If HHSC later determines that the contractor knowingly rendered an erroneous certification, HHSC may pursue all available remedies in accordance with Texas and U.S. laws. The signer further agrees that they will provide immediate written notice to HHSC if at any time they learn that any of the certifications provided for below were erroneous when submitted or have since become erroneous by reason of changed circumstances. **Note**: If the signer cannot certify all of the statements contained in this section, they **must provide written notice** to HHSC detailing which of the below statements they cannot certify and why.

Did your organization have a gross income, from all sources, of less than $300,000 in your previous tax year?

◯ Yes – Skip questions A, B and C and continue to section D. ◯ No – Answer questions A and B.

A. Certification Regarding Percent of Annual Gross from Federal Awards

Did your organization receive 80% or more of its annual gross revenue from federal awards during the preceding fiscal year?

◯ Yes ◯ No – Skip question C.

B. Certification Regarding Amount of Annual Gross from Federal Awards

Did your organization receive $25 million or more in annual gross revenues from federal awards in the preceding fiscal year?

◯ Yes ◯ No – Skip question C.

If your answer is **Yes** to both questions A and B, you must answer question C.

If your answer is **No** to either question A or B, skip question C and continue to section D.

C. Certification Regarding Public Access to Compensation Information

Does the public have access to information about the highly compensated officers/senior executives in your business or organization (including parent organization, all branches and all affiliates worldwide) through periodic reports filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or Section 6104 of the Internal Revenue Code of 1986?

◯ Yes ◯ No – Provide the names and total compensation of the top five highly compensated officers/senior executives.

Name of Officer/Senior Executive	Total Compensation
1.	
2.	
3.	
4.	
5.	

D. Signatures

As the duly authorized representative (signer) of the contractor, I hereby certify that the statements made by me in this certification form are true, complete and correct to the best of my knowledge.

DocuSigned by:
Elena Mota
A119D0ACEF174D4...
Signature of Authorized Representative

August 8, 2022
Date

Printed Name of Authorized Representative Elena Mota	Title of Authorized Representative Assistant Director, OSP
Legal Name of Contractor The University of Texas at Austin	Unique Entity Identifier V6AFQPN18437
Applicable HHSC Contract No.(s): HHS001190300001	

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TEXAS Health and Human Services

Texas Health and Human Services Commission

Cecile Erwin Young
Executive Commissioner

October 28, 2020

Ms. Elena Mota
The University of Texas at Austin
PO Box 8179
Austin, TX 78713-9179

Re: Indirect Cost Rate Acknowledgement
TIN 17460002037

Dear Ms. Mota:

Thank you for your submission of the Indirect Cost Rate Questionnaire and related documentation for review and consideration by Texas Health and Human Services (HHS). The aforementioned documents have been reviewed using the criteria established by HHS and Title 2 Code of Federal Regulation (CFR), § 200.414, Indirect (F&A) Costs.

HHS acknowledges the Federal Indirect Cost Rate(s) issued by Department of Health and Human Services. See below for details.

RateType	From	To	Rate	Location	Applicable To
Pred.	9/1/2018	8/31/2020	56.50%	On Campus	(1) Org. Research
Pred.	9/1/2020	8/31/2022	58.50%	On Campus	(1) Org. Research
Pred.	9/1/2018	8/31/2022	50.00%	On Campus	Instruction
Pred.	9/1/2018	8/31/2022	14.50%	ARL	(2) Org. Research
Pred.	9/1/2018	8/31/2022	40.00%	On Campus	Other Sponsored Activities
Pred.	9/1/2018	8/31/2022	26.00%	Off Campus	All Programs
Prov.	9/1/2022	Until Amended			Use same rates and conditions as those cited for fiscal year ending August 31, 2022.

***Base:** Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract (regardless of the period covered

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by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships,
and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.

Note(s): (1) Includes Main Campus, J.J. Pickle Research Campus, and Port Aransas Marine Science Institute. **(2)** Applied Research Lab

Fringe Benefits Rates:

Rate Type	From	To	Rate	Location	Applicable To
Fixed	9/1/2019	8/31/2020	29.80%	All	Benefits Eligible
Fixed.	9/1/2019	8/31/2020	5.10%	All	Benefits Eligible
Fixed.	9/1/2020	8/31/2021	30.10%	All	Benefits Eligible
Fixed.	9/1/2020	8/31/2021	25.70%	All	Campus
Fixed.	9/1/2021	8/31/2024	5.68%	All	Benefits Eligible ARL
rov.	9/1/2021	Until mended			Benefits Eligible Use same rates and conditions as those cited for fiscal year ending August 31, 2021

Acknowledgement of the rate is based on the condition that the information provided by your organization is accurate. When there are changes to your acknowledged rate(s), you must notify HHS Indirect Cost Rate Group via the Subrecipient Landing Page. Select "Upload Additional Documents" from the drop-down menu and choose the appropriate document type. Failure to notify HHS may result in subsequent cost disallowance.

Enclosed is the approved Federal indirect cost rate letter that is associated with this rate acknowledgement. If you have any additional questions, submit a Technical Assistance request via the Subrecipient Landing Page.

Sincerely,

Racheal Kane

Racheal Kane | Federal Funds Director
Health and Human Services Commission
4900 N. Lamar Blvd. | Austin, Texas 78751
Office: (512) 424-6663 |Cell: (512) 466-4665
racheal.kane@hhsc.state.tx.us

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COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1746000203A4

ORGANIZATION:

University of Texas at Austin
The University of Texas System
PO Box 8179
Austin, TX 78713-8179

DATE:05/08/2020

FILING REF.: The preceding agreement was dated 04/09/2019

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

EFFECTIVE PERIOD

TYPE	FROM	TO	RATE(%)	LOCATION	APPLICABLE TO
PRED.	09/01/2018	08/31/2020	56.50	On Campus	Org. Research (1)
PRED.	09/01/2020	08/31/2022	58.50	On Campus	Org. Research (1)
PRED.	09/01/2018	08/31/2022	50.00	On Campus	Instruction
PRED.	09/01/2018	08/31/2022	14.50	ARL	Org. Research (2)
PRED.	09/01/2018	08/31/2022	40.00	On Campus	Other Sponsored Activities
PRED.	09/01/2018	08/31/2022	26.00	Off Campus	All Programs
PROV.	09/01/2022	Until Amended			Use same rates and conditions as those cited for fiscal year ending August 31, 2022.

*BASE

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Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.

(1) Includes Main Campus, J.J. Pickle Research Campus, and Port Aransas Marine Science Institute.

(2) Applied Research Lab

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ORGANIZATION: University of Texas at Austin The University of Texas System

AGREEMENT DATE: 5/8/2020

SECTION I: FRINGE BENEFIT RATES**

TYPE	FROM	TO	RATE(%)	LOCATION	APPLICABLE TO
FIXED	9/1/2019	8/31/2020	29.80	All	Benefits Eligible
FIXED	9/1/2019	8/31/2020	5.10	All	Benefits Ineligible
FIXED	9/1/2020	8/31/2021	30.10	All	Benefits Eligible - Campus
FIXED	9/1/2020	8/31/2021	25.70	All	Benefits Eligible - ARL
FIXED	9/1/2020	8/31/2021	5.68	All	Benefits Ineligible
PROV.	9/1/2021	8/31/2024			Use same rates and conditions as those cited for fiscal year ending August 31, 2021.

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below. Effective 09/01/2018, the fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s) the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

*TREATMENT OF PAID ABSENCES:
Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made. ARL uses an absence time pool to pay for vacation, holiday, sick leave, and other paid absences. This pool is funded by a monthly charge to ARL grants, contracts and other agreements based on the historical experience of expense for absent time as a percent of salaries and wages.

FRINGE BENEFITS:
FICA, Unemployment Insurance, Retirement, Health Insurance, Worker's Compensation, Life Insurance, Unemployment Insurance, Termination Accrued Leave, Post Retirement Health Benefits

This Rate Agreement reflects new Fringe Benefits Rates only.

The next fringe benefit rate proposal, based on actual costs for the fiscal year ending 08/31/2020, is due in our office by 02/28/2021.

The next indirect cost rate proposal, based on actual costs for the fiscal year ending 08/31/2021, is due in our office by 02/28/2022.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000.

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SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted: such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:	ON BEHALF OF THE FEDERAL GOVERNMENT:
University of Texas at Austin The University of Texas System	DEPARTMENT OF HEALTH AND HUMAN SERVICES
(INSTITUTION)	(AGENCY)
DocuSigned by: Darrell Bazzell FCCE9BCFBCE44AC... (SIGNATURE)	(SIGNATURE)
Darrell Bazzell	Arif Karim
(NAME)	(NAME)
Senior Vice President and CFO	Director, Cost Allocation Services
(TITLE)	(TITLE)
2020-05-21 | 16:21:24 CDT	5/8/2020
(DATE)	(DATE) 7163

HHS REPRESENTATIVE: Theodore Foster

Telephone: (214) 767-3261

DocuSign

Certificate Of Completion

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Status: Completed
Subject: New $16,250,000; HHS001190300001; UT at Austin; HHSC/MSS/IDD/BHS/SA
Procurement Number:
Source Envelope:
Document Pages: 132
Signatures: 6
Certificate Pages: 2
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
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Envelope Originator:
Texas Health and Human Services Commission
1100 W. 49th St.
Austin, TX 78756
PCS_DocuSign@hhsc.state.tx.us
IP Address: 167.137.1.10

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7/21/2022 10:40:22 AM
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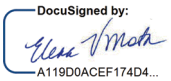
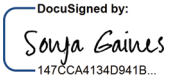
Security Appliance Status: Connected
Pool: FedRamp

Storage Appliance Status: Connected
Pool: Texas Health and Human Services Commission
Location: DocuSign

Signer Events	Signature	Timestamp
Trey Wood trey.wood@hhs.texas.gov Chief Financial Officer Texas Health and Human Services Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	**Completed** Using IP Address: 167.137.1.9	Sent: 7/22/2022 10:45:10 AM Viewed: 7/28/2022 9:54:58 AM Signed: 7/28/2022 9:55:00 AM
Andy Marker Edward.Marker@hhsc.state.tx.us Director, System Contracting Texas Health and Human Services Commission Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	**Completed** Using IP Address: 167.137.1.17	Sent: 7/28/2022 9:55:05 AM Viewed: 7/28/2022 12:56:11 PM Signed: 7/28/2022 12:56:15 PM
Elena Mota osp@austin.utexas.edu Assistant Director, OSP The University of Texas at Austin Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	DocuSigned by:  A119D0ACEF174D4... Signature Adoption: Uploaded Signature Image Using IP Address: 99.159.84.37	Sent: 7/28/2022 12:56:19 PM Resent: 8/4/2022 10:55:55 AM Resent: 8/4/2022 10:57:02 AM Resent: 8/4/2022 11:28:02 AM Resent: 8/4/2022 11:30:20 AM Viewed: 8/4/2022 11:38:37 AM Signed: 8/8/2022 9:24:39 AM
Sonja Gaines Sonja.Gaines@hhs.texas.gov SG Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	DocuSigned by:  147CCA4134D941B... Signature Adoption: Pre-selected Style Using IP Address: 204.65.82.76 Signed using mobile	Sent: 8/8/2022 9:24:45 AM Viewed: 8/8/2022 9:31:37 AM Signed: 8/8/2022 9:31:49 AM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
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Santa Monica Esquivel Alpizar SantaMonica.EsquivelAlpizar@hhs.texas.gov Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via DocuSign	COPIED	Sent: 7/22/2022 10:45:10 AM Viewed: 7/24/2022 3:48:34 PM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	7/22/2022 10:45:10 AM
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Signing Complete	Security Checked	8/8/2022 9:31:49 AM
Completed	Security Checked	8/8/2022 9:31:49 AM

Payment Events	Status	Timestamps

Attachment 7

Human Subjects Data Transfer and Use Terms

Human Subjects Data ("Data") will be exchanged under this Subaward (check all that apply):

From Subrecipient to PTE
From PTE to Subrecipient

1. The Party providing the Data will be referred to as the "Provider," and the Party receiving the Data will be referred to as the "Recipient" as reflected above in this section.
2. The Data to be shared will be
3. Provider authorizes Recipient to share the Data as may be required under the data sharing plan for this project, and may be required by the Data Sharing & Access section of this Subaward.
4. Upon completion of the Recipient shall retain or destroy the Data as instructed by the Provider; provided, however, that Recipient may retain one (1) archival copy of the Data.
5. Description of Data (Required)

Description of Data:

Attachment 8
Subrecipient Close-out Form

No later than sixty (60) days after the Subaward's ending date, Subrecipient shall submit a completed Subrecipient Close-Out Form as attached to the addressee named on the form. Other documentation shall accompany the form as applicable. Payment of Final Invoice shall be withheld pending receipt and acceptance of the close-out documentation.

Subrecipient Close-Out Form

THE UNIVERSITY OF TEXAS AT AUSTIN

Subaward No.: _____ **PTE Award No.:** _____

Name of Subrecipient: _____

Please complete ***ALL*** of the following sections and return to:

Subrecipient Monitor
Office of Sponsored Projects, Sponsored Projects Award Administration
SPAA@austin.utexas.edu

SECTION I. FINANCIAL INFORMATION

Total amount received under this subaward to date $_____.

Are there any outstanding invoices, which PTE has not reimbursed yet?

☐ Yes*. *Please place an X by those that apply.*

☐ Please see the attached copies of invoices previously submitted and totaling $ _____, but which have not yet been reimbursed; *AND/OR,*

☐ Invoices totaling $ _____ have not yet been submitted to PTE Austin yet; or,

☐ No. By selecting "No," you are confirming UT Austin has paid you/your institution for all invoices submitted for expenses and/or claims against this subaward. Any invoices submitted after this box is checked and this form is signed and returned to UT Austin, will not be honored.

**Invoices returned with this form are used for informational purposes; originals must be submitted in accordance with the subaward. Reimbursement or payment of expenses is in all cases subject to the terms of the subaward, including submission of an invoice marked "Final."*

SECTION II. PATENTS

Are there any inventions to be reported which resulted from work performed under this subaward?

☐ No. ☐ Yes. Please complete the following (attach additional pages as necessary):

Name of Inventor: _____

Name / Description of Invention(s): _____

**** A COMPLETE INVENTION DISCLOSURE MUST ACCOMPANY THIS DOCUMENT FOR ANY INVENTIONS NOT PREVIOUSLY DISCLOSED TO UT AUSTIN, WHICH RESULTED FROM WORK PERFORMED UNDER THIS SUBAGREEMENT. INVENTION REPORTING SHALL BE IN THE SAME FORM AS REQUIRED BY THE PRIME AWARD.**

SECTION III. FEDERAL GOVERNMENT/SPONSOR PROVIDED OR FUNDED EQUIPMENT ACQUISITION

Was any equipment provided by the Federal Government/Sponsor, or was any equipment purchased with Federal or Sponsor funds provided under this subaward?

☐ No. ☐ Yes, where all equipment either provided, or purchased with funds, under this subaward has been delivered to the U.S. Government or Sponsor through PTE or is it awaiting disposition instructions. (Please reference FAR 52.245-1 or other terms and conditions of the subaward.)

Authorized Official's Signature: _____ Date: _____

Printed Name: _____ Title: _____

Email: _____ Phone: _____

Information

Agenda Item

Resolution - Community Development: Consider a resolution authorizing the Mayor to execute Amendment No. 3 to Community Development Funding Contract 16001, and all related documents, with YWCA of Lubbock, to provide Childcare Assistance to qualified low-to-moderate income persons and families who have been affected by COVID-19, through the Community Development Block Grant Coronavirus Relief and Economic Security Act CARES (CDBG / CARES) administered by the U.S. Department of Housing & Urban Development (HUD).

Item Summary

Grantee: YWCA of Lubbock
Funding Source: Community Development Block Grant Coronavirus Relief and Economic Security Act CARES (CDBG CARES) funds from HUD
Use of Funds: Childcare Assistance for low-income citizens of the City of Lubbock affected by COVID-19. This is a voucher program administered by YWCA through licensed childcare facilities in Lubbock, Texas.
Original Allocation: Up to $200,000
1st Amendment Allocation: Up to $700,000 (additional $500,000)
2nd Amendment Allocation Up to $1,100,000 (additional $400,000)
3rd Amendment Allocation Up to $1,415,000 (additional $315,000)
Original Terms: October 1, 2021 – September 30, 2022
1st Amendment Terms: October 1, 2021 – September 30, 2023

This reallocated CDBG CARES funding will fully expend the CDBG-CV Grant and expend unobligated funds from the 2019 and 2020 CDBG Grants.

Fiscal Impact

There is no fiscal impact to the General Fund. The maximum amount allocated to YWCA for the CDBG/CARES Childcare Assistance program is $1,415,000.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Karen Murfee, Director Community Development

Attachments

Resolution
YWCA Amendment

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 3 to the Community Development Block Grant Funding Agreement 16001, and all related documents, between the City of Lubbock and YWCA of Lubbock to provide childcare assistance for qualified persons. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Karen Murfee, Community Development Director

APPROVED AS TO FORM:

_____
Amy L. Sims, Deputy City Attorney

ccdocs/RES. Amendment #3 CDBG Contract 16001 – YWCA
8.7.23

AMENDMENT III

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT CARES (CARES) FUNDING AGREEMENT
BETWEEN
THE CITY OF LUBBOCK
AND
YWCA OF LUBBOCK
CHILDCARE ASSISTANCE

This Community Development Block Grant Coronavirus Relief and Economic Security Act CARES (CDBG / CARES) Funding Agreement (the "Agreement"), Contract No. **16001**, is made by and between the City of Lubbock, a State of Texas home rule municipal corporation (the "City") and the **YWCA OF LUBBOCK**, (the "Grantee"), (each a "Party," and collectively the "Parties") acting by and through the Parties' representative officers and officials, and is hereby entered into by the Parties on this **___ day of** _____, **2023** (the "Effective Date").

RECITALS

WHEREAS, the City is obligated to do and perform certain services in its undertaking of a Community Development Block Grant Coronavirus Aid, Relief and Economic Security Act (CDBG / CARES) Program, Public Law 116-136. Funds are to be used to prevent, prepare for and
respond to coronavirus pandemic (COVID-19). Coronavirus means SARS-CoV-2 or another coronavirus with pandemic potential, as defined by section 23005 of the CARES Act; and

WHEREAS, the Grantee operates a non-profit center offering services to individuals and families throughout Lubbock, Texas; and

WHEREAS, the Grantee proposes to use the funds in order to provide individuals and families **Childcare Assistance** (the "Program"); and

WHEREAS, the Grantee's services benefit residents in Lubbock, Texas and constitute a valuable public service, and the City Council of the City (the "City Council") has declared the services provided by the City to be a public purpose; and

WHEREAS, the accomplishment of the above public purpose is the predominate purpose of this Agreement; and

WHEREAS, the continuing supervision by the City with statutory and contractual requirements provide sufficient assurance that the public purpose of this Agreement will be accomplished; and

WHEREAS, the City Council has found that the Grantee has the special expertise, knowledge, and experience necessary for the operation of the Program; and, that the City will receive adequate consideration in the form of substantial public benefit; and

NOW, THEREFORE: THE PARTIES, FOR GOOD AND VALUABLE CONSIDERATION, AGREE AS FOLLOWS:

AMENDMENT

Article 1. The language in Article IV 'Not to Exceed of the Agreement shall be replaced with the following:

> *"The City agrees to reimburse Grantee when, if and to the extent Federal funds are received under provisions of the Act a sum up to and not to exceed one million four hundred fifteen thousand dollars ($1,415,00.00) for the Grantee's performance of the Scope of Work in accordance with the Budget attached hereto as Exhibit A."*

Article 2. The language in Exhibit A 'Budget' of the Agreement shall be replaced with the following:

> *"The budget for this program is $1,415,000.00"*

This Amendment shall become effective upon execution by the Parties. The remainder of the Agreement shall remain in full force and effect accept as changed herein.

SIGNATURES

FOR: THE CITY OF LUBBOCK:

TRAY PAYNE, MAYOR

FOR: YWCA OF LUBBOCK

Glenda Mathis,
Executive Director

Dawndra Sechrist, Board President

FED.I.D. #75-0939427

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Karen Murfee, Community Development Director

APPROVED AS TO FORM:

Amy Sims, Deputy City Attorney

Information

Agenda Item

Resolution - Aviation: Consider a resolution authorizing the Mayor to execute Contract 17096, with SSP America, Inc., for the Food, Beverage, and Retail Sales Concessions at the Lubbock Preston Smith International Airport.

Item Summary

The Airport is seeking a concession program with a variety of popular food and beverage product selections that will be well received by passengers and other airport users. The concessions will include a full-service restaurant/bar, food court area with multiple food and beverage options, coffee shop, retail gift shop, and vending and/or unmanned kiosks.

In response to RFP 23-17096-MA, proposals were received by 4 vendors.

An evaluation committee independently reviewed the proposals based on the following criteria: Experience and Qualifications - 25 points, Customer Goals and Operations Plan - 15 points, Proposed Concession Fees - 25 points, Facility Design and Quality of Improvements - 25 points, and Airport Concessions Disadvantaged Business Enterprise Participation - 10 points. The proposals were ranked as follows.

Company	Points
SSP America, Inc., Ashburn, Virginia	89.5
HMS Host, Bethesda, Massachusetts	79.0
Tailwind Hospitality, Inc., Wilmington, North Carolina	69.0
Oakwells, Winter Park, Florida	61.0

Airport staff and the Airport Advisory Board recommend contract award to the highest-ranking proposer, SSP America, Inc. of Ashburn, Virginia. The term is for 10 years with one additional 5-year option.

SSP America, Inc. will spend $1,985,000 in initial capital investment with 20% funding from the Joint Venture Partner and 10% from Paint Rock Coffee, LLC.

Lessee agrees to spend an additional $198,500 in midterm refurbishment between Agreement Years 7 and 8. This additional funding may be used to upgrade facilities in the operated premises, provide additional facilities, or change existing facilities if necessary. Lessee agrees to supply Lessor with the breakout of estimated capital expenditures that will make up the total capital investment.

Fiscal Impact

Lessee agrees to pay 14% of all gross sales and rent for the square footage of exclusive office space. The rental rate will be equal to the terminal rental rate paid by the airlines and as adjusted annually by the City.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Kelly Campbell, Executive Director of Aviation
Airport Advisory Board

Attachments

SSP Resolution

SSP Agreement

Project Summary

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, a Restaurant Concession Agreement at the Lubbock Preston Smith International Airport, by and between the City of Lubbock and SSP America LLB, LLC, and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Jay Patel for Kelly Campbell

_____
Kelly Campbell, Executive Director of Aviation

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocs II/RES.Agrmt-SSP America LBB, LLC
August 9, 2023

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THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF LUBBOCK §

RESTAURANT CONCESSION AGREEMENT

This LEASE AGREEMENT, hereinafter referred to as the "Agreement" or "Lease," is entered into at Lubbock, Texas, by and between the **CITY OF LUBBOCK, TEXAS**, (referred to herein as "Lessor"), and **SSP America LBB, LLC, a Texas limited liability company** (referred to herein as "Lessee").

WITNESSETH:

WHEREAS, Lessor owns and operates Lubbock Preston Smith International Airport (referred to herein as "Airport"); and

WHEREAS, Lessor deems it advantageous to itself and to its operation of the Airport to enter into a restaurant concession agreement with Lessee including leasing unto Lessee the Airport terminal area herein described, together with certain privileges, rights, uses, and interest therein, as set forth below; and

WHEREAS, Lessee intends to utilize the Premises for the purpose of establishing and maintaining the exclusive liquor, restaurant, and news/gift sales for the passenger terminal at the Airport; and

WHEREAS, the Airport Advisory Board of the City of Lubbock has approved and recommends Lessee be granted this Agreement for the term designated below; and

WHEREAS, the City Council of the City of Lubbock accepts the recommendation of the Airport Advisory Board and finds that execution of this Lease will properly serve the public interest of the citizens of the City of Lubbock;

NOW THEREFORE, The Parties do hereby agree as follows:

ARTICLE I

DEMISE OF LEASED PREMISES

1.01 LEASED PREMISES

In consideration of the mutual covenants and agreements of this Lease, and other good and valuable consideration, Lessor demises and leases to Lessee, and Lessee lease from Lessor, certain property in the Airport terminal building including - the kitchen, food court, alcoholic beverage lounge, gift/news shop, offices, and related areas, all as shown on the attached hereto as Exhibit "1," (referred to herein as "Leased Premises" or "Premises).

1.02 PURPOSES & CONCESSIONS

Lessee's use of said Leased Premises shall be for the sole purpose as set out below unless otherwise stated herein. All such business operations at the Airport will be confined to the Leased Premises.

Lessor grants to Lessee the exclusive liquor, restaurant, gift shop, and coffee shop concession sales for the entire Airport terminal building including merchandising and vending machines, except any vending machines operated by Lessor or its tenants or employees.

The concessions granted herein are described as novelties, news, magazines, books, tobacco items, and wearing apparel. Lessor agrees to give Lessee first right of refusal on any additional merchandise categories and locations within the Airport if and when demand specifies such additional items be added to the assortment. Lessor reserves the right to negotiate a separate fee structure for any such new categories or any categories added to the scope of this Agreement. The Leased Premises do not include shoeshine areas, airline VIP clubs exclusively operated and controlled by an airline, and game machines.

1.03 RIGHTS OF OTHERS

Nothing in this Agreement shall be construed as granting Lessee any right to operate any other business or concession at the Airport except as enumerated herein. Lessor specifically reserves the right to grant to other concessionaires the privileges not specifically contained within the scope of this Agreement.

1.04 JOINT VENTURE AGREEMENT

Lessee agrees to enter into a (20%) Joint Venture Partner Agreement with a firm(s) who qualify as an Airport Concession Disadvantaged Business Enterprises (hereinafter referred as ACDBE(s) or DBE) under Department of Transportation Regulations. Lessee agrees to make every effort to select this entity from the State of Texas. Lessor agrees to make every effort to

assist Lessee in locating this entity from the existing pool of certifiable ACDBE(s) candidates located within the State of Texas. The duration of the joint venture will be determined by the "Joint Venture Agreement" but will not exceed the duration of this Agreement. As required by 49CFR 23.107(d)(2)(iii), the DBE firm(s) participating in the Joint Venture Agreement who is unable to perform successfully will be replaced with another DBE firm(s) if the remaining term of the agreement makes this feasible. The selection process will be the same as heretofore set out.

1.05 CAPITAL INVESTMENT

Lessee agrees to spend approximately **($1,985,000)** in initial capital investment, with twenty percent (20%) funding from the Joint Venture Partner, as defined in Article II of the Joint Venture Agreement, ten percent (10%) from Paint Rock Coffee, LLC, and the remainder of the funding from the Lessee. The initial capital investment will be used for remodeling, refurbishing, or upgrading the kitchen area, food court, customer seating area, bar, and news/gift shop. Lessee agrees to supply Lessor with the breakout of estimated initial capital expenditures that will make up the total capital investment. Final level of calculation of capital investment shall be determined within 30 days of the opening of the food court.

Lessee agrees to spend up to an additional One Hundred Ninety-Eight Thousand Five Hundred Dollars **($198,500.00)** in midterm refurbishment between agreement years 7 and 8 with twenty percent (20%) of the funding from the Joint Venture Partner, as defined in Article II of the Joint Venture Agreement, ten percent (10%) from Paint Rock Coffee, LLC, and the remaining funding being furnished by the Lessee. The midterm refurbishment may be used to upgrade facilities in the operated Premises, provide additional facilities, or change existing facilities if necessary. Lessee agrees to supply Lessor with the breakout of midterm capital expenditures that will make up the total capital investment.

1.06 PUBLIC BENEFIT

Lessee agrees to conduct business on the Leased Premises for the use and benefit of the public and further agrees:

a. To furnish good, prompt, and efficient services adequate to meet all the demands for Lessor's services at the Airport;

b. To furnish said services on a fair, equal, and nondiscriminatory basis to all users thereof; and

c. To charge fair, reasonable, nondiscriminatory prices for each unit of sale or service provided Lessee may make reasonable, nondiscriminatory discounts, rebates, or other similar types of price reductions of volume purchase.

ARTICLE II

TERM OF AGREEMENT

2.01 TERM

The initial term ("Term") of this Agreement shall be for a period of ten (10) years commencing upon the earlier of:

(i) three hundred sixty (360) days from the date on which possession of the Premises is delivered by Lessor to Lessee, which delivery date shall be no later than February 1, 2024, or

(ii) the last unit to reopen for business to the public within the Leased Premises.,

This Agreement shall automatically extend upon expiration of the initial term for one (1) additional five (5) year period. Prior to the approval of an extension of this Agreement, Lessor will submit Lessee's written request for extension to the Federal Aviation Administration as required by 49 CFR 23.107(D)(2)(ii) in order to determine if the extent of DBE participation will change.

2.02 TERMINATION

This Agreement will terminate without further notice when the Term (or any extension thereof) expires. Upon expiration of the Term, Lessee shall be considered to be occupying the Premises on an at will tenancy, subject to all the terms of this Lease.

ARTICLE III

RENTALS AND FEES

3.01 RENTAL

In consideration of the rights and privileges herein granted, commencing upon the delivery of the Premises from Lessor to Lessee, Lessee shall pay to Lessor the amounts provided below on all gross sales.

RENT SCHEDULE

All Gross Sales – 14.0%

Gross sales shall include all monies received by Lessee from the sale of articles and other items upon or from the Leased Premises, and from services rendered,

operations, and business of every kind conducted upon or from the Leased Premises less the deduction of State and Federal sales and excise taxes, gratuities, and employee discounts.

In addition to the rent schedule above, the Lessor shall pay to the City rent for the square footage of exclusive office space, as shown on Exhibit "2". The rental rate shall be equal to the terminal rental rate paid by the airlines, and as adjusted annually by the City.

3.02 PAYMENTS

All payments that become due and payable by Lessee shall be made to Lubbock Preston Smith International Airport, 5401 N. Martin Luther King Blvd., Unit 389, Lubbock, Texas 79401. Lessee shall pay Lessor a late payment charge of five percent (5%) of the total amount of the rental payable if payment is not made on or before the twentieth (20^{th}) day of each month. Lessee shall furnish the Director of Aviation an itemized statement of Gross Sales received for the previous month and shall simultaneously pay the City amounts due thereunder.

Lessee shall provide monthly and annual gross sales reports throughout the Term of this Agreement and any extensions thereof. The Lessee shall utilize a computerized reporting system and therefore Lessor reserves the right at any time during the Agreement to request the Lessee implement a computerized system designed to generate timely gross sales reports and to further modify the system from time to time.

3.03 DEFAULT FOR FAILURE TO PAY RENTALS OR FEES

If Lessee fails to pay rent due within fifteen (15) days of the due date, the Executive Director shall provide written notice to the Lessee. Thereafter, if the rent remains unpaid, Lessor may exercise its rights under Article VI of this Agreement.

3.04 SECURITY BADGES

In addition to the above rental and fees, Lessee shall pay the Lessor a processing fee for security badges for each of Lessee's employees. Executive Director shall determine the amount of the processing fee, which shall be reasonable and uniform for all similarly situated tenants at the Airport.

3.05 TRASH DISPOSAL

Lessee shall pay to Lessor a trash disposal fee of TWO HUNDRED SEVENTY AND NO/100 DOLLARS ($270.00) per month. If the Lessor's costs increase for the trash disposal, Lessee agrees to renegotiate said fee.

3.06 WATER SOFTENER

Lessee shall pay to Lessor FORTY-FIVE AND NO/100 DOLLARS ($45.00) per month for the water softener. If the Lessor's costs increase for the water softener, Lessee agrees to renegotiate said fee.

3.07 UTILITIES

Lessee shall pay to Lessor each calendar month of the Lease Year and any exercised option term of this Lease, for Lessee's use of utilities for the Premises, which are separately metered, including but not limited to water and electricity. For metered utilities, Lessee will be billed by the City at the rate provided to the City, due upon receipt. Lessee shall arrange for and pay the cost of installation and usage of telephone service for the Premises, and any other utilities Lessee desires or requires for the Premises, which are not provided to the Premises as of the date of this Lease.

3.08 EMPLOYEE PARKING FACILITIES

Lessee shall have the right to use the automobile parking facilities for its employees. Executive Director shall determine the amount of the processing fee, which shall be reasonable and uniform for all similarly situated tenants at the Airport.

Such facilities are located in an area designated by the Executive Director, however, such area(s) shall not be used for the long-term storage of vehicles and trailers. Long-term shall mean periods greater than two (2) weeks.

ARTICLE IV

RIGHTS RESERVED TO LESSOR

The following rights are reserved unto Lessor, and Lessee agrees that all rights, powers and privileges granted under this Lease shall be subordinated to Lessor's rights as hereinafter stated:

4.01 AIRPORT HAZARDS

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting the erection of any building or other structure on the Airport or constitute a hazard to aircraft and the right to remove any such obstructions.

4.02 AGREEMENT WITH UNITED STATES

During time of war or national emergency, the Lessor shall have the right to enter into an agreement with the United States Government for military or naval use of all or part of the landing area, the publicly-owned air navigation facilities, and any other area or facilities of the Airport. If any such agreement is executed, the provisions of this Lease, insofar as they are inconsistent with the provisions of this Agreement with the Government, shall be suspended. The Term of this Lease may be extended by mutual agreement between the Lessor and Lessee by the amount of the period of such suspension.

4.03 SUBORDINATION OF LESSEE'S RIGHTS

This Agreement shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States pertaining to the operation and maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

4.04 DEVELOPMENT OF AIRPORT

Lessee shall not operate in any manner that would impair Lessor's ability to secure federal funding or affect the efficient operation of the Airport. Lessee also agrees that Lessor has the right to further develop or improve the Airport as Lessor sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance therefrom.

4.05 MAINTENANCE OF PUBLIC AREA

Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

ARTICLE V

GENERAL CONDITIONS

This Lease granted subject to the following provisions and conditions:

5.01 RULES AND REGULATIONS

In conducting its business on the Leased Premises, Lessee shall comply with and ensure all authorized activities conducted comply with all federal, state, and local laws, ordinances, rules, and regulations now in force or hereinafter prescribed or promulgated by authority or by law. Lessee shall pay for all licenses and permits necessary for the operation of said food service and

bar and shall pay all fees, taxes, and charges assessed under State, local, or Federal statues or ordinances insofar as they are applicable.

Lessee further agrees in the event a civil penalty or fine is levied against the Airport as a result of Lessee's failure to comply or act in accordance with said laws, ordinances, rules, or regulations, Lessee shall immediately reimburse the Airport the full amount of the penalty or fine and correct the failure, act, or omission leading to, causing, or contributing to the violation. Failure of the Lessee to comply with any requirement of this paragraph shall be cause for immediate termination of this Lease by Executive Director. Provided, however, the duty of Lessee to reimburse Lessor is subject to Lessor providing written notice of any potential fine or penalty. Lessee shall be provided notice to participate in the proceeding and defend itself, with counsel of its choice, at its own cost.

5.02 IMPROVEMENTS OR ALTERATIONS

Lessee may not, absent the prior written consent of Lessor in principle to the proposed activities, erect, maintain, alter, remodel, reconstruct, rebuild, replace, and remove buildings and other improvements on the Premises, and correct and change the contour of the Premises, except as provided by Article I, 1.05.

Lessee agrees any said improvements or alterations approved by Lessor, including the improvements outlined in Article I, 1.05, shall comply with all applicable federal law, state law, and city ordinances.

In the event Lessor shall consent in principle to the proposed activities of Lessee, such activities of Lessee are subject to the following:

a. Lessee is responsible for the cost of any such work.

b. The Premises must at all times be kept free of mechanics and materialman's liens.

Lessor must be notified of the time for beginning and the general nature of any such work, other than routine maintenance of existing buildings or improvements, at the time the work begins.

5.03 SIGNS

Lessee shall have the right to place signs identifying Lessee's business at locations approved by the Executive Director. Said signs shall be of a type, size, and design approved in writing by the Executive Director. The installation of such signs must comply with all applicable City ordinances and shall be without cost to the Lessor.

5.04 LIENS

Lessee shall not cause or permit any mechanics and materialman's liens or other liens to be filed against the Premises or against Lessee's leasehold interest in the land or any buildings or improvements on the Premises by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee or anyone holding the Premises or any part of them through or under Lessee. If such a mechanics or materialman's lien is recorded against the Premises or any buildings or improvements on them, Lessee must either cause it to be removed or, if Lessee in good faith wishes to contest the lien, take timely action to do so, at Lessee's sole expense. If Lessee contests the lien, Lessee will indemnify Lessor and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will, in the event of a judgment of foreclosure on the lien, cause to the lien to be discharged and removed before the judgment is executed.

5.05 REMOVAL AND DEMOLITION

Lessee shall not remove or demolish, in whole or in part, any improvements that already exist on the Leased Premises without prior written consent of the Executive Director, who may, in discretion, condition such consent upon the obligation of Lessee to replace the same improvements specified in such consent upon termination or expiration of this Lease. This provision applies to those improvements outlined in Article I, 1.05 as well. The Executive Director shall not withhold consent unreasonably and shall not impose unreasonable conditions on the consent.

5.06 INSPECTION OF LEASED PREMISES

Lessor, acting by and through its Executive Director or a designated representatives, shall have the right to inspect the Leased Premises at all reasonable times during the Term of this Lease and during any extension thereof.

5.07 INSPECTION OF BOOKS AND RECORDS

Lessee shall maintain complete digital books and records of all transactions, sales, and income resulting from its business operations at the Airport, which books and records may be inspected at any time by the Executive Director or a designated representative at Lubbock, Texas, upon reasonable notice to the Lessee. In the event Lessee request such inspection to be performed outside the Lubbock Area, the Executive Director may honor such request; however, all expenses incurred by so doing shall be reimbursed by the Lessee. Lessee agrees to furnish facts and figures necessary to determine the amount to be paid Lessor, together with a fiscal-year-end signed

statement certified by a Certified Public Accountant that such figures are correct and properly stated.

5.08 JANITORIAL SERVICES

Lessee shall, at its own expense, provide janitorial services for the Leased Premises. Said services may be provided by the Lessee alone, or by Lessee in conjunction with other tenants who are now or may hereafter be Lessees at the Airport.

5.09 MAINTENANCE & SERVICES

Lessee shall provide the following services at the Airport at all times during the term of this Agreement, and at Lessees own cost and expense:

a. Lessee will operate the Premises for the use and benefit of the public and furnish service on a fair, equal, and not unjustly discriminatory basis to all customers.

b. Lessee must be open for business at the designated operating hours, unless otherwise authorized in writing by the Executive Director. The minimum hours of operation shall be 365 days a year, and within fifteen minutes of the checkpoint opening, with continuous operation until the last flight has boarded. Concessionaire operations must be flexible enough to provide extended hours to accommodate the additional business and customer service opportunities generated as a direct result of flight delays or airline schedule changes, to the extent there are customers in the Concourse or the possibility of passengers deplaning.

c. All food and beverages offered for sale by Lessee must be of high quality and comparable to first class food and beverage facilities of a similar type in the Lubbock area.

d. Lessee will offer an employee discount of 20% to all airport tenants, City of Lubbock Airport employees, and airline employees with respect to food and non-alcoholic beverages.

e. Lessee shall provide electrical power and gas used in the operation of said restaurant for cooking purposes only, provided that Lessor shall install separate meters free of cost to Lessee, so that said fuels are correctly metered, and said fuels, if furnished through Lessor, are to be paid for by the Lessee at the rate set forth in ordinary utility contracts covering commercial users.

f. Lessee shall furnish its own equipment, utensils, dishes, silverware, china, tables, and chairs and all other equipment not specifically excluded elsewhere in this Agreement, needed to operate a first class restaurant and bar.

g. Lessee shall provide, maintain, train, and supervise a staff of employees adequate at all times to fulfill their obligations under this Lease.

h. At all times Lessee's employees performing services shall be neat, appropriately attired, clean and courteous; Lessee shall not permit its contractors, agents, or employees so engaged to conduct business in a loud, noisy, boisterous, offensive, or objectionable manner, or to smoke on duty in public view or while preparing food.

i. Lessee shall obtain and maintain all necessary certificates required by the Texas state Board of Health and any and all other permits and licenses required for tis operations.

j. Lessee shall, at its sole cost and expense, maintain the Leased Premises in presentable, neat, clean, attractive, safe, and in an orderly condition consistent with good business practices. Lessee shall keep the Leased Premises free of waste, refuse, and debris and shall provide complete and proper arrangement for the sanitary handling and disposal of trash, garbage, and other refuse caused as a result of its operations at the Airport.

k. Lessee agrees that Lessor reserves the right to determine the location and manner in which publications and or other materials may be displayed in the Leased Premises.

The Executive Director, acting in good faith, shall be the sole judge of the quality of maintenance, and upon written notice, Lessee shall be required to perform whatever maintenance deemed necessary. If said maintenance is not commenced by Lessee within thirty (30) days after receipt of written notice, the Executive Director shall have the right to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

5.10 LESSEE'S DUTY TO REPAIR

Except as provided herein, any property of Lessor, or for which Lessor may be responsible, which is damaged or destroyed incident to the exercise of the rights or privileges herein granted, or which damage or destruction is occasioned by the negligence of Lessee, its employees, agents, servants, patrons, or invitees shall be properly repaired or replaced by Lessee to the satisfaction of the Executive Director. In lieu of such repair or replacement, Lessor and Lessee may mutually agree to the payment of an amount by Lessee to compensate Lessor from losses sustained or expenses incurred as a result of the loss of or damage to or destruction of such property.

5.11 UTILITIES

Lessor agrees to furnish ventilation, heat, light, air-conditioning, and water in the demised Premises at no cost to Lessee. Lessor agrees to keep the equipment for the furnishing of said heat, light, air-conditioning, and water in good repair during the Term of this Lease without cost to Lessee. Lessor further agrees to provide sewage and drainage lines including installation, maintenance, and repair thereof, except that which is caused by negligence of Lessee. In the furnishing of water and lights, the Lessee will exercise prudent management to prevent waste. If waste is excessive, to be determined by the Executive Director's reasonable discretion, the Lessor may meter or otherwise determine the extent of waste and charge Lessee for excess usage.

5.12 TAXES, ASSESSMENTS, AND LICENSES

In addition to the rent specified in Article III, Lessee will pay and discharge all taxes, general and special assessments, and other charges of any kind levied on or assessed against the Premises and all interest in the Premises and all improvements and other property on them during the Lease term, whether belonging to Lessor or to Lessee. Lessee will pay all the taxes, charges, and assessments directly to the public officer charged with their collection not fewer than fifteen (15) days before they become delinquent, and Lessee will indemnify Lessor and hold it harmless from all such taxes, charges, and assessments. Lessee may, in good faith at its own expense contest any such taxes, charges, and assessments and must pay the contested amount, plus any penalties and interest imposed, if and when finally determined to be due.

Lessee shall obtain and pay for all licenses and permits necessary or required by law for the construction of any additional improvements, the installation of equipment and furnishings, and any other licenses necessary for the conduct of its business.

5.13 INDEMNITY AND RELEASE

Lessee shall indemnify and hold harmless, to the fullest extent permitted by law, Lessor, and Lessor's respective officers, employees, elected officials, and agents from and against any and all losses, business losses, damages, claims or liabilities, of any kind or nature, which arise directly or indirectly, or are related to, in any way, manner or form, the activities contemplated hereunder, or the omission of the activities contemplated hereunder, whether caused, or contributed to, by the negligence or fault of Lessor, its officials and/or agents, including, but not limited to losses, damages, claims or liabilities arising from or related to, in any way, manner or form, the act or omission of third parties on the Premises herein leased. Lessee further covenants and agrees to defend any suits or administrative proceedings brought against Lessor and/or Lessor's respective

officers, employees, elected officials and/or agents on account of any such claim, and to pay or discharge the full amount or obligation of any such claim incurred by, accruing to, or imposed on Lessor, or Lessor's respective officers, employees, elected officials and/or agents, as applicable, resulting from any such suits, claims and/or administrative proceedings or any matters resulting from the settlement or resolution of said suits, claims, and/or administrative proceedings. In addition, Lessee shall pay to Lessor, Lessor's respective officers, employees, elected officials and/or agents, as applicable, all attorneys' fees incurred by such parties in enforcing Lessee's indemnity in this section.

Both parties hereby agree to mutually release each other and their respective officers, employees, elected officials, and agents shall not be liable, and both parties hereby release each other and their respective officers, employees, elected officials, and agents, for, from, and/or against any losses, damages, claims, or liabilities to Lessee, on any theory of legal liability, including, but not limited to the negligence, of any type or degree, or fault, of either party, arising from or related to, in any way, manner or form, the unenforceability or voidance, for any reason, of all or any part of this Agreement.

The indemnity and release provided herein shall survive the termination or voidance of this Agreement. Provided this Agreement does not release Lessor, nor indemnify or hold harmless, nor require a legal defense of Lessor, for any losses, business losses, damages, claims, or liabilities of any kind, which arise directly from the intentional acts or omissions of the employees, agents, officers, official, or any other person acting for or under authority of Lessor, payments or other reimbursements shall not be subrogated or otherwise made the basis of any claim by Lessor or any third person for reimbursement by Lessee.

5.14 PUBLIC LIABILITY; PROPERTY DAMAGE AND WORKER'S COMPENSATON INSURANCE

Lessee shall maintain at all times during the Term of this Lease, during any extension thereof, at its sole expense, with an insurance underwriter reasonably acceptable to the Executive Director and authorized to do business in the State of Texas, adequate insurance against claims of public liability and property damage resulting from Lessee's activities at the Airport. The amount of insurance coverage's shall not be less than **ONE HUNDRED THOUSAND DOLLARS ($100,000)** for property damages as a result in any one event, or less than **THREE HUNDRED THOUSAND DOLLARS ($300,000)** for personal injury or death of any one person in any one event, or less than **FIVE HUNDERED THOUSAND DOLLARS ($500,000)** for personal injury

or death of two or more persons in any one event. All policies shall contain an agreement on the part of the respective insurers waiving the right of such insurer to subrogation. Certificates of insurance or other satisfactory evidence of insurance shall be filed with Executive Director prior to the commencement of the initial term of this Lease. Each policy shall name the City of Lubbock as additional insured as its interest may appear, require the insurer to notify the Executive Director of any alteration, nonrenewal, or cancellation, and remain in full force and effect until at least ten (10) days after such notice of alteration, nonrenewal, or cancellation is received by the Executive Director.

Lessee shall provide Worker's Compensation Insurance.

Upon the renewal date of each policy owned by Lessee, separate certificates of renewal shall be provided to the Executive Director.

5.15 FIRE AND HAZARD INSURANCE

Lessee shall acquire fire and extended insurance coverage for the Leased Premises and fixtures on the Leased Premises and shall keep such insurance in full force and effect during the entire term of this Lease, and during any extension thereof. Such insurance shall be in an amount equal to not less than eighty percent (80%) of the replacement value of the Leased Premises and fixtures. All fire insurance policies shall contain a loss payee endorsement in favor of the Lessor as their interest may appear. The policy shall also waive the right of subrogation against the Lessor. Lessee shall furnish evidence of certificates of insurance to the Executive Director prior to taking possession of the Leased Premises.

5.16 AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES (ACDBE) REQUIREMENTS, AFFIRMATIVE ACTION, AND NON-DISCRIMINATION

a) **ACDBE Requirements**: Lessee understands and agrees to the following assurances: It is the policy of the Lessor that ACDBEs shall have the maximum practicable opportunity to participate in the awarding of Lessor contracts. Lessee agrees to use good faith efforts to promote this policy through its concession program at the Airport. Specifically, Lessee agrees to use good faith efforts to satisfy the Lessor's ACDBE participation goal and to abide by all applicable provisions of the Lessor's ACDBE Program and this Agreement.

b) **NONDISCRIMINATION:** The Lessee, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree: (1) that no person, on the grounds of race, color, religion, creed,

political ideas, sex, age, or physical or mental handicap, shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements and the furnishing of services, no person on the grounds of race, color, religion, creed, political ideas, sex, age, or physical or mental handicaps, shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights of 1964, and as said Regulations may be amended; and (4) that Lessee will not block, close, or otherwise cause the accessibility of handicapped accessible ingress and egress to be nonfunctional without providing an alternative means of access approved in writing by the Airport Director.

The Lessee shall furnish its accommodations and/or services on a fair, equal, and nondiscriminatory basis to all users thereof, and it shall charge fair, reasonable, and nondiscriminatory prices for each unit of service; however, the Lessee may be allowed to make reasonable discounts or other similar type of price reductions to purchasers (such as employees of the Lessor or other vendors at the Airport) on a nondiscriminatory basis.

c) **AFFIRMATIVE ACTION:** If required by Law, Lessee assures that it will undertake an affirmative action program, as required by 14 CFR part 152, subpart E, to ensure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from participating in any employment, contracting, or leasing activities covered in 14 CFR part 152, subpart E. The Lessee assures that no person shall be excluded, on these grounds, from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its sub-organizations (contractors, sub-tenants) provide assurances to the Lessee that they similarly will undertake

affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR part 152, subpart E, to the same effect.

The Lessee further agrees to comply with any affirmative action plan or steps for equal employment opportunity required by 14 CFR part 152, subpart E, as part of the affirmative action program, and by any Federal, State, or local agency or court, including those resulting from a conciliation agreement, a consent decree, court order, or similar mechanism. The Lessee agrees that State or local affirmative action plans will be used in lieu of any affirmative action plan or steps required by 14 CFR part 152, subpart E, only when they fully meet the standards set forth in 14 CFR 152.409. The Lessee agrees to obtain a similar assurance from its suborganizations, and to cause them to require a similar assurance of their covered suborganizations, as required by 14 CFR part 152, subpart E.

Lessee at its expense will comply with all requirements of the Americans with Disabilities Act (ADA) as may be amended from time to time applicable to the Premises.

5.17 WARRANTY OF NO SOLICITATION

Lessee warrants that it has not employed any person employed by Lessor to solicit or secure this Agreement upon any agreement for a commission, percentage, brokerage, or contingent fee.

5.18 NO ASSIGNMENT OR SUBLETTING

Except with the prior written consent of the Executive Director, such consent not to be unreasonably withheld, Lessee shall not sublet any part of the Leased Premises or assign any of its rights hereunder. No such assignment or subletting made with the consent of the Executive Director shall affect Lessee's obligation to make all required rental and fee payments hereunder upon default of any assignee or subtenant. Except as set forth above, Lessee shall not at any time assign, sell, transfer, pledge, or otherwise alienate this Agreement or any interest herein without the prior written consent of the Executive Director, such consent not to be unreasonably withheld.

5.19 WAIVER

The failure of Lessor to insist in any one or more instance upon performance of any of the terms, covenants, or conditions of this Lease shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions and Lessee's obligation with respect to such future performance shall continue to be in full force and effect. Furthermore, the acceptance of rentals or fees by Lessor after Lessee's failure to perform, keep or observe any of

the terms, covenants, or conditions of the Lease shall not be deemed a waiver by Lessor to cancel this Agreement for such failure.

5.20 SECURITY REQUIREMENTS

Lessee shall provide approved escort for vendor employees and delivery personnel requiring access to the secure area of the Terminal.

Lessee shall comply with any applicable provisions of the City's Airport Security Plan (ASP), Security Directives issued by TSA, and any applicable rules and regulations which may be promulgated by TSA from time to time, which have been provided to Lessee ("Security Requirements" hereinafter). Lessee shall submit to inspections by TSA, the City and/or their security screening contractor, to ensure compliance with Security Requirements.

Any violation of conformance with Security Requirements will be documented in writing and a copy of the violation notice provided to the Lessee's Manager in writing. Lessee will investigate the violation and provide a written response and/or corrective action within twenty four (24) hours. A copy of the response will be provided to the City.

To the extent that any action or omission by Lessee, its officers or employees, to follow Security Requirements results in the City being fined, including any type of monetary assessment or penalty (collectively, a "Fine"), by TSA or any other governmental entity having jurisdiction, Lessee shall promptly reimburse the City for any such Fine, together with the reasonable costs incurred by the City in defending against the proceeding or actions which has resulted in the Fine. The City shall notify Lessee if any such Fine has been proposed, and give Lessee the opportunity to join in the defense of any such proceeding. Lessee shall promptly pay any Fine levied directly against Lessee by TSA or any other governmental entity having jurisdiction, no later than five (5) days after any protest or appeal process have run or the time for taking them has expired.

Lessee acknowledges that all products delivered and transported to the secure portion of the Terminal are subject to inspection. All Lessee employees, officers, and escorted visitors in the secure area of the Terminal are subject to search, and may be required to provide appropriate credentials.

Lessee acknowledges that all Security Requirements which are shown or provided to it above, are sensitive security information ("SSI") in accordance with 49 CFR Part 1520, that Lessee and any involved persons are required to protect the same from unauthorized disclosure, and that civil penalties may be imposed for failure to do so. The Lessee's general manager (the "Manager")

is the designated primary point of contact for receiving any SSI which Lessee receives. The Manager will acknowledge receipt of SSI to the City, and confirm any actions taken by Lessee as required by the SSI. All SSI materials shall be stored in secured areas, or locked in secured cabinets, within the Lessee's Premises at the Airport. Materials marked as containing SSI shall be disposed of by shredding.

5.21 STANDARDS

Lessor reserves the right to establish reasonable standards for the construction and maintenance of alterations, repairs, additions, or improvements to Lessee's facilities. This includes structural design, color, material used, landscaping and maintenance of Lessee's facilities and the Leased Premises. Lessor also reserves the right to issue through its Executive Director such reasonable rules, regulations, and procedures for activities and operations conducted on the Airport as deemed necessary to protect and preserve the safety, security, and welfare of the Airport and all persons, property, and facilities located thereon. Lessor also reserves the right to make improvements and repairs at its own expense during the term of this Agreement and agrees to maintain in good repair the spaces herein leased to the Lessee.

5.22 ACCESS

Lessee is herein granted the right of ingress to and egress from the Leased Premises over and across common or public roadways serving the Airport. Such right of ingress and egress, however, shall be subject to all laws, ordinances, rules, and regulations now existing or hereafter promulgated by the City of Lubbock or other lawful authority.

5.23 TITLE OF LEASED PREMISES

Lessee agrees it does not acquire any equity or title to the Leased Premises as a result of this Agreement and the property herein leased shall remain the sole property of Lessor. Lessor grants Lessee a leasehold interest by and through this Agreement.

5.24 STORED CONTENTS

Lessee agrees it will not store or permit storage of gasoline, oil, paint, or any other flammables on the Leased Premises and no smoking or open flame will be permitted thereon. It is also understood Lessee will not use or permit the use of the Leased Premises for any purpose other than that set forth in Section 1.02 above or uses authorized by the Executive Director.

5.25 INDEPENDENT CONTRACTOR

Lessee is and shall be an independent contractor in the performance of this Agreement, and Lessee shall have no authority to incur any obligation or indebtedness in the name of, or on behalf of Lessor, or in any manner act for it or on its behalf.

ARTICLE VI

TERMINATION

This Agreement is subject to termination for the reasons set forth below, provided that ten (10) days written notice is given to the nonterminating party, unless otherwise specified as follows:

6.01 LESSEE'S RIGHT TO TERMINATE

Subject to Lessor's right to cure, Lessee may terminate upon the happening of any of the following;

a. The permanent abandonment of the Airport as an air terminal by Lessor.

b. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Leased Premises for at least thirty (30) days.

c. The breach by Lessor of any of the terms, covenants, or conditions of this Agreement to be kept, performed, and observed by Lessor, and the failure of Lessor to remedy such breach for a period of thirty (30) days after written notice from Lessee of the existence of such breach.

d. The assumption by the United States Government, or any authorized agency of same, of the operation, control, or use of the Airport and its facilities in such a manner as to substantially restrict Lessee from conducting its business under this Agreement, if such restriction is to continue or has continued for a period of three (3) months or more.

6.02 LESSOR'S RIGHT TO TERMINATE

Subject to the Lessee's right to cure, Lessor may terminate upon the happening of any of the following:

a. If Lessee makes an assignment for the benefit of creditors; or files a voluntary petition of bankruptcy; or if proceedings in bankruptcy are instituted against Lessee and Lessee is thereafter adjudicated as bankrupt pursuant to such proceedings, or if a receiver for the Lessee's assets is appointed; or if Lessee petitions or applies to any tribunal for the appointment of a trustee or receiver for Lessee under any bankruptcy, insolvency,

readjustment of debt, dissolution, or liquidation law of any jurisdiction, whether now or hereafter in effect.

b. If Lessee shall abandon or discontinue operations under this Agreement.

c. If Lessee shall default in or fail to make any rental or fee payment at the time and in the amounts required under this Agreement.

d. If Lessee shall fail to perform, keep, and observe all of the covenants and conditions contained in this Agreement to be performed, kept, and observed by Lessee.

e. If Lessee shall fail to abide by all applicable laws, ordinances, rules, and regulations of the United States, State of Texas, City of Lubbock, and Executive Director.

f. Lessee agrees to act in a manner that will not impair Lessor's ability to secure federal financial aid for the development of the Airport, or further development of the aeronautical operations thereon.

g. If Lessor, acting in good faith, finds termination of the rights, privileges and interest of Lessee acquired under this Lease be necessary to secure federal financial aid for the development of the Airport, or further development of aeronautical operations thereon, and Lessee is not otherwise in breach of contract, then Lessor shall pay Lessee the fair market value of Lessee's affected rights, privileges, and interest including, but not limited to, Lessee's lost profit for the remainder of the Term and Lessee's unamortized Capital Investment.

h. Lessor shall give written notice to Lessee to correct or cure any such default, failure to perform or breach and if, within thirty (30) days from the date of such notice, the default, failure to perform, or breach complained of shall not have been corrected to the reasonable satisfaction of the Executive Director, then and in such event the Executive Director shall have the right, at once and without further notice to Lessee, to declare this Agreement terminated and to enter upon and take full possession of the Leased Premises. In such event, Lessor shall take reasonable and good faith efforts to lease the Premises to a third person and/or otherwise mitigate any damages incurred as a result of Lessee's default.

6.03 FIRE DAMAGE

In the event the Leased Premises are damaged by fire or other accidental cause during the initial term of this Agreement or during any extension thereof, so as to become totally or partially

unusable, Lessor shall have the option to restore such Leased Premises. If Lessor exercises its option to restore the same, Lessor shall proceed with due diligence. If the damage is so extensive as to amount practically to the total destruction of the utility of the Leased Premises for the purposes expressed in the Agreement, Lessee's obligation to pay rental and fees hereunder shall abate for the time and to the extent that the Leased Premises have been rendered unusable. Should Lessor not exercise its option to restore the Lease Premises, this Lease shall terminate, such termination to be effective on the date of damage by fire or other accidental cause, and all rentals fees due pursuant to this Agreement shall be apportioned to that date.

6.04 VACATION OF LEASE AND OWNERSHIP OF FIXTURES

Within thirty (30) days after expiration or termination of this Agreement, as herein provided, the Lessee, at Lessee's sole expense, shall remove any furniture, machinery, equipment, chattels, goods, or other trade fixtures at Leased Premises such as operating equipment. In the event of the failure on the part of Lessee to remove from the Leased Premises, all such above described property owned by Lessee under the requirements set forth in this paragraph, Lessor may effect such removal and deliver said property to Lessee at Lessee's expense. However, this in no way relieves the Lessee of the debt incurred. Lessee shall pay monthly a sum equal to the rental paid the preceding month for the period of time that Lessee's property remains on the Leased Premises after expiration or termination of this Agreement.

In the event Lessor terminates this Agreement for cause, as contained herein, or if Lessee discontinues its business on the Leased Premises at any time prior to expiration of the term, or the expiration of any subsequent extension, Lessor shall retain ownership of Lessee's improvements to the extent of the rentals due for the remainder of the term or extension if paid at the rate paid for the month prior to termination.

Lessee's right to remove its property is subject to the condition that Lessee has paid in full all amounts due and owed to Lessor under this Agreement. If Lessee shall fail or neglect to remove said property on or before said expiration or termination of Agreement, then at the option of Lessor, said property shall either become the property of Lessor without compensation therefor, or the Executive Director may cause such property to be removed at the expense of Lessee, and no claim for damages against the Lessor, or its officers, agents or employees shall be created or made on account of such removal and restoration. In the event that there are any substantial disagreements

concerning the Vacation of Lease and Ownership of Fixtures, Lessor and Lessee agree to Dispute Resolution as set out in Article VII.

6.05 SURRENDER

The Lessee covenants at the termination of this Agreement it will surrender the Leased Premises to Lessor without notice further than is herein provided in as good condition as when entered into by said Lessee, reasonable wear and tear expected. Upon the expiration or termination of this Agreement, or any renewal thereof, Lessee shall remove the trade fixtures, equipment and utensils installed by Lessee.

ARTICLE VII

MISCELLANEOUS PROVISIONS

7.01 NOTICES

Notices to the Lessor provided for herein shall be sufficient if sent certified mail, postage prepaid, addressed to the Lubbock Preston Smith International Airport, Executive Director, 5401 N. Martin Luther King Blvd., Unit 389, Lubbock, Texas 79401, and notices to Lessee, if sent by certified mail, postage prepaid, to the address for Lessee on file with the Executive Director.

7.02 MULTIPLE PARTIES

If this lease names more than one Lessor or Lessee, service of any notice on any one Lessee or Lessor is considered service on all Lessees or Lessors, respectively.

7.03 PARTIES BOUND

This Agreement binds, and insures to the benefit of, the parties to the lease and their respective heirs, executers, administrators, legal representatives, successors, and assigns.

7.04 APPLICABLE LAW

This Agreement is to be construed under Texas law, and all obligations of the parties created by this lease are performable in Lubbock County, Texas. Venue for any action brought pursuant to this Agreement, or any activity contemplated hereby, shall lie exclusively in Lubbock County, Texas.

7.05 SEVERABILITY

If any one or more of the provisions contained in this Lease are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision in the Lease, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

7.06 PRIOR AGREEMENTS

This Lease constitutes the parties' sole agreement and supersedes and replaces any prior contracts, agreements, understandings or oral agreements between the parties with respect to the subject matter.

7.07 AMENDMENT

No amendment, modification, or alteration of this Lease is binding unless in writing, dated subsequent to the date of this Lease, and duly executed by the parties.

7.08 RIGHTS AND REMEDIES CUMULATIVE

The rights and remedies provided by this Lease Agreement are cumulative, and either party using any right or remedy will not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

7.09 ATTORNEY'S FEES

In the event of any dispute under this Agreement, Lessor and Lessee shall first attempt to resolve such difference in good faith through a neutral mediator, each party bearing their own expense. If mediation fails, the parties may then proceed to enforce and/or litigate their dispute in a court of law under the jurisdictional and venue requirements outlined in Section 7.04 of this Agreement.

7.10 CONFLICT OF INTEREST

The Lessee acknowledges it is informed that Texas law prohibits contracts between the City of Lubbock and its "officers" and "employees," and that the prohibition extends to officers and employees of the City of Lubbock agencies, such as City-owned utilities, and certain City of Lubbock boards and commissions, and to contract with any partnership, corporation, or other organization in which the officers or employees have a substantial interest. Lessee certifies (and this Agreement is made in reliance thereon) that neither the Lessee nor any person having an interest in this Agreement is an officer or employee of the City of Lubbock or any of its agencies, boards, or commissions.

7.11 COMPLIANCE WITH CHAPTER 2270, SUBTITLE F, TITLE 10, TEXAS GOVERNMENT CODE

Lessee warrants it is in compliance with Chapter 2270, Subtitle F, Title 10 of the Texas Government Code by verifying that: (1) it does not boycott Israel; and (2) it will not boycott Israel during the term of this Agreement.

7.12 NON-ARBITRATION

Lessor reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, Lessor shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

7.13 TIME OF THE ESSENCE

Time is of the essence of this Agreement.

EXECUTED this the _____ day of _____, 2023.

LESSOR:

CITY OF LUBBOCK

BY: _____
Tray Payne, Mayor

ATTEST:

_____
Courtney Paz, City Secretary

LESSEE:

SSP America LBB, LLC

BY: _____
Name: Patrick Murray
Title: Executive Vice President

ATTEST:

_____
Dottie Kennedy, Executive Assistant BD

APPROVED AS TO CONTENT:

Jay Patel for Kelly Campbell

Kelly Campbell, Executive Director of Aviation

APPROVED AS TO FORM:

Mitchell Satterwhite, First Assistant City Attorney

Purchasing and Contract Management

Project Summary
RFP 23-17096-MA Airport Terminal Building Restaurant Concession

Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on Bonfire.com from January 1, 27, 2023 thru May 5, 2023.
Notice was published in the Lubbock AJ on January 28, 2023 and February 3, 2023
Notice was published in the American Association of Airport Executives.
Notice was published on the State of Texas Electronic State Business Daily.
41 vendors downloaded the documents using Bonfire.com.
7 vendors were notified separately.
4 vendors submitted proposals.

Information

Agenda Item

Resolution - Aviation: Consider a resolution authorizing the Mayor to execute Amendment No. 13 to Contract 15200, by and between the City of Lubbock and RS&H, for Local Breaker Backup Electrical Grounding and Emergency Generator Upgrade Construction Administration, and Resident Project Representative Services, at the Lubbock Preston Smith International Airport.

Item Summary

The City of Lubbock (the Airport) has requested RS&H, Inc., under the on-call professional architectural/engineering agreement, to provide a scope and fee for construction administration services related to the Local Breaker Backup (LBB) Electrical Grounding and Generator Upgrades Project at Lubbock Preston Smith International Airport. Amendment No. 13 services are summarized as follows:

Scope /Task Title	Total
Task 1 – Construction Administration	$314,485.80
Task 2 – Resident Project Representative	369,494.40
Reimbursables (Not-to-Exceed)	77,400.00
Total for Construction Services	**$761,380.20**

Airport staff and the Airport Advisory Board recommend approval of Amendment No. 13 to Contract 15200, with RS&H, Inc. of Jacksonville, Florida, for $761,380.20.

Fiscal Impact

Amendment No. 13 with RS&H, Inc., for $761,380.20, is funded in Capital Improvement Project 92770, Terminal Building Electrical Upgrades.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Kelly Campbell, Executive Director of Aviation
Airport Advisory Board

Attachments

Resolution Amendment 13 RS&H, Inc.

Amendment 13 RS&H, Inc.

92770 Budget Details Spreadsheet

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 13 to LBB Contract No. 15200, by and between the City of Lubbock and RS&H for Electrical Grounding and Emergency Generator Upgrade—Construction Administration and Resident Project Representative Services at the Lubbock Preston Smith International Airport, and related documents. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, Interim City Secretary

APPROVED AS TO CONTENT:

_____
Kelly Campbell, Executive Director of Aviation

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

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Electrical Grounding & Emergency Generator Upgrades CA & RPR Services Scope of Work

Amendment No. 013
July 20, 2023
City of Lubbock, Texas
Lubbock Preston Smith Int'l Airport
LBB Contract No.: 15200
RS&H Project No.: 2023-1874-013

Prepared by RS&H, Inc., at the direction of
Lubbock Preston Smith International Airport

RS&H

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I PROJECT DESCRIPTION

The City of Lubbock (City) has requested that RS&H, Inc. (RS&H or Consultant) provide a scope and fee for Construction Administration and Resident Project Representative services for the Electrical Grounding & Emergency Generator Upgrades project designed by RS&H.

Project Duration – The Project Duration is estimated in the construction contract documents to be **452 calendar days** (approximately **15 months**) construction duration. However, due to long lead times for electrical switchgear and generators, approximately 52 weeks and 90 weeks respectively, the project schedule will be broken into two different periods with different notices to proceed. The first period will be an administrative period of approximately 60 days for contractor preparation of shop drawings and submittals. The second period will be for mobilization and actual performance of on-site construction. The second period is estimated to be approximately 10 months for the purposes of this proposal, and will start approximately 2 months before arrival of the generator. This will result in an overall project duration for our Construction Administration and RPR services contract of approximately 28 months, with a long period of inactivity (approximately 18 months) while the equipment is being manufactured. The actual schedule may vary based on the Project Closeout Date and any changes to the Scope of Work. Changes to the project schedule may require changes in the Consultant's efforts and adjustments to the compensation indicated in this proposal. Construction Administration shall be considered commenced upon the initiation of any services being rendered (i.e., Pre-Construction Meeting, Submittal Review, Construction Schedule Review, etc.) up until the completion of project closeout.

The following professional disciplines/services/specialties are expected to play a significant role in the development of the Project:

- Project Management
- Construction Administration
- RPR Services (Full-Time)

The Consultant design team is made up of the following professionals:

Consultant/Subconsultant	Involvement
RS&H	Project Management, Construction Administration, RPR Services (Full-Time)

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II PROJECT TASKS

The following project tasks are included for the construction phases of this Project:

TASK 1 CONSTRUCTION SERVICES

The scope (and fee) proposed under this Task is based upon an estimated total administrative phase and active construction phase duration of **28 months in total** with a period of no construction activity or construction services activity, of approximately 18 months duration, between the two phases. Specific task breakdowns are as follows:

Task 1.1 Project Initiation & Set Up

RS&H will complete the necessary Project initiation and documentation setup to appropriately manage the Project.

Task 1.2 Pre-Construction Conference

The Consultant shall attend one **(1)** pre-construction conference meeting at the Airport, followed by a walk-through for interested parties. The Consultant will assist in preparing the Pre-Construction Meeting Agenda and Meeting Minutes. In attendance will be the following:

- Project Manager (RS&H, in person)
- Senior Electrical Engineer (RS&H, in person)
- Project Officer (RS&H, in person)
- Resident Project Representative (RS&H, in person)

Task 1.3 Contractor Submittal Review

RS&H will review contractors' submittals required by the construction documents, including, but not limited to shop drawings, test data, samples, materials, equipment, etc. and approve, reject, or otherwise advise on the conformance of such submittals to the requirements of the construction documents. RS&H will maintain a log of all contractor submittals which will include the submittal date, the action taken, and the date returned. The Consultant will respond to each item within 10 working days of receiving the item for review. The review is for the limited purpose of checking for conformance with information given and the design concept expressed in the Conformed Construction Documents. The Consultant will not be responsible for work or requirements that are the Contractor's responsibility as defined in the Contractor's contract with the Client. It is anticipated that a maximum of 30 submittals (including resubmittals) will be received, reviewed, and responded to; review of resubmittals will count as a review. Additional reviews may require a change to the Project scope and additional fees.

Task 1.4 Response to Requests for Information

RS&H will provide the Airport and the contractor with technical interpretations of the construction documents in response to Requests for Information (RFI) submitted by the

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contractors. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Conformed Construction Documents. The Consultant may issue, as appropriate, revised drawings and/or specifications authorizing minor variations from the requirements of the Conformed Construction Documents. This work is limited to the content and scope of the Conformed Construction Documents. Any Client-requested deviations from the content and scope of the Conformed Construction Documents may require a change to the project scope and additional fees. The Consultant will respond to each item within seven (7) calendar days of receiving the item for review. It is anticipated that a maximum of thirty (30) RFI's may be received and responded to. Additional reviews may require a change to the Project scope and additional fees.

Task 1.5 Change Orders

RS&H will review and concur with change order scope, costs, and any modifications to the construction schedule. All actions will be coordinated and collaborated with the Airport prior to contractor notification. RS&H will execute and coordinate all contract change orders through the Airport and FAA for final approval. Any Client-requested deviations from the content and scope of the Conformed Construction Documents may require a change to the Project scope and additional fees.

Task 1.6 Substitution Review

RS&H will review and recommend for Airport acceptance or rejection any changes, modifications or substitutions proposed by the contractor. Written justification must accompany any recommendation or rejection. It is anticipated that a maximum of five (5) substitution requests may be received and responded to. Additional reviews may require a change to the Project scope and additional fees.

Task 1.7 Contractor Pay Requests

RS&H will review contractor applications for payment and supporting data, review the amount owed to the contractor and recommend/approve in writing all payments to contractor in accordance with the contract documents. It is anticipated that a maximum of fifteen (15) contractor pay requests may be received, reviewed, and processed for payment. Additional reviews may require a change to the Project scope and additional fees.

Task 1.8 Construction Progress Site Visits

RS&H will provide a total of fifteen (15) on-site progress review meetings across all disciplines involved in the project to observe the progress of the contractor and to monitor that construction materials, finishes and workmanship are in conformance with the standards established in the construction documents. RS&H will notify the Airport immediately, verbally and in writing, of any and all observed deviations and/or defects in material, finishes, equipment, systems or workmanship. These site visits / meetings will be held at the Airport and will require travel by the Consultant.

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Task 1.9 Bi-Weekly Progress Meetings

RS&H will participate in virtual bi-weekly construction progress meetings with the construction team and owner. RS&H assumes that the Contractor will provide an agenda and meeting minutes for the bi-weekly construction progress meetings. On-site participation in construction meetings may be coupled with any scheduled site visits. These meetings are anticipated to be held via teleconference and will not require travel by the Consultant.

Task 1.10 Substantial Completion & Final Punch List Site Visits

RS&H will participate in two substantial completion/Final Punch List site visits and prepare punch lists. One substantial completion site visit will be held to review the substantially completed work, while a second Final Punch List Confirmation site visit will be held to review the completion of punch list items identified in the first substantial completion site visit. RS&H will compile a list of deficient items and advise the Airport and contractor of those items and advise which items must be corrected for the airport to take beneficial occupancy of the project. These site visits / meetings will be held at the Airport and will require travel by the Consultant.

Task 1.11 Prepare Record Drawings and Final Contract Report

RS&H will obtain red-line as-built drawings from Construction Contractor and prepare "Record Drawings," which shall become the property of LBB and corrected to show significant changes made in Work during the construction of the Project. Such corrections shall be the "as-built" prints, drawings, field sketches, and other data furnished to the Consultant by the Airport and the Contractor, and any amendments issued during construction. Record drawings will be delivered as:

- PDF files
- BIM Model
- CAD Files

RS&H will prepare and submit the Final Contract Report, per FAA requirements.

Task 1.12 Project Management

RS&H will make monthly progress reports to the Airport during the entire duration of the project and coordinate with the FAA as needed. RS&H will manage the project in a professional manner and will assign qualified individuals or subconsultants to the project. The monthly progress reports will include a written description of each task identified within the contracted scope of services as of the date of the progress report. The progress reports will also include a monthly invoice for professional services.

This work is limited to the content and scope of the Conformed Construction Documents. Any Client-requested deviations from the content and scope of the Conformed Construction Documents may require a change to the project scope and additional fees.

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The Consultant shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures or for the safety precautions and programs in connection with the project construction. This also includes acts or omissions of the Contractor, subcontractors, any of their agents or subcontractor's employees, or any other person performing any of the Work, or for the failure of such persons to carry out the Work in accordance with the contract documents. Accordingly, with the approval of the City, RS&H will reject Work done by the Contractor that is non-conforming to the contract documents and will issue requests to the Contractor remediate the non-conforming work and to complete additional special inspections and/or tests if warranted.

III SPECIAL SERVICES

TASK 2 PROJECT REPRESENTATIVE

Task 2.1 On-Site Resident Project Representation (Full Time - RPR)

The proposed schedule is based upon 8-hour days totaling 40 hours per week for approximately 10 months (44 weeks) of on-site active construction work. The RPR will be stationed at the site and will be responsible for assisting the Consultant in administering the contract. Through the observations of the RPR, the Consultant shall endeavor to provide further protection for the Airport against defects and deficiencies in the Contractor's Work. Apart from such further protection, the Consultant's rights, responsibilities, and obligations of the Consultant described in the Master Agreement between the Airport and Consultant shall not be modified by the furnishing of such RPR staff. Staffing makeup and durations are estimated as itemized in the attached Project Proposal section.

IV MEETINGS AND PRESENTATIONS

The following meetings and presentations will be attended as part of this proposal:

Task	Presentation / Meeting / Site Visit	Total Meetings	In-Person Meetings/Site Visits	Conference Calls/ Web-Based
1.1	Pre-Construction Conference	1	1	
1.5	Bi-Weekly Construction Meetings/Site Visits (11 Months)	35	15	20
2.1	Punchlist and Final Observation	2	2	

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V DELIVERABLES

The following deliverables will be submitted as part of this proposal:

Task	Deliverable	Information Included	Format
2.2	Record Documents	Project Drawings Record Documents	PDF, CAD

VI ESTIMATED PROJECT SCHEDULE

This scope of Work was developed based on the preliminary project schedule provided below.

Task	Milestone/Deliverable	Duration (Calendar Days)
Task 1	Construction Administration Services (Broken into two active periods)	452
Task 2	On-Site Resident Project Representation During Active Construction	308

VII ASSUMPTIONS AND EXCLUSIONS

The following exclusions have been made for this Scope of Work:

- Meetings and site visits other than those specified.
- Services outside the anticipated schedule of construction (approximately 12 months of active CA services).
- Fees associated with permitting.
- Materials and testing services.
- RS&H will not perform services/work related in any way to PFAS chemicals or substances possibly containing PFAS chemicals and RS&H shall not be liable for the non-performance of such services/work.

VIII PROFESSIONAL SERVICES FEE AND FEE TYPE

RS&H will provide Task 1 Construction Administrative Services for a Lump Sum Fee of **$314,485.80** (Labor) and a Cost Plus Not to Exceed Fee of **$77,400.00** (Expenses). Task 2 RPR Services for a Cost-Plus Not to Exceed fee of **$369,494.40**. Total Contract Value of **$761,380.20**. See **Attachment A** for a breakdown of costs.

Should scope items/activities/efforts/durations be modified at the request of the City or need to be adjusted based on the design/construction schedule, the Consultant Team will need to modify the fee to accommodate the changes. Such changes will be compensated for through an amendment (Additional Services requested by the Consultant) to the Task Order or similar vehicle. Effort, fee, and schedule adjustments resulting from a change in scope will be assessed and approved by the Airport prior to the execution of the change.

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Submitted by:

RS&H, INC.:
By: DocuSigned by: 9378CE57411A458
Print Name: Elliot Neph
Title: Vice President

City of Lubbock - Mayor:

By:
Print Name: Tray Payne
Title: Mayor

Attest:

By:
Print Name: Courtney Paz
Title: City Secretary

Approved as to Content:

By:
Print Name: Kelly Campbell
Title: Executive Director of Aviation

Approved as to Form:

By:
Print Name: Mitch Satterwhite
Title: First Assistant City Attorney

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ATTACHMENT A

Construction Administration Fee Table

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RS&H

Lubbock Preston Smith International Airport
Electrical Grounding & Emergency Generator Upgrades Construction Administration & RPR Services

RS&H, INC.

	SCOPE / TASK TITLE	PROJ. OFFICER	SR. PROJ. MANAGER	SENIOR ARCHITECT	ARCHITECT	SENIOR ELEC. ENGNR	ELECTRICAL ENGINEER	SR. FIELD REPRESENTATIVE	SENIOR CIVIL ENGNR	CIVIL ENGINEER	SENIOR MECH. ENGNR	MECHANICAL ENGINEER	SENIOR STRUCT. ENGNR	STRUCTURAL ENGINEER	ADMIN. ASSISTANT	TOTAL
TASK 1 - CONSTRUCTION ADMINISTRATION																
1.1	Project Initiation & Set Up	4	8			4									8	24
1.2	Pre Construction Conference	8	16			8										32
1.3	Contractor Submittal Review		40	12	24	40	40		8	16	8	16	8	16	40	268
1.4	Response to Requests for Information		40	8	20	64	64		8	8	8	16	8	8	40	292
1.5	Change Orders	4	16	4	4	16	16		8		8		8		8	92
1.6	Substitution Review		8	4		8	8				4		4		4	40
1.7	Contractor Pay Requests		24	4		20			4		4		4		12	72
1.8	Construction Progress Site Visits		48	12	12	36	36		8		12		12			176
1.9	Bi-Weekly Progress Meetings	12	24			24										60
1.10	Substantial Completion & Final Punch List Site Visits		24	12		24			12		12		12			96
1.11	Prepare Record Drawings and Final Contract Report	4	40	8	16	16	40		4	8	8	16	4	8	40	212
1.12	Project Management	16	60			40									40	156
	SUBTOTAL HOURS	48	348	64	76	300	204	0	52	32	64	48	60	32	192	1520
	RATE	$341.44	$334.60	$205.99	$161.00	$201.32	$109.38	$209.94	$238.02	$177.35	$248.16	$162.15	$179.43	$108.07	$91.59	
	TOTAL DIRECT LABOR $	$16,389.12	$116,440.80	$13,183.36	$12,236.00	$60,396.00	$22,313.52	$0.00	$12,377.04	$5,675.20	$15,882.24	$7,783.20	$10,765.80	$3,458.24	$17,585.28	$314,485.80
	Total Proposed Fee for													TASK 1 - CONSTRUCTION ADMINISTRATION	(LUMP SUM)	$314,485.80

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	SCOPE / TASK TITLE	PROJ. OFFICER	SR. PROJ. MANAGER	SENIOR ARCHITECT	ARCHITECT	SENIOR ELEC. ENGNR	ELECTRICAL ENGINEER	SR. FIELD REPRESENTATIVE	SENIOR CIVIL ENGNR	CIVIL ENGINEER	SENIOR MECH. ENGNR	MECHANICAL ENGINEER	SENIOR STRUCT. ENGNR	STRUCTURAL ENGINEER	ADMIN. ASSISTANT	TOTAL
TASK 2 - RESIDENT PROJECT REPRESENTATIVE																
2.2	RPR Services - 44 weeks @ 40 hrs per week							1760								1760
	SUBTOTAL HOURS	0	0	0	0	0	0	1760	0	0	0	0	0	0	0	1760
	RATE	$341.44	$334.80	$205.99	$161.00	$201.32	$109.38	$209.94	$238.02	$177.35	$248.16	$162.15	$179.43	$108.07	$91.59	
	TOTAL DIRECT LABOR $	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$369,494.40	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$369,494.40
	Total Proposed Fee for:														TASK 2 - RESIDENT PROJECT REPRESENTATIVE (Cost Plus Not To Exceed)	$369,494.40

SCOPE / TASK TITLE	PROJ. OFFICER	SR. PROJ. MANAGER	SENIOR ARCHITECT	ARCHITECT	SENIOR ELEC. ENGNR	ELECTRICAL ENGINEER	SR. FIELD REPRESENTATIVE	SENIOR CIVIL ENGNR	CIVIL ENGINEER	SENIOR MECH. ENGNR	MECHANICAL ENGINEER	SENIOR STRUCT. ENGN	STRUCTURAL ENGINEER	ADMIN. ASSISTANT	TOTAL
REIMBURSABLES															
		# DWGS	# PAGES												
REPRODUCTION		@	@												
		$1.50	$0.10	# SETS											
Permit Documents		50	500												$0
Conformed Documents		50	500												$0
TOTAL REPRODUCTION															$0
		# PKGS	# PKGS												
POSTAGE / DELIVERY		@	@												
		$15.00	$3.00												$0
TOTAL POSTAGE / DELIVERY															$0
RPR REIMBURSABLE EXPENSE															
	Months	Expense/Month													
Lodging	10	$ 2,500.00													$ 25,000.00
Cell Phone	10	$ 50.00													$ 500.00
Misc. Monthly Expenses	10	$ 500.00													$ 5,000.00
Vehicle Expenses	10	$ 1,600.00													$ 16,000.00
Total														REIMBURSABLES (TASK 2) - RPR SERVICES (Not-to-Exceed)	$ 46,500.00
TRAVEL			Airfare @	Car @	Lodging @	Meals @								# Trips	
	#People	#Days	$750	$75	$180	$60									
Pre Construction Mtng	3	2	$2,250	$150	$540	$360								1	$3,300
Progress Site Visits	1	2	$750	$150	$180	$120								15	$18,000
Substantial & Final Punch Lists	1	2	$750	$150	$180	$120								8	$9,600
														REIMBURSABLES (Not-to-Exceed)	$77,400.00
						SUMMARY									
TASK 1 - CONSTRUCTION ADMINISTRATION															$314,485.80
TASK 2 - RESIDENT PROJECT REPRESENTATIVE															$369,494.40
REIMBURSABLES (Not-to-Exceed)															$77,400.00
TOTAL FOR CA & RPR SERVICES															$761,380.20

City of Lubbock, TX
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92770
Capital Project Name:	Terminal Building Electrical Upgrades

	Budget
Encumbered/Expended	
RS&H Amendment #12 - Contract 15200	
Electrical Emergency Systems and Grounding Improvements	244,647
	$244,647
Agenda Item August 22, 2023	
RS&H Amendment #13 - Contract 15200	761,380
ACME Electric Company - Contract #17341	6,405,600
Encumbered/Expended To Date	7,411,628
Estimated Costs for Remaining Appropriation	570,444
Remaining Appropriation	570,444
Total Appropriation	$7,982,071

Information

Agenda Item

Resolution - Aviation: Consider a resolution authorizing the Mayor to execute Contract 17341, with ACME Electric Company, for the Local Breaker Backup Electrical Grounding and Generator Upgrades Project at the Lubbock Preston Smith International Airport.

Item Summary

This project is for Local Breaker Backup (LBB) Electrical Grounding and Generator Upgrades Project at Lubbock Preston Smith International Airport. The terminal building electrical system consists of a single main 4000-Amp switchgear and a network of downstream power distribution panels. This project provides construction services to replace the electrical power distribution system, replace the standby power system, install electrical infrastructure to support future electric vehicle charging, and complete the existing grounding system.

In response to ITB 23-17341-TF, a sole bid was received and opened on June 22, 2023.

The sole bidder was ACME Electric Company of Lubbock, Texas.

Airport staff and the Airport Advisory Board recommend contract award to the sole bidder, ACME Electric Company of Lubbock, Texas, for $6,405,600.

Fiscal Impact

Contract 17341 for $6,405,600 is funded in Capital Improvement Project 92770, Terminal Building Electrical Upgrades.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Kelly Campbell, Executive Director of Aviation
Airport Advisory Board

Attachments

Resolution 17341 Acme Electric
Contract 17341 Acme Electric
92770 Budget Details Spreadsheet
17341 - Project Summary Sheet

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute, for and on behalf of the City of Lubbock, a Lump Sum Price Bid Contract (ITB 23-17341-TF) between the City of Lubbock and Acme Electric Company for Electrical Grounding and Generator Upgrades at the Lubbock Preston Smith International Airport, consistent with the terms and conditions attached hereto as Exhibit "A", and related documents. Said Terms and Conditions are incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

BID SUBMITTAL FORM
LUMP SUM PRICE BID CONTRACT

DATE: June 22, 2023

PROJECT NUMBER: **ITB 23-17341-TF LBB Electrical Grounding and Generator Upgrades**

Bid of Acme Electric Company (hereinafter called Bidder)

To the Honorable Mayor and City Council City of Lubbock, Texas (hereinafter called Owner)

Ladies and Gentlemen:

The Bidder, in compliance with your Invitation to Bid for the construction of the referenced project, having carefully examined the plans, specifications, instructions to bidders, notice to bidders and all other related contract documents and the site of the intended work, and being familiar with all of the conditions surrounding the construction of the intended project including the availability of materials and labor, hereby intends to furnish all labor, materials, and supplies; and to construct the project in accordance with the plans, specifications and contract documents, within the time set forth therein and at the price stated.

The bidder binds himself on acceptance of his bid to execute a contract and any required bonds, according to the accompanying forms, for performing and completing the said work within the time stated and for the prices stated.

Bidder hereby agrees to commence the work on the above project on a date to be specified in a written "Notice to Proceed" of the Owner and to **substantially complete** the project within **452 consecutive calendar days** with **final completion** of the project within **482 consecutive calendar days** as stipulated in the specification and other contract documents. Bidder hereby further agrees to pay to Owner as liquidated damages in the sum of **$1,500** for each consecutive calendar day after **substantial completion** and liquidated damages in the sum of **$1,500** for each consecutive calendar day after **final completion** set forth herein above for completion of this project, all as more fully set forth in the General Conditions of the Agreement.

Bidder understands and agrees that this bid submittal shall be completed and submitted in accordance with instruction number 29 of the General Instructions to Bidders.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any formality in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of **60** calendar days after the scheduled closing time for receiving bids.

The undersigned Bidder hereby declares that he has visited the site of the work and has carefully examined the plans, specifications and contract documents pertaining to the work covered by this bid, and he further agrees to commence work on or before the date specified in the written notice to proceed, and to substantially complete the work on which he has bid; as provided in the contract documents.

Bidders are required, whether or not a payment or performance bond is required, to submit a cashier's check or certified check issued by a bank satisfactory to the City of Lubbock, or a bid bond from a reliable surety company, payable without recourse to the order of the City of Lubbock in an amount not less than five percent (5%) of the total amount of the bid submitted as a guarantee that bidder will enter into a contract, obtain all required insurance policies, and execute all necessary bonds (if required) within **10** business days after notice of award of the contract to him.

City of Lubbock, TX
Airport
ITB 23-17341-TF
LBB Electrical Grounding and Generator Upgrades

Acme Electric Company of Lubbock, TX

#		QTY +/-	U/M	Unit Price	Extended Cost
Base Bid					
#1-1	General Conditions/ Requirements	1	LS	$ 20,000.00	20,000.00
#1-2	Demolition	1	LS	25,000.00	25,000.00
#1-3	Concrete	1	LS	86,700.00	86,700.00
#1-4	Masonry	1	LS	30,200.00	30,200.00
#1-5	Metals	1	LS	1,500.00	1,500.00
#1-6	Wood and Plastics	1	LS	No Bid	No Bid
#1-7	Thermal and Moisture Protection	1	LS	No Bid	No Bid
#1-8	Doors and Windows	1	LS	32,000.00	32,000.00
#1-9	Finishes	1	LS	25,900.00	25,900.00
#1-10	Specialties	1	LS	No Bid	No Bid
#1-11	Plumbing	1	LS	38,000.00	38,000.00
#1-12	Heating Ventilating and Air Conditioning	1	LS	38,000.00	38,000.00
#1-13	Electrical	1	LS	6,089,400.00	6,089,400.00
#1-14	Civil Site Concrete	1	LS	No Bid	No Bid
#1-15	Earthwork	1	LS	No Bid	No Bid
#1-16	Fence	1	LS	8,900.00	8,900.00
#1-17	Sawcutting	1	LS	10,000.00	10,000.00

Total (Items 1-1 through 1-17): $ 6,405,600.00

Enclosed with this bid is a Cashier's Check or Certified Check for _____ **Dollars ($**_____**) or a Bid Bond in the sum of** 5% GAB **Dollars ($** 5% GAB **), which it is agreed shall be collected and retained by the Owner as liquidated damages in the event the bid is accepted by the Owner and the undersigned fails to execute the necessary contract documents, insurance certificates, and the required bond (if any) with the Owner within 10 business days after the date of receipt of written notification of acceptance of said bid; otherwise, said check or bond shall be returned to the undersigned upon demand.**

Bidder understands and agrees that the contract to be executed by Bidder shall be bound and include all contract documents made available to him for his inspection in accordance with the Notice to Bidders.

Pursuant to Texas Local Government Code 252.043(g), a competitive sealed bid that has been opened may not be changed for the purpose of correcting an error in the bid price. THEREFORE, ANY CORRECTIONS TO THE BID PRICE MUST BE MADE ON THE BID SUBMITTAL FORM PRIOR TO BID OPENING.

Date: 06/22/2023

Authorized Signature

Barry Brown, President
(Printed or Typed Name)

Acme Electric Company
Company

108 E 82nd St
Address

Lubbock, Lubbock
City, County

Texas, 79404
State Zip Code

Telephone: 806 - 745-7720

Fax: 806 - 745-3102

(Seal if Bidder is a Corporation)

ATTEST:

Secretary

Bidder acknowledges receipt of the following addenda:

Addenda No. #1 Date 06/19/23
Addenda No. _____ Date _____
Addenda No. _____ Date _____
Addenda No. _____ Date _____

FEDERAL TAX ID or SOCIAL SECURITY No.

75-1450152

EMAIL: bbrown@acmeelect.com

M/WBE Firm:

	Woman		Black American		Native American
	Hispanic American		Asian Pacific American		Other (Specify)

City of Lubbock, TX
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92770
Capital Project Name:	Terminal Building Electrical Upgrades

	Budget
Encumbered/Expended	
RS&H Amendment #12 - Contract 15200	
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Encumbered/Expended To Date	7,411,628
Estimated Costs for Remaining Appropriation	570,444
Remaining Appropriation	570,444
Total Appropriation	$7,982,071

Purchasing and Contract Management

Project Summary

ITB 23-17341-TF
LBB Electrical Grounding and Generator Upgrades

Notice was published in the Lubbock Avalanche Journal on June 4 & June 11, 2023.
Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from June 2 to June 22, 2023.
6 individuals attended the pre-bid meeting.
36 vendors downloaded the documents using Bonfire.com.
19 vendors were notified separately.
1 vendor submitted a bid.

AI# 11831
Regular City Council Meeting 6. 25.
08/22/2023:

Information

Agenda Item

Resolution - Aviation: Consider a resolution authorizing the City Manager, or his designee, to execute Federal Aviation Administration Airport Terminal Program Grant Agreement 3-48-0138-057-2023, by and between the City of Lubbock and the United States of America, acting through the Federal Aviation Administration, in connection with the Lubbock Preston Smith International Airport Terminal Electrical System Renovation.

Item Summary

Lubbock Preston Smith International Airport is eligible to receive funds from the Federal Aviation Administration (FAA) under the Fiscal Year 2023 Bipartisan Infrastructure Law (BIL) Airport Terminal Program (ATP). Funds under this program are available for terminal reconstruction, development, accessibility, and improving energy efficiency for terminals and other purposes. This grant is for the Airport Terminal Electrical System Renovation at Lubbock Preston Smith International Airport. The minimum grant award is $4,750,000.

Fiscal Impact

Notice of the grant award from the Federal Aviation Administration total allocation is $4,750,000. The funds are included in Capital Improvement Project 92770, Terminal Building Electrical Upgrades.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Kelly Campbell, Executive Director of Aviation
Airport Advisory Board

Attachments

Resolution-FAA grant
FAA grant agreement

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the City Manager of the City of Lubbock, or his designee, is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Airport Terminal Program Grant Agreement [Grant No. 3-48-0138-057-2023] by and between the City of Lubbock and the United States of America acting through the Federal Aviation Administration in connection with the Lubbock Preston Smith International Airport Terminal Electrical System Renovation, and related documents. Said Grant Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Kelly Campbell, Executive Director of Aviation

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocs/RES.3-48-0138-057-2023 Grant Agrmt-FAA
August 8, 2023

U.S. Department of Transportation
Federal Aviation Administration

Airports Division
Southwest Region
Texas

Texas Airports District Office:
10101 Hillwood Pkwy
Fort Worth, TX 76177-1524

August 8, 2023

Mayor Tray Payne
City of Lubbock
1314 Avenue K
Lubbock, TX 79457

Dear Mayor Payne:

The Grant Offer for the Bipartisan Infrastructure Law (BIL) - Airport Terminal Program Grant (ATP) Project No. 3-48-0138-057-2023 at Lubbock Preston Smith International Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement.

To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **August 24, 2023**.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution

date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in "inactive" status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
    1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
    2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit FAA Form 5100-140, Performance Report within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit FAA Form 5370-1, Construction Progress and Inspection Report, within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend $750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Jillian M. Thackston, (817) 222-5126, Jillian.M.Thackston@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

Kim Brockman (Aug 8, 2023 12:17 CDT)

Kim Brockman
Acting Manager

U.S. Department
of Transportation
Federal Aviation
Administration

FY 2023 AIRPORT TERMINAL PROGRAM GRANT

GRANT AGREEMENT

Part I - Offer

Federal Award Offer Date	August 8, 2023
Airport/Planning Area	Lubbock Preston Smith International Airport
Airport Terminal Program Grant Number	3-48-0138-057-2023
Unique Entity Identifier	LXDNEKWRVKJ6

TO: City of Lubbock
(herein called the "Sponsor")

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated June 23, 2023, for a grant of Federal funds for a project at or associated with the Lubbock Preston Smith International Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Lubbock Preston Smith International Airport (herein called the "Project") consisting of the following:

Terminal Electrical System Renovation

which is more fully described in the Project Application submitted in response to the Notice of Funding Opportunity (NOFO) published on September 28, 2022.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances attached hereto; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay ninety-five (95) % of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is $4,750,000.

   The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):
   $ 0 for planning
   $ 4,750,000 airport development; and,
   $ 0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements:

   a. Period of Performance:

      1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.

      2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods. (2 Code of Federal Regulations (CFR) § 200.1).

   b. Budget Period:

      1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in Paragraph 2(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred up to the end of the Budget Period. Eligible project-related costs incurred on or after November 15, 2021 that comply with all Federal funding procurement requirements and FAA standards are allowable costs.

      2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the Sponsor is authorized to expend the funds awarded, including any

funds carried forward or other revisions pursuant to 2 CFR § 200.308.

c. Close Out and Termination

1. Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days (2 CFR § 200.344).

2. The FAA may terminate this Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.

3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.

4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.

5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.

6. **Completing the Project Without Delay and in Conformance with Requirements.**

   a. The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, BIL (Public Law 117-58), the regulations, and the Secretary's policies and procedures.

   b. The Sponsor agrees to post-award performance and project evaluation requirements by the FAA/DOT/Federal government or its agents as specified in the NOFO.

   c. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage.

   d. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.

7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.

8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor

on or before August 24, 2023, or such subsequent date as may be prescribed in writing by the FAA.

9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.

11. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**

    a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at http://www.sam.gov).

    b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at https://sam.gov/content/entity-registration.

12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

13. **Informal Letter Amendment of BIL Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by $25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

    The FAA can, subject to the availability of Federal funds, also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

14. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.

15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.

16. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.

17. **Build America, Buy American.** The Sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).

18. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant Offer:

    a. May not be increased for a planning project;

    b. May be increased by not more than 15 percent for development projects, if funds are available;

    c. May be increased by not more than the greater of the following for a land project, if funds are available:

        1. 15 percent; or

        2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

    If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in BIL (Public Law 117-58), or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. **Audits for Sponsors.**

    PUBLIC SPONSORS. The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at http://harvester.census.gov/facweb/. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than $750,000 in Federal awards and are exempt from Federal audit requirements must make

records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

20. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

    a. Verify the non-Federal entity is eligible to participate in this Federal program by:

        1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or

        2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or

        3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.

    b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.

    c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

21. **Ban on Texting While Driving.**

    a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:

        1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

        2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:

            i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

            ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

    b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. **Trafficking in Persons.**

a. *Posting of contact information*.

1. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.

b. *Provisions applicable to a recipient that is a private entity*.

1. You as the recipient, your employees, subrecipients under this Grant, and subrecipients' employees may not:

i. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;

ii. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or

iii. Use forced labor in the performance of the Grant or any subgrants under this Grant.

2. We as the Federal awarding agency, may unilaterally terminate this Grant, without penalty, if you or a subrecipient that is a private entity –

i. Is determined to have violated a prohibition in paragraph (a) of this Grant Condition; or

ii. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (a) of this Grant Condition through conduct that is either –

a) Associated with performance under this Grant; or

b) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.

c. *Provision applicable to a recipient other than a private entity*. We as the Federal awarding agency may unilaterally terminate this Grant, without penalty, if a subrecipient that is a private entity –

1. Is determined to have violated an applicable prohibition in paragraph (a) of this Grant Condition; or

2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated an applicable prohibition in paragraph (a) of this Grant Condition through conduct that is either –

i. Associated with performance under this Grant; or

ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on

Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.

d. *Provisions applicable to any recipient.*

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Grant Condition.

2. Our right to terminate unilaterally that is described in paragraph (a) or (b) of this Grant Condition:

   i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended [22 U.S.C. § 7104(g)], and

   ii. Is in addition to all other remedies for noncompliance that are available to us under this Grant.

3. You must include the requirements of paragraph (a) of this Grant Condition in any subgrant you make to a private entity.

e. *Definitions.* For purposes of this Grant Condition:

1. "Employee" means either:

   i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Grant; or

   ii. Another person engaged in the performance of the project or program under this Grant and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Force labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

   i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR § 175.25.

   ii. Includes:

   a) A nonprofit organization, including any nonprofit institute of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR § 175.25(b).

   b) A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).

23. **BIL Funded Work Included in a PFC Application.** Within 120 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.

24. **Exhibit "A" Property Map.** The Exhibit "A" Property Map dated 12/21/2017, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.

25. **Employee Protection from Reprisal.**

    a. Prohibition of Reprisals:

        1. In accordance with 41 U.S.C. § 4712, an employee of a Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in subparagraph (a)(2) below, information that the employee reasonably believes is evidence of:

            i. Gross mismanagement of a Federal grant;
            ii. Gross waste of Federal funds;
            iii. An abuse of authority relating to implementation or use of Federal funds;
            iv. A substantial and specific danger to public health or safety; or
            v. A violation of law, rule, or regulation related to a Federal grant.

        2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:

            i. A member of Congress or a representative of a committee of Congress;
            ii. An Inspector General;
            iii. The Government Accountability Office;
            iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
            v. A court or grand jury;
            vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
            vii. An authorized official of the Department of Justice or other law enforcement agency.

    b. Investigation of Complaints.

        1. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.

        2. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.

3. Required Actions of the Inspector General. Actions, limitations, and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).

c. Remedy and Enforcement Authority.

1. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

26. **Prohibited Telecommunications and Video Surveillance Services and Equipment.** The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.

27. **Critical Infrastructure Security and Resilience.** The Sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in their project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security (DHS). For airports that do not have specific DOT or DHS cybersecurity requirements, the FAA encourages the voluntary adoption of the cybersecurity requirements from the Transportation Security Administration and Federal Security Director identified for security risk Category X airports.

28. **Pre-Award Authority.** The State or Sponsor, as applicable, understands that all project costs must be incurred after the grant execution date unless specifically permitted under 49 U.S.C. § 47110(c). Certain airport development costs incurred before execution of the grant agreement, but after November 15, 2021, are allowable, only if certain conditions under 49 U.S.C. § 47110(c) are met.

SPECIAL CONDITIONS

29. **Building BIL Proration.** For purposes of computing the United States' share of the allowable project costs of the project, the allowable cost of the Terminal Electrical System Rehabilitation included in the project must not exceed 91 percent of the actual cost of the entire building.

30. **Plans and Specifications Approval Based Upon Certification.** The FAA and the Sponsor agree that the FAA's approval of the Sponsor's Plans and Specification is based primarily upon the Sponsor's certification to carry out the project in accordance with policies, standards, and specifications approved by the FAA. The Sponsor understands that:

a. The Sponsor's certification does not relieve the Sponsor of the requirement to obtain prior FAA approval for modifications to any published FAA airport development grant standards or to notify the FAA of any limitations to competition within the project;

b. The FAA's acceptance of a Sponsor's certification does not limit the FAA from reviewing appropriate project documentation for the purpose of validating the certification statements; and

c. If the FAA determines that the Sponsor has not complied with their certification statements, the FAA will review the associated project costs to determine whether such costs are allowable under this Grant.

31. **Mothers' Rooms.** As a small, medium, or large hub airport, the sponsor certifies it is in compliance with 49 U.S.C. § 47107(w).

32. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

33. **Usable Unit of Development**. The FAA and the sponsor agree this grant only funds a portion of the overall project. The FAA makes no commitment of funding beyond what is provided herein. In accepting this award, the airport Sponsor understands and agrees that the work described in this grant agreement must be incorporated into a safe, useful, and usable unit of development completed within a reasonable timeframe [49 USC § 47106(a)(4)]. This safe, useful, usable unit of development must be completed regardless of whether the sponsor receives any additional federal funding.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[1]

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION

Kim Brockman (Aug 8, 2023 12:17 CDT)

(Signature)

Kim Brockman

(Typed Name)

Acting Manager, Texas ADO

(Title of FAA Official)

[1] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[2]

Dated _____

City of Lubbock
(Name of Sponsor)

_____
(Signature of Sponsor's Authorized Official)

By: _____
(Typed Name of Sponsor's Authorized Official)

Title: _____
(Title of Sponsor's Authorized Official)

[2] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, , acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Texas. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL), Division J, Title VIII; and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.[3]

Dated at _____

By: _____
(Signature of Sponsor's Attorney)

[3] Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Public Law 117-58, Division J, Title VIII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the

duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49, U.S.C. subtitle VII, as amended.

b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]

c. Federal Fair Labor Standards Act - 29 U.S.C. § 201, et seq.

d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]

e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1], [2]

f. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108.1.[1]

g. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. § 312501, et seq.[1]

h. Native Americans Grave Repatriation Act - 25 U.S.C. § 3001, et seq.

i. Clean Air Act, P.L. 90-148, as amended - 42 U.S.C. § 7401, et seq.

j. Coastal Zone Management Act, P.L. 92-583, as amended - 16 U.S.C. § 1451, et seq.

k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]

l. 49 U.S.C. § 303, (formerly known as Section 4(f))

m. Rehabilitation Act of 1973 - 29 U.S.C. § 794.

n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).

p. Age Discrimination Act of 1975 - 42 U.S.C. § 6101, et seq.

q. American Indian Religious Freedom Act, P.L. 95-341, as amended.

r. Architectural Barriers Act of 1968, as amended - 42 U.S.C. § 4151, et seq.[1]

s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 - 42 U.S.C. § 8373.[1]

t. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701, et seq.[1]

u. Copeland Anti-kickback Act - 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 - 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 - 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

b. Executive Order 11990 – Protection of Wetlands

c. Executive Order 11998 – Flood Plain Management

d. Executive Order 12372 – Intergovernmental Review of Federal Programs

e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.

h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.

i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]

j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

[1] These laws do not apply to airport planning sponsors.
[2] These laws do not apply to private sponsors.
[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such

performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of

residential real property adjacent to or near the airport must comply with the requirements of 49 U.S.C. § 47107(s) and the sponsor assurances.

6. **Consistency with Local Plans.**

   The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. **Consideration of Local Interest.**

   It has given fair consideration to the interest of communities in or near where the project may be located.

8. **Consultation with Users.**

   In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. **Public Hearings.**

   In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. **Metropolitan Planning Organization.**

    In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. **Pavement Preventive Maintenance.**

    With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. **Terminal Development Prerequisites.**

    For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security

equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. **Accounting System, Audit, and Record Keeping Requirements.**

    a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

    b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. **Minimum Wage Rates.**

    It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. **Veteran's Preference.**

    It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. **Conformity to Plans and Specifications.**

    It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere

with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

1. Operating the airport's aeronautical facilities whenever required;
2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
3. Promptly notifying aviators of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the

providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all

revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;

3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
    1. eliminate such adverse effect in a manner approved by the Secretary; or
    2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (**City of Lubbock**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement

subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
    a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
    b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
    1. Reinvestment in an approved noise compatibility project;
    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);

3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. § 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
    1. Reinvestment in an approved noise compatibility project;
    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
    3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
    4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., or Public Law 117-58, Division J, Title VIII it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under a Bipartisan Infrastructure Law grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for BIL projects as of June 23, 2023.

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport

Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

    1. Describes the requests;
    2. Provides an explanation as to why the requests could not be accommodated; and
    3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Information

Agenda Item

Resolution - Public Transit Services: Consider a resolution authorizing the Mayor to execute a Transit System Management Contract, and all related documents, by and between the City of Lubbock and RATP Dev USA, Inc., to manage and operate the public transportation system owned by the City of Lubbock.

Item Summary

A Request for Proposal (RFP) was issued by the Purchasing Department, for a contractor who will operate the City's transit system.

In response to RFP 23-17282-MA, a sole proposal by RATP Dev USA, Inc. was received by the Purchasing Department. RATP's fees for an initial 5-year period with 2 optional 5-year periods are shown in the following table.

Initial Five-Year Period:	Annual Compensation for Services Rendered:
FY 2024	$264,360
FY 2025	$276,827
FY 2026	$289,915
FY 2027	$303,654
FY 2028	$318,077
First Five-Year Option:	
FY 2029	$327,792
FY 2030	$337,827
FY 2031	$348,192
FY 2032	$358,899
FY 2033	$369,959
Second Five-Year Option:	
FY 2034	$381,363
FY 2035	$393,168
FY 2036	$405,364
FY 2037	$417,965
FY 2038	$430,986

Citibus Staff and the Public Transit Advisory Board recommend the contract be awarded to RATP Dev USA, Inc.

All assets associated with the transit system are City-owned.

Fiscal Impact

The first year of the contract for $264,360, is funded in the Proposed FY 2023-24 Budget.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Chris Mandrell, General Manager of Citibus
Public Transit Advisory Board

Attachments

Resolution - Public Transit Services

Contract - Public Transit Services

Project_Summary(c)_-_Public_Transit_Services (3)

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, a Transit System Management Contract to manage and operate the transportation system owned by the City, by and between the City of Lubbock and RATP Dev USA, Inc., and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocs II/RES.Contract-RATP Dev USA, Inc.
June 28, 2023

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TRANSIT SYSTEM MANAGEMENT CONTRACT

STATE OF TEXAS §

COUNTY OF LUBBOCK §

THIS CONTRACT AND AGREEMENT (the "Agreement" or "Contract"), made and entered into on this, the __th day of August, 20__, by and between the City of Lubbock, a Home Rule Municipal Corporation, hereinafter called "City" and RATP Dev USA, Inc., a Texas corporation, herein called "RATP Dev" or "Contractor".

WITNESSETH:

WHEREAS, the City has determined that it requires the services of a professional management company to manage and operate the transportation system owned by the City. and

WHEREAS, the City is authorized to enter into a contract for management and advisory services relating to said transportation system, and

WHEREAS, RATP Dev is desirous of providing such management and advisory services, and is qualified to do so, and

WHEREAS, the City has selected RATP Dev to provide such services,

NOW, THEREFORE, the parties hereto do covenant and agree as follows:

1. EMPLOYMENT AND ACCEPTANCE

The City hereby engages RATP Dev as an independent contractor to manage the operation of the public transit system in the City's service area, including additions to and extensions thereof, (the "Transit System"), as provided herein. RATP Dev agrees to provide management and advisory services for the public transportation on the terms and conditions hereinafter set forth.

2. CITY TRANSIT MANAGEMENT COMPANY

RATP Dev covenants and agrees to cause to be established, and to maintain at its sole cost and expense, a Texas corporation named City Transit Management Company, Inc., d/b/a CITIBUS, hereinafter referred to as "CTM", which shall employee all personnel necessary for the operation of the transit system.

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Any contractual obligations entered into or assumed by CTM and approved by the City in connection with the operation of the transit system shall be binding upon RATP Dev only for the term of this Agreement, as same may be extended, and in the event this Agreement is terminated or expires, the City shall thenceforth assume all future obligations under said contracts either on behalf of itself or any successors to CTM.

3. SCOPE OF SERVICES

RATP Dev shall furnish management services as reasonably required by the City and necessary for the efficient operation of the Transit System under policies, standards, and procedures established by RATP Dev and within the scope of RATP Dev's proposal submitted on May 25, 2023 in response to City's RFP 23-17282 , the terms and conditions of which RFP are hereby incorporated fully by reference as through restated herein; in the event of a material conflict with any term or condition of this Agreement, this Agreement shall control. The management to be furnished includes, but shall not be limited to, assisting the City in carrying out the functions of transit planning, marketing, equipment and building utilization and maintenance, security, routes, scheduling, fares, service standards, accounting, budgeting, safety, insurance and claims administration, employee selection and training, public relations, equipment selection, grant applications, and all other normal managerial functions reasonably required in the day-to-day operation of the Transit System.

Specific responsibilities of RATP Dev and the General Manager shall include management of the following:

Public transportation consultation and recommendations to the City, through the Lubbock Public Transit Advisory Board.

Compliance with all environmental laws applicable to operation of the transportation system/facilities.

Overall management and policy recommendations.

Management continuity.

Management personnel development and training, and recruitment as necessary.

Monitoring and evaluation of operations, systems and procedures.

Operations.

Finance, accounting, and budgeting.

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Safety, loss prevention, and insurance.

Preparation of an annual budget for CTM.

Schedules, transportation, and routing.

Maintenance of equipment.

Customer relations and promotion.

Preparation of state and federal grant applications and administration of those grants.

Administration of service contracts.

Employee relations.

Selection and training of CTM employees.

Preparing agenda folders and back-up information of CTM related items for Transit Advisory Board meetings.

Preparing agenda items and back-up information of CTM related items for City Council meetings.

RATP Dev shall provide each month to the Lubbock Public Transit Advisory Board and to the Assistant City Manager of Transportation an extensive detailed report that includes monthly totals for passenger revenue, number of passengers, operating cost, operating hours, vehicle miles traveled, fleet report, fixed route comparisons, reports described in Section 11, and other related transit information.

The City may, from time to time, request RATP Dev perform specific transportation related studies or projections beyond the responsibilities set forth above.

All such services rendered by RATP Dev shall be subject to all applicable federal, state, and local laws, rules, and regulations.

4. COMMENCEMENT AND TERM

The Effective Date of this Agreement is the first day of October 2023, regardless of the date of prior execution, and the Agreement shall continue from the Effective Date for a term of five years from the Effective Date, with an option by City to renew for up to two additional five-year terms, unless either party gives the other party sixty (60) days written notice before expiration of the original or subsequent terms, of such party's desire to terminate the contract as set forth in Section 22.

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5. RATP Dev PERSONNEL

RATP Dev agrees to furnish a qualified, diligent, expert and efficient executive who shall be assigned to, and perform the functions of, the position of General Manager, and will serve as operating officer responsible for the day-to-day operation of all departments of the system. The General Manager shall reside in the City's service area. Management of the Transit System shall be the exclusive full-time job of the General Manager.

The selection and appointment of such General Manager, and any such subsequent appointees, shall be the responsibility of RATP Dev but shall not be made without first obtaining the advice and consent of the City Manager.

6. ADVISORY AND TECHNICAL ASSISTANCE

RATP Dev agrees to furnish advisory and technical assistance, at the Transit System or elsewhere, as may be reasonably required to assist the General Manager in the management of the Transit System at no additional cost. Such advisory and technical assistance shall include, but will not be limited to, those relating to the managerial functions identified in Section 3.

7. COMPENSATION

RATP Dev's management fee for the services to be rendered pursuant to this Agreement for each year of the contract shall be as follows:

For the initial five-year term:
FY 2024 $22,030 per month or $264,360 annually
FY 2025 $23,069 per month or $276,827 annually
FY 2026 $24,160 per month or $289,915 annually
FY 2027 $25,304 per month or $303,654 annually
FY 2028 $26,506 per month or $318,077 annually

For the first five-year option:
FY 2029 $27,316 per month or $327,792 annually
FY 2030 $28,152 per month or $337,827 annually
FY 2031 $29,016 per month or $348,192 annually
FY 2032 $29,908 per month or $358,899 annually
FY 2033 $30,830 per month or $369,959 annually

For the second five-year option:
FY 2034 $31,780 per month or $381,363 annually
FY 2035 $32,764 per month or $393,168 annually
FY 2036 $33,780 per month or $405,364 annually
FY 2037 $34,830 per month or $417,965 annually
FY 2038 $35,915 per month or $430,986 annually

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Payment shall be made by the City to RATP Dev on or before the 15th day of each month for that month's management fee on a pro rata basis of the annual fee. In the event this Agreement becomes effective or terminates during a calendar month, the fee due RATP Dev shall be prorated on a daily basis.

8. WORK FUNDS

The City shall provide the Transit System with adequate working funds which shall be deposited in a "Regular Operating Checking Account," "Other Special Accounts as Needed," and a "Payroll Account" and which shall be used to pay all payroll, fringe and pension benefit expenses and all other "operating expenses" of the Transit System under procedures and controls adopted by the City. The ownership of said funds will remain with the City.

As used herein, the term "operating expenses" of the Transit System shall mean and include, but not be limited to, all wages, fringe benefits, and pension benefits of all personnel (excluding the RATP Dev Management Team for the Transit System), all applicable payroll and social security taxes in connection with the operation of the Transit System, all rentals, utilities, insurance premiums, deductibles, and claims costs, cost of fuel, supplies and parts, repairs pertaining to the operation of the Transit System. All operating expenses shall be an obligation of, and paid by, the City.

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9. EQUIPMENT, FACILITIES AND SERVICES

The City shall furnish necessary office space, utilities, furniture, equipment, supplies, materials, communication services, legal services, and postage as may be reasonably necessary for the management of the Transit System.

To the extent funds have been allocated for such purposes in the City's Annual Budget, the City further agrees to reimburse CTM for all expenses so eligible under this Agreement.

10. EMPLOYER STATUS

CTM shall be the employer and assume the employment of all employees and all labor and other contractual obligations necessary for the operation of the Transit System. No employees of CTM or RATP Dev shall be considered employees of City for any purpose.

11. FINANCIAL ACCOUNTING AND REPORTING

Revenues derived from the operation of the Transit System, whether from passengers or from other sources, shall be and remain from the initial receipt thereof, the absolute property of the City. RATP Dev on behalf of the City, shall receive, collect, and deposit all the aforesaid revenue collected in its operations in the manner directed by the City. The handling and treatment of such revenue, including the banking thereof, and the accounting therefore, shall be as directed by the City. Deposits shall be held in institutions with federal depository insurance with a minimum collateral level of 102%. Investments shall be in accordance with the City's Investment Policy.

The City shall provide an accounting system to be utilized by RATP Dev to keep and maintain the books and records of the operation of the Transit System in accordance with generally accepted accounting principles. The City shall provide to RATP Dev specific requirements necessary to manage and analyze the operations of CTM. RATP Dev shall render and certify to the City such full and complete monthly, annual, or other operating reports and financial statements as the City shall reasonably require. Said operating reports and financial statements shall include Project Budget Current Month, Project Budget Year-to-Date, Statement of Revenues and Expenses, Statement of Operating Expenses, Trial Balance, Balance Sheet, and other related information as the City may reasonably require. RATP Dev shall provide to the City special reports for grants and capital projects.

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RATP Dev shall comply with all cost principles of the Office of Management and Budget Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments" and the compliance requirements of the Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Some of these requirements include but are not limited to allowable costs/cost principles, cash management, Davis-Bacon Act, equipment and real property management, period of availability of federal funds and subrecipient monitoring.

12. TITLE TO PROPERTY

All real estate, buildings, equipment, buses, motor vehicles, and all materials and supplies reasonably necessary for the operation of the Transit System shall be furnished by the City and shall remain the property of the City. All property of any type either real, personal, or mixed hereinafter acquired and reasonably necessary for performance of the Transit System operations shall, upon prior written approval of the City, be acquired at the City's expense and shall become the sole property of the City.

RATP Dev agrees to exercise due diligence in maintaining all facilities, structures, fuel line and tanks provided for use in the daily operation of the transit system. RATP Dev agrees to compile and submit all regulatory filings and reports required by the local, state or federal government for the operation of said facilities.

13. PURCHASING

RATP Dev shall advise the City in writing of all capital equipment, goods, and services needed for use in the operation of the Transit System, the cost of which would require an expenditure of more than $25,000. RATP Dev shall make recommendations as to type and quantity of equipment, goods, and services to be obtained, and procurement, if any, for the purchase of said goods or services shall be made under the supervision of the City Purchasing Department, and pursuant to the City's purchasing policy.

14. AUDIT AND INSPECTION OF RECORDS

RATP Dev shall permit the authorized representatives of the City to inspect and audit all data and records of RATP Dev and CTM. To the extent that federal or state funds are involved,

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the right to inspection and audit shall extend to authorized representatives of the United States Department of Transportation, the Comptroller General of the United States, and applicable state offices, if any.

15. BUDGETS AND PROJECTIONS: FARES AND SCHEDULES

RATP Dev agrees to prepare or assist in the preparation of the necessary annual budgets and projections as may be required by the City, and agrees to furnish periodic reports and recommendations to the City relating to service extensions, route planning, and service policies.

16. COMPENSATION OF GENERAL MANAGER

RATP Dev shall be solely responsible for the compensation of the General Manager.

17. THIRD PARTY LIABILITY

RATP DEV SHALL INDEMNIFY, PROTECT, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, ELECTED OFFICIALS, DIRECTORS, AGENTS, AND EMPLOYEES (COLLECTIVELY, "CITY") FROM AND AGAINST ANY AND ALL LOSS, LIABILITY, CLAIMS, DAMAGE OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES) ARISING OUT OF, OR RELATED TO, THE MANAGEMENT OR OPERATION OF THE TRANSIT SYSTEM AND OTHER CITY OPERATIONS IN ANY WAY ASSOCIATED WITH THIS CONTRACT, CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE OF RATP DEV OR ITS AGENTS OR EMPLOYEES, PROVIDED, HOWEVER, THAT RATP DEV WILL HAVE NO OBLIGATION TO INDEMNIFY THE CITY FOR CRIMINAL PENALTIES OR FRAUD SOLELY COMMITTED BY CITY OFFICERS, DIRECTORS, AGENTS, OR EMPLOYEES. AS A WHOLLY-OWNED SUBSIDIARY OF RATP DEV, CTM MAY RESPOND ON RATP DEV'S BEHALF FOR ANY SUCH LOSS, LIABILITY, CLAIM, DAMAGE, OR EXPENSE IN WHICH RATP DEV IS NAMED. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

18. INSURANCE AND FIDELITY BOND

RATP Dev shall procure and carry throughout the life of this contract insurance protection hereinafter specified, in form and substance satisfactory to the City, covering all operations in connection with this contract, whether performed by RATP Dev subcontractor, agents, or third parties. A Certificate

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of Insurance specifying each and all coverage shall be submitted to City prior to the execution of this contract. Certificates of insurance shall be prepared and executed by the company or its authorized agent and shall contain provisions representing and warranting that the insurance forms have been approved by the Texas State Board of Insurance. Proof of coverage shall be furnished to the City and written notice of cancellation or any material change shall be provided thirty (30) days in advance of cancellation or change.

(a) Professional Liability Insurance. RATP Dev shall have professional liability insurance with a minimum of one million dollars ($1,000,000.00) combined single limit in the aggregate and per occurrence. The policy shall contain cross liability and severability clauses. The City shall be named as a certificate holder in such policy.

(b) Worker's Compensation and Employer's Liability Insurance. RATP Dev shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, RATP Dev shall maintain said coverage throughout the term of the Contract and shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that RATP Dev maintains said coverage. Any termination of worker's compensation insurance coverage by RATP Dev or any cancellation or non-renewal of worker's compensation insurance coverage for RATP Dev shall be a material breach of this Contract.

RATP Dev shall require each subcontractor with whom it contracts to provide activities as contemplated by this Contract, to obtain proof of insurance coverage as set forth herein, and to provide to RATP Dev prior to such person performing any such activities, a Certificate of Insurance establishing such coverage.

RATP Dev at its sole cost and expense, shall furnish to the City all necessary fidelity and surety bonds to protect, save whole and harmless, and indemnify the City from and against dishonesty, fraud or theft occasioned by any officer or employee of RATP Dev. Coverage of each such employee shall be in the amount of no less than Fifty Thousand Dollars ($50,000.00).

B. **RATP DEV SHALL INDEMNIFY, PROTECT, DEFEND, AND HOLD THE CITY, ITS AGENTS, ELECTED OFFICIALS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, LIABILITY, CLAIMS, DAMAGES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS FEES), RESULTING FROM OR ARISING OUT OF RATP DEV'S FAILURE TO FURNISH AND MAINTAIN THE INSURANCE POLICIES REQUIRED BY THIS AGREEMENT.**

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IN THE EVENT OF ANY SUCH FAILURE, THE CITY MAY, AT ITS SOLE OPTION, FURNISH SUCH POLICY OR POLICIES WITHOUT PREJUDICE TO ANY OTHER REMEDY THE CITY MAY HAVE. THE COST AND EXPENSE OF FURNISHING AND MAINTAINING SUCH POLICY OR POLICIES SHALL BE DEEMED AN OPERATING EXPENSE OF THE TRANSIT SYSTEM PAYABLE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 8. THE FOREGOING SHALL NOT, HOWEVER, APPLY TO CRIMINAL PENALTIES OR FRAUD COMMITTED BY THE CITY'S AGENTS OR EMPLOYEES. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

C. CTM shall procure and carry throughout the life of this contract insurance protection hereinafter specified, in form and substance satisfactory to the City, covering all operations in connection with this contract, whether performed by CTM, subcontractor, agents, or third parties. The cost of carrying such insurance shall be an operating expense payable by the City to CTM. Proof of coverage shall be furnished to the City and written notice of cancellation or any material change shall be provided at least thirty (30) days in advance of cancellation or change. All policies shall contain an agreement on the part of the insurer waiving the right of subrogation against the City.

(a) Commercial General Liability Insurance. CTM shall have commercial liability insurance with a minimum of one million dollars ($1,000,000.00) combined single limit in the aggregate and per occurrence. The policy shall contain cross liability and severability clauses. The City shall be named as the additional insured in such policy.

(b) Comprehensive Automobile Liability Insurance. CTM shall obtain comprehensive automobile liability insurance, with limits of not less than bodily/property damage of one million dollars ($1,000,000.00) combined single limit to include all owned, non-owned, hired, or scheduled vehicles. The City shall be named as the additional insured in such policy.

(c) Property Damage Liability Insurance. CTM shall obtain a property damage liability insurance policy naming the City as insured, in the amount of, for bodily injuries, including accidental death and/or property damage, five hundred thousand dollars ($500,000.00) combined single limit.

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(d) Excess Liability Insurance. CTM shall obtain excess liability insurance (Umbrella Form) naming the City as an additional insured, in the amount of one million dollars ($1,000,000.00) per occurrence.

(e) Worker's Compensation and Employer's Liability Insurance. CTM shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, CTM shall maintain said coverage throughout the term of the Contract and shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that CTM maintains said coverage. Any termination of worker's compensation insurance coverage by CTM or any cancellation or non-renewal of worker's compensation insurance coverage for CTM shall be a material breach of this Contract.

CTM shall require each subcontractor with whom it contracts to provide activities as contemplated by this Contract, to obtain proof of insurance coverage as set forth herein, and to provide to CTM, prior to such person performing any such activities, a Certificate of Insurance establishing such coverage.

CTM employees shall be covered by a blanket fidelity bond, the premium for which shall be considered as an operating expense.

The above-mentioned coverages may be modified at the request of the City of Lubbock on 30 days notice.

CTM, at its sole cost and expense, shall furnish to the City all necessary fidelity and surety bonds to protect, save whole and harmless, and indemnify the City from and against dishonesty, fraud or theft occasioned by any officer or employee of CTM. Coverage of each such employee shall be in the amount of no less than Fifty Thousand Dollars ($50,000.00).

D. **CTM SHALL INDEMNIFY, PROTECT, DEFEND, AND HOLD THE CITY, ITS AGENTS, ELECTED OFFICIALS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, LIABILITY, CLAIMS, DAMAGE, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS FEES), RESULTING FROM OR ARISING OUT OF THE CTM'S FAILURE TO FURNISH AND MAINTAIN THE INSURANCE POLICIES REQUIRED BY THIS AGREEMENT. IN THE EVENT OF ANY SUCH FAILURE, THE CITY MAY, AT ITS SOLE OPTION, FURNISH SUCH POLICY OR POLICIES WITHOUT PREJUDICE TO ANY OTHER REMEDY THE CITY MAY HAVE. THE COST AND EXPENSE OF FURNISHING AND MAINTAINING SUCH POLICY OR POLICIES SHALL BE DEEMED AN OPERATING**

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EXPENSE OF THE TRANSIT SYSTEM PAYABLE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 8. THE FOREGOING SHALL NOT, HOWEVER, APPLY TO CRIMINAL PENALTIES OR FRAUD COMMITTED BY THE CITY'S AGENTS OR EMPLOYEES. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

19. WAIVER OF SUBROGATION

RATP Dev hereby releases and agrees to indemnify, protect, defend, and hold harmless the City, its agents, representatives, elected officials, and employees from and against any and all liability for loss of, or damage to, properties of RATP Dev. RATP Dev hereby waives on behalf of itself and its insurer(s), any and all rights or subrogation against the City, as defined above. This provision shall survive the termination of this Agreement.

20. FORCE MAJEURE

RATP Dev shall not be liable to for any failure, delay or interruption of service or for any failure or delay in the performance of any obligation under this Agreement due to strikes, walkouts, acts of God, pandemic, governmental restrictions, enemy action, civil commotion, unavoidable casualty, availability of fuel or parts, or other similar acts beyond the reasonable control of RATP Dev.

21. NO PERSONAL LIABILITY

No officer, director, elected official, or employee of the City shall be personally liable for the fulfillment of the conditions of this Agreement.

22. DEFAULT

In case of a breach of any material provision hereunder, the nonbreaching party shall give the other party prompt written notice of such breach, setting forth the facts in reasonable detail. In the event that the breaching party has not cured such breach within thirty (30) days (or in case of breaches which require a longer period to cure, has failed to commence upon such cure within said period and thereafter to diligently proceed with the same to completion), the nonbreaching party shall have the right to terminate this Agreement without further notice. This Agreement shall also be terminable for cause at the option of the other party if any party is adjudicated bankrupt; is subjected to the appointment of a receiver and fails to have such a receiver removed

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within ninety (90) days; has any of its property attached and fails to remove such attachment within ninety (90) days; becomes insolvent; or, for a period of ninety (90) days, is unable to pay its debts as the same become due, upon ninety (90) days' notice.

23. SECTION 13(c) AGREEMENT

RATP Dev agrees to abide by the terms and conditions of any agreement entered into by the City or its agents or contractors pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended, in the performance of its obligations hereunder.

24. INTEREST OF PUBLIC OFFICIALS

No member, officer, or employee of the City, or of a local public body, during his or her tenure or for one year thereafter, shall have any personal pecuniary interest, direct or indirect, in this Agreement or the benefits thereof.

25. INTEREST OF MEMBERS OF CONGRESS

No member of, or delegate to, the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit arising therefrom.

26. NON-DISCRIMINATION

In connection with the carrying out of this Agreement, neither CTM nor RATP Dev shall discriminate against any employee or applicant for employment because of race, creed, color, sex, age, sexual preference, disability or national origin. CTM and RATP Dev will take affirmative action to promote employment and treatment during employment, without regard to race, creed, color, sex, age, sexual preference, disability, or national origin. Such action shall include, but not be limited to the following: employment and promotion; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay, other forms of compensation; and selection for training including apprenticeship. The applicable provisions of the Presidential Executive Order 11246, as amended, relating to Equal Employment Opportunity are incorporated by reference herein.

27. SEVERABILITY AND INTENT

Should any part of this Agreement be declared to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision will not affect the validity of the remainder of this Agreement, which will continue in full force and effect.

Except as is expressly provided herein, this Agreement is not intended to be a third party beneficiary Agreement and confers no rights on anyone other than the City and RATP Dev.

28. ASSIGNMENT

This Agreement shall not be assigned, transferred, hypothecated or pledged by either party without the prior written consent of the other party. However, this Agreement shall be binding upon the successors or assigns of the respective parties.

29. NOTICE

Notice to RATP Dev means notice in writing addressed to RATP Dev's local General Manager at the local address of the Transit System, and to the President and Chief Executive Officer for RATP Dev and delivered to the office of RATP Dev at 300 Throckmorton Street, Suite 670, Fort Worth, Texas, 76102. Notice to the City means notice in writing addressed to Assistant City Manager of Transportation, City of Lubbock, 1314 Avenue K, 11th Floor, Lubbock, Texas 79401, with copy to the City Attorney at the same address.

30. APPLICABLE LAW; VENUE

Subject to all applicable federal law, rules, and regulations, this Agreement shall be governed by the laws of the State of Texas. RATP Dev agrees to include all provisions required to be included by state or federal law, rule, or regulation, in any agreement or contract into which it enters under the authority granted in this Agreement, or otherwise on behalf of, or in connection with services rendered to, the City of Lubbock, including but not limited to all contracts with subcontractors. RATP Dev acknowledges and agrees that it shall be solely and exclusively responsible for inclusion of said provisions, and that those provisions accurately reflect current law.

RATP Dev hereby acknowledges and agrees that it shall comply with all terms and conditions of Federal Transit Administration grant contracts between the United States and the City of Lubbock, the City of Lubbock's applications, assurances, and all other applicable federal, state, or local laws, regulations and ordinances which may apply in carrying out its obligations under this Agreement, including, but not limited to, all certifications required through the Federal Transit Administration standard assurances contract provisions, which are hereby incorporated by reference as though fully set forth herein.

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Venue for any action arising from, out of, or in relation to this Agreement, or otherwise in connection with the obligations of the parties hereto, shall lie exclusively in Lubbock County, Texas.

31. CLEAN AIR AND WATER ACTS

RATP Dev shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 50B of the Clean Water Act (33 USC 1368), Executive Order 11738. and Environmental Protection Agency regulations (40 CFR, Part 15), which prohibit the use under non-exempt federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities. RATP Dev shall report all violations to Urban Mass Transportation Administration (UMTA) and to the United States Environmental Protection Agency (USEPA) Assistant Administrator for Enforcement (EN-329).

32. CONSERVATION

RATP Dev shall recognize and comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC Section 6321 et seq,.).

33. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, with respect to the subject matter, and supersedes any previous understandings, representations, commitments or agreements, oral or written. No provision of this Agreement may be waived except by a writing signed by the party to be charged, nor may this Agreement be amended except by a writing executed by both parties. If any provisions, or portion thereof, of this Agreement is or becomes invalid under any applicable statute or rule of law, it is to be deemed stricken and the rest of this Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

CITY OF LUBBOCK

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

RATP Dev USA, Inc.

DocuSigned by:
Matt Booterbaugh
7E5C2AA4A096438...

8/8/2023

Matt Booterbaugh, Deputy CEO

ATTEST:

Mark Millan (VP, Commercial Development)

APPROVED AS TO CONTENT

Bill Howerton, Deputy City Manager

APPROVED AS TO FORM

Mitch Satterwhite, First Assistant City Attorney

Purchasing and Contract Management RFP
23-17282-MA - Transit Management Services
Project Summary

Notice was published on the Lubbock Avalanche Journal April 23, 2023 thru April 30, 2023.
Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from April 21, 2023 thru May 25, 2023.
25 Vendors downloaded the documents using Bonfire.com.
3 Vendor were notified separately.
1 Vendor submitted a proposal.

RFP 23-17282-MA - Transit Management System
Scoring Summary

Supplier	Total / 100 pts	Proposer's understanding of the project / 40 pts	Proposer's experience and qualifications / 30 pts	Cost of the services / 20 pts	6.4Proposer's financial capacity / 10 pts
RATP Dev USA, Inc.	93.75	38	28.25	18.75	8.75

Information

Agenda Item

Resolution - Public Transit Services: Consider a resolution authorizing the Mayor to execute Amendment No. 1 to the Service Agreement dated March 9, 2021, by and between the City of Lubbock and SPARE Labs, Inc., to allow Citibus to use non-dedicated fleets or third party providers through a SPARE Open Fleets integration.

Item Summary

The amendment to the SPARE Labs Inc. contract will allow for the integration of the SPARE Open Fleets module to allow Citibus to utilize non-dedicated fleets or third-party providers to provide trips on behalf of Citibus. Non-dedicated fleets or third party providers would typically be a Transportation Network Company (TNC) such as Lyft, Uber, etc.

Currently, Citibus outsources trips to a TNC for promotional or special events, or as needed due to demand. Citibus does not anticipate this being a permanent offering; however, as network redesign is finalized, this may provide a cost-efficient option. At this time, only general public-on-demand trips are outsourced, and this will not affect Americans with Disabillities (ADA) para-transit trips.

The service agreement with SPARE Labs, Inc., was entered into on March 9, 2021.

Fiscal Impact

No additional costs will be associated with the amendment to the SPARE Labs Inc contract, unless approved non-dedicated fleets or third-party providers are utilized consistently over 3 months. A monthly charge of $535.50 will be incurred, in the event that Citibus uses a non-dedicated fleet or third-party provider over a continuous 3-month period.

Staff/Board Recommending

Bill Howerton, Deputy City Manager
Chris Mandrell, General Manager of Citibus
Public Transit Advisory Board

Attachments

Resolution - SPARE Labs Amendment
SPARE Labs Amendment - Open Fleet

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 1 to that certain Service Agreement dated March 9, 2021 between the City of Lubbock and Spare Labs, Inc., to allow Citibus to utilize Spare's Open Fleet's platform for the outsourcing of trips to third parties for pooled on-demand and scheduled transportation, and related documents. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocsII/RES.Amend 1-Spare Labs, Inc.
July 20, 2023

Amendment 1 for Service Agreement

This Amendment 1 for the Service Agreement (this "**Amendment 1**"), entered into on _____ (Amendment 1 Effective Date), by and among Spare Labs Inc with a place of business at 810-815 West Hastings Street, Vancouver, BC, V6C 1B4 (the "**Company**"), and City of Lubbock ("**Customer**"). Company and Customer are referred to in this Amendment collectively as the "**Parties**" and each individually as the "**Party**",

WITNESSETH:

WHEREAS, the Company and Customer entered into the Service Agreement as of March 9, 2021 (the "Original Agreement"), in order to provision Spare Platform with Spare Pooled OnDemand, which manages, dispatches and handles bookings for pooled on-demand and scheduled transportation (the "Project"),

WHEREAS, the Company and Customer wish to amend the Original Agreement in the manner described herein in accordance with the terms of the Original Agreement,

NOW, THEREFORE, in consideration of these premises, and of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Amendment of the Statement of Work in Original Agreement

The following will be added to Exhibit A – Statement of Work in the Original Agreement:

Provision of Spare Open Fleets with the Lyft transportation network and other Approved Open Fleets Providers

Company will supply Customer with Spare Open Fleet, including Lyft's transportation network and other Approved Open Fleets Providers integrated in the Spare Platform, as may be agreed between Company and Customer. Company and Customer will adhere to additional terms that apply for Lyft and other Approved Open Fleets Providers, as per Appendix 1 of Amendment 1. The Customer shall include such notification and/or require any user of the Project to accept or acknowledge such additional terms of use, privacy policy or similar, in each case as may be required by Lyft, other Approved Open Fleets Providers, and applicable law.

2. Amendment to fee schedule on Order Form SL-3588 in Original Agreement

The following will be added to the fee schedule in the Original Agreement, starting on Amendment 1 Effective Date.

Description	Fee
Spare Open Fleets	Non-Dedicated Management Fee for Spare Open Fleets (for each Approved Open Fleets Provider) + Boarding Fee for each Completed Boarding, as described in Order Form SL-3588 in Original Agreement. Non-Dedicated Management Fee only applies once each Approved Open Fleets Provider is used on a monthly basis over 3 months.
Ride fees for Lyft and other Approved Open Fleets Providers	Pass-through cost from Lyft and other Approved Open Fleets Providers' for each ride, charged on a monthly basis. Find latest Lyft fees for Customer's area on lyft.com.

3. Others

All other terms and provisions of the Original Agreement shall continue to be effective and remain unchanged.

IN WITNESS WHEREOF, the Parties have caused this Amendment 1 to be executed by their duly authorized representatives as of the day and year first above written.

Spare Labs Inc. (Company)	**City of Lubbock (Customer)**
By: _____ Name: Kristoffer Vik Hansen Title: CEO	By: _____ Name: Title:

Appendix 1

Additional terms specific to provision of Open Fleet Provider integration through Spare Open Fleets:

In providing and using Open Fleet Providers through Spare Open Fleets, the following additional provisions shall apply:

(a) Company obligations: Company shall only enable an Open Fleet Provider integration with Customer's account within the Spare Platform where such integration has been expressly approved in writing by Customer ("Approved Open Fleet Provider").

(b) Customer Obligations.

(i) Unless otherwise agreed in writing between the Parties, Customer represents and warrants that it (i) either has a direct agreement in place with each Approved Open Fleet Provider that permits that the Open Fleet Provider integration with Customer's account within the Spare Platform and use as part of the Project that does not require any further agreement be entered into by Company; or (ii) that it has agreed to be bound by the applicable Approved Fleet Providers Terms as set out in sub-section (c) below.

(ii) Customer covenants and agrees to immediately inform Company in the event that any such agreement with an Approved Open Fleet Provider lapses, in which event Company shall immediately terminate the integration within the Customer's account within the Spare Platform in respect of such Open Fleet Provider.

(iii) For each Approved Open Fleet Provider whose integration Customer has approved in writing, Customer shall include such notification and/or require any user of the Project to accept or acknowledge such additional terms of use, privacy policy or similar, in each case as may be required by such Open Fleet Provider and applicable law.

(c) Approved Open Fleet Provider Terms

Where subsection (b)(i) above does not apply and the Approved Open Fleet Provider is:

(i) Uber Inc. ("Uber", which expression shall include any subsidiaries or affiliates of Uber Inc.), then Customer agrees to be bound by the standard Uber for Business terms and conditions (the "U4B Online Terms"), available via https://www.uber.com/legal/business/dashboard/en/ (as may be updated from time to time), in the US, or the applicable global equivalent;

(ii) Lyft ("Lyft", which expression shall include any subsidiaries or affiliates of Lyft Inc.), then Customer agrees to be bound by the Lyft-specific terms set out in Appendix 2; or

(iii) Any other Approved Open Fleet Provider, such Approved Open Fleet Provider-specific terms as may be notified to Customer at the time of express approval of such Open Fleet Provider by Customer.

Appendix 2

(a) Customer Obligations. Customer:

(i) Acknowledges that riders will be required to consent to additional terms listed on https://www.lyft.com/terms and https://www.lyft.com/privacy when using the Lyft services through the Project;

(ii) Agrees to take all reasonable precautions to prevent unauthorized access to or use of the Lyft services and to notify Lyft promptly upon the discovery of any known or suspected unauthorized or fraudulent activity occurring under its account

(iii) Agrees not to (i) decompile, disassemble, reverse engineer or otherwise attempt to derive the source code or underlying technology, methodologies or algorithms of the Lyft's platform and services; (ii) use the Lyft's platform, services, and any data received from Lyft in violation of applicable law, third party rights, and this Agreement; (iii) sublicense, repackage, lease,rent, sell, give or otherwise transfer or provide Lyft's platform and services to any unaffiliated third party except as may be provided in this Agreement; (iv) substantially replicate or modify Lyft's platform, services or their elements, except as expressly permitted hereunder; (iv) use incorrect or outdated rider information in connection with this Agreement; (v) interfere with, modify or disable any features or functionality of Lyft's platform and services; (vi) transmit files, documents, or any other material that contains viruses, Trojan horses, spyware, worms or any other malicious, harmful, or deleterious programs; and/or (vii) use Lyft's services or platform in connection with unsolicited, unwanted, or harassing communications (commercial or otherwise), including, but not limited to, phone calls, SMS messages, chat, voice mail, or video.

(iv) Acknowledges that all information related to Customer, riders ("Riders"), and their use of the Lyft Platform as received, collected, compiled, aggregated or produced by Lyft in connection with this Agreement shall be governed by the terms of Lyft's Privacy Policy (https://www.lyft.com/privacy), and Lyft shall have the right to use such data as set forth in Lyft's Privacy Policy;

(v) Customer consents to allow Lyft to use any Rider information ("Rider information")

provided, including to (a) transmit a request via the Lyft Platform to available drivers ("Drivers"); (b) send automated transactional communications, including but not limited to SMS texts or phone calls to the Rider relating to the Ride or the provision of the Project; (c) share the Rider information with the Driver who accepted the Request; provided that the Driver will only receive the first name of the Rider and pick up and drop off location; and (d) use and store the Rider information for the internal purposes of Lyft, subject to Lyft's Privacy Policy (available at https://www.lyft.com/privacy). Customer consents to Lyft sharing any Customer or Rider information with its authorized vendors, service providers, and subcontractors for purposes of performing its obligations hereunder.

(vi) It is expressly acknowledged and agreed that Company will not grant Customer the right or ability to, and Customer shall not knowingly, directly access or integrate the Lyft API into Customer's own platforms or systems. Company will restrict Client's access to the Lyft API to indirect use through the Partner's Platform, and Customer shall not knowingly seek to by-pass such restriction .

(vii) In addition to any other indemnification obligations set forth in this Agreement, Customer agrees to defend, indemnify and hold harmless Company from any claim by Lyft and its directors, officers, employees, subcontractors and agents from and against all third party claims, suits, causes of action, damages, costs (including reasonable and documented attorneys' fees), judgments and other expenses (collectively, "Claim(s)") arising out of or related to: (i) Customer's breach of this Agreement; or (ii) Customer's breach of data privacy rights involving data received by Customer from Lyft.

Information

Agenda Item

Resolution - Parks and Recreation: Consider a resolution authorizing the Mayor to execute an amendment to the Park Land License Agreement with Alstrom Angels, waiving fees until Milestone Development & Play Park is open to the public, permitting the City Manager, or his designee, to execute any necessary documents regarding subordination of the City's security interest in temporary improvements/fixtures, and to allow for additional construction time.

Item Summary

In March 2021, the City Council approved a Park Land License Agreement between the City of Lubbock and Alstrom Angels, a 501 (c) (3) non-profit charity, to utilize a portion of McAlister Park for the construction and operation of Milestone Development & Play Park. This park will provide children of all ability levels, with a stimulating environment that will allow them to play, learn, and share experiences together, embracing the true spirit of inclusion, and creating an atmosphere of acceptance and understanding of everyone.

The term of the Park Land License Agreement is for 10 years from the time of execution (March 2021), with the option to renew for 4 additional, 5-year terms. If the agreement expires or terminates, the Licensed Premise becomes the property of the City.

The payment structure of the agreement is $500 per month/$6,000 annually for the first 3 years. After 3 years, the amount will increase 3% per year.

Contract Years	Amount
Years 1-3	$6,000.00
Year 4	$6,180.00
Year 5	$6,365.40
Year 6	$6,556,36
Year 7	$6,753.05
Year 8	$6,955.64
Year 9	$7,164.31
Year 10	$7,379.24

In May 2023, Alstrom Angels contacted City staff regarding the desire to amend the existing License Agreement in order to obtain financing to complete construction of Milestone Development and Play Park. The agenda item for consideration amends the existing License Agreement with regard to the following:

Section 3.Compensation, Fees, and Other Charges, Paragraph A - Currently, Alstrom Angels is paying

the City of Lubbock $500 monthly. The amendment affords Alstrom Angels the opportunity to stop payments until the Licensed Premise is open to the public. (Estimated loss in revenue is $1,500).

Section 4. Covenants and Conditions, Paragraph I- The purpose of this amendment is to allow Alstrom Angels the opportunity to obtain financing for their business operations, including financing for the acquisition or repair of any temporary improvements/fixtures/equipment. The amendment states the City may agree to subordinate its security interest in temporary improvements/fixtures/equipment and other property of Alstrom Angels to lenders. The City Manager, or his designee, may have the authority to execute any necessary documents regarding a subordination, including, but not limited to, a Landlord's Release and Consent. This amendment does not impact permanent improvements. Permanent improvements become the property of the City upon termination of the License.

Section 7. Construction, Paragraph A - The amendment changes the construction completion timeline from 24 months, to within 48 months from the date of commencement of construction.

Fiscal Impact

Revenue derived from the License Agreement will commence upon public opening of Milestone Development & Play Park.

Staff/Board Recommending

Brooke Witcher, Assistant City Manager
Colvy VanGundy, Parks and Recreation Director

Attachments

Resolution
Amendment
Exhibit 1

RESOLUTION

WHEREAS, the City of Lubbock (the "City") and Alström Angels, a 501 (c)(3) non-profit charity, entered into a Park Land License Agreement, on March 23, 2021, and a copy of such City of Lubbock Park Land License Agreement is attached hereto as "Exhibit 1" and is incorporated in this Resolution as if fully set forth herein;

WHEREAS, the City and Alström Angels desire to amend said License Agreement with regard to fees, the prohibition on encumbrances, and the time within which construction must be completed, in order for Alström Angels to obtain financing to complete construction of Milestones Development & Play Park; and

WHEREAS, the Amendment to Park Land License Agreement dated March 23, 2021, is attached hereto and incorporated in this Resolution as if fully set forth herein; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1. THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute, on behalf of the City of Lubbock, the Amendment to Park Land License Agreement dated March 23, 2021, between the City of Lubbock and Alström Angels, a 501 (c)(3) non-profit charity, and all related documents. Said Amendment is attached hereto and incorporated in this Resolution as if fully set forth herein and shall be included in the minutes of the City Council.

SECTION 2. THAT the City Manager of the City, or his designee, shall have the authority to execute any necessary documents regarding subordination of the City's security interest in temporary improvements/fixtures/equipment and other property of Alström Angels for the purpose of Alström Angels securing financing for its business operations.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

Rachael Foster, Assistant City Attorney

ccdocs II/RES.Amendment to License Agmt. Alström Angels-Milestones
8.1.23

AMENDMENT TO PARK LAND LICENSE AGREEMENT DATED MARCH 23, 2021

This Amendment is made as of the ____ day of _____, 2023 by and between the City of Lubbock, Texas (the "City"), a Texas home rule municipal corporation, and Alström Angels, a 501 (c)(3) non-profit charity, ("Licensee"), (each a "Party," and collectively being the "Parties").

RECITALS

WHEREAS, the City and Licensee previously entered into a Park Land License Agreement dated March 23, 2021, Resolution No. 2021-R0110 ("License Agreement"); and

WHEREAS, the City and Licensee desire to amend said License Agreement with regard to Compensation, Fees, and Other Charges, Covenants and Conditions, and Construction, in order for Licensee to obtain financing to complete construction of the Licensed Premises; and

NOW THEREFORE, the City and Licensee desire to adjust Section 3, Paragraph A, Section 4, Paragraph I, and Section 7, Paragraph A, of the License Agreement between the Parties dated March 23, 2021, to read as follows:

SECTION 3. COMPENSATION, FEES, AND OTHER CHARGES

A. *Consideration*. In consideration of the rights and privileges to be granted to the Licensee by the City, the Licensee shall pay to the City an amount equal to FIVE HUNDRED AND XX/100 dollars ($500.00) per month, for access and use of the Licensed Premises. Such fee shall be paid monthly in advance, due and payable on the first of each month beginning on the first day of the first month following the opening of the Licensed Premises to the public. This fee shall be effective for the first year of the Primary Term that the Licensed Premises is open to the public.

Each additional year subsequent to the first year that the Licensed Premises is open to the public, the overall annual rate shall be increased by three percent (3.0%). As reflected in the monthly payment above, for the first year of this License that the Licensed Premises is open to the public, the annual rate shall be SIX THOUSAND AND XX/100 dollars ($6,000.00). Said adjustment shall be for each year of the remaining years of the Primary Term. After the completion of the Primary Term, and for each Option Period, the City shall reconsider the Licensee's annual rate.

Additionally, after the completion of the Primary Term, and for each Option Period, the City shall reconsider the Licensee's insurance obligation and may increase said coverage requirements if deemed necessary by the City to maintain a satisfactory level of protection.

SECTION 4. COVENANTS AND CONDITIONS

I. *Prohibition on Encumbrance*.

The Licensee shall not encumber any interest in the Licensed Premises, the Park, or this License in any way, manner or form, including, but not limited to, by deed of trust, mortgage, or any other security instrument.

However, the City shall agree to subordinate its security interest in temporary improvements/fixtures/equipment and other property of Licensee (except for any permanent improvements, which become the property of the City upon termination of the License) to Licensee's lenders for the purpose of Licensee securing financing for its business operations, including without limitation financing for the acquisition or repair of any temporary improvements/fixtures/equipment. The City Manager of the City, or his designee, shall have the authority to execute any necessary documents regarding said subordination, including, but not limited to, a Landlord's Release and Consent.

Further, the Licensee shall not cause or permit any mechanic's liens or any other liens to be filed against the Licensed Premises, the Park, or this License by any reason of any work, labor, services, or materials supplied and/or performed or claimed to have been supplied and/or performed to, by or for the Licensee or any contractors or subcontractors of the Licensee.

SECTION 7. CONSTRUCTION

A. *Mandatory Construction.* In consideration for the granting of this License, the Licensee agrees to construct at the Licensed Premises the Facility with all the necessary appurtenances and improvements reasonably necessary for the purpose of the Facility. Construction of the Facility shall be commenced within six (6) months of the date of execution of this License by both parties and be completed within forty-eight (48) months from the date of the commencement of construction. The City, at its sole option, may grant a longer period for completion of the construction.

In the event that the Licensee fails to commence or complete construction of the Facility within the time frames set forth in this License, and no extension for completion has been approved by the City, this License shall immediately terminate, and title to all buildings, fixtures, or structures, whether owned by the Licensee or not, and whether completed or not, excluding trade fixtures, furnishings, equipment, and other personal property which may be removed without material injury to the Licensed Premises according to the provisions of this License, shall automatically vest in the City.

During the construction and installation of the Facility, the Licensee shall maintain financial surety favorable to the City in the amount of one hundred percent (100%) of the total construction cost of the Facility in the event that said construction cost exceeds one hundred thousand dollars ($100,000), and the Licensee shall maintain a payment bond in the amount of one hundred percent (100%) of the total construction cost in the event that said construction cost exceeds fifty thousand dollars ($50,000). All bonds shall be submitted on forms supplied by the City and executed by an approved surety company authorized to do business in the State of Texas. It is further agreed that this Lease shall not be in effect until such sureties are so

furnished. The Licensee shall provide the surety required in this Section within thirty (30) days of the execution of this License.

All other portions of the original License Agreement shall remain in place and are not altered by this Amendment.

IN WITNESS WHEREOF, each Party hereto has caused this Amendment to be executed on behalf of such Party by an authorized representative as of the date first set forth above.

CITY OF LUBBOCK:

TRAY PAYNE, MAYOR

ALSTRÖM ANGELS

CASSIE JOHNSTON

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

Rachael Foster, Assistant City Attorney

Exhibit 1

CITY OF LUBBOCK PARK LAND LICENSE AGREEMENT

This CITY OF LUBBOCK PARK LAND LICENSE AGREEMENT (the "License") is made this 23rd day of March, 2021, by and between the City of Lubbock, a Texas municipal corporation (the "City"), the owner of Bill McAlister Park (the "Park"), and Alström Angels, a 501 (c)(3) non-profit charity, (the "Licensee"). The purpose of this License is for the City to grant the Licensee the exclusive use over certain space at the Park for the construction and operation of Milestone Development & Play Park (the "Facility") to provide children of all ability levels with a stimulating environment that will allow them to play, learn, and share experiences together embracing the true spirit of inclusion, creating an atmosphere of acceptance and understanding of everyone, according to terms and conditions agreeable to the parties as set forth herein.

SECTION 1. PREMISES AND PRIVILEGES

A. *Premises.* According to the terms, conditions, and covenants of this License, the City hereby allows the exclusive use by Licensee of a specific portion of land at the Park for the construction and operation of a Facility. The specific portion of land over which Licensee has exclusive use under this License is more particularly described in the attached Exhibit "A" (the "Licensed Premises").

B. *Survey.* The Licensee shall provide the City with a boundary survey of the Licensed Premises, prepared by a registered land surveyor duly licensed in the State of Texas, within thirty (30) days after the execution of this License (the "Survey"). The cost of the Survey shall be paid by the Licensee. Any acreage amounts or descriptions of the Licensed Premises set forth in this License are estimates only and shall be subject to the acreage and description provided in the Survey. Upon completion of the Survey, it shall be attached to this License as Exhibit "B."

C. *Use of the Licensed Premises*. The purpose of this License is for the Licensee to construct, install, maintain, and operate a Facility. The Facility on the Licensed Premises shall be constructed according to the plans and specifications prepared by an architect or engineer registered in the State of Texas and approved by the City as outlined in this License (the "Plans and Specifications"). The Plans and Specifications shall be attached to this License as Exhibit "C." All equipment used in the construction, operation, and maintenance of the Facility shall be subject to approval by the City for safety and recreation purposes. The Licensee shall first secure the written consent of the City Manager or his designee before the Licensee engages in any activity or use of the Licensed Premises not specifically authorized under this License.

D. *Covenant of Title, Authority, and Quiet Possession*. The City represents and warrants that the City has, and shall maintain, full title to the Licensed Premises. The City has the right of lawful entry onto the Licensed Premises to perform the City's obligations, as required under this License or by any contract, law, or regulation, for the Primary Term of this License, and any Options period.

The City further covenants that if the Licensee shall discharge the obligations to be performed by the Licensee under this License, then the Licensee shall have and enjoy, during

the Primary Term of the License, and any Option period, quiet and undisturbed possession of the Licensed Premises. The representations, covenants, and warrants provided in this Section are subject to the covenants and conditions set forth in this License.

E. *Costs of Development*. This License, in every sense, shall be without cost to the City for the development, maintenance, and improvement of the Licensed Premises. It shall be the sole responsibility of the Licensee to develop, keep, maintain, repair, and operate the entirety of the Licensed Premises and all improvements and facilities placed thereon at the Licensee's sole cost and expense.

SECTION 2. COMMENCEMENT AND TERM OF LICENSE

A. *Effective Date*. The effective date of this License shall be the date the parties execute this License.

B. *Term of the License*. The primary term of this License shall begin on the date this License is approved by the City Council of the City and executed by the parties, and shall continue for ten (10) years unless sooner terminated or extended (the "Primary Term"). The Licensee shall timely and peaceably vacate the Licensed Premises upon the end of the Primary Term, unless this License is extended for an Option Period.

C. *Option Period*. At the expiration of the Primary Term of this License and the Licensee not being in default in any payments required to be paid and obligations required to be conducted by the terms of this License, the Licensee shall have an option to renew the License for four (4) additional, five (5) year terms (each an "Option Period"). Each Option Period shall be based upon the conditions specified herein and upon the payment schedule and increase as stated in this License. The Licensee shall give to the City notice of its intent to exercise an Option Period in writing on or before one hundred eighty (180) days prior to the end of the Primary Term. The City shall have the sole discretion and authority to grant an Option Period following the timely request of the Licensee. The Licensee shall timely and peaceably vacate the Licensed Premises upon the end of the Option Period, unless the Licensee extends this License through an additional Option Period.

D. *Property Ownership Upon Expiration or Termination*. As consideration for the Option Period, the Licensee agrees that upon the expiration of such Option Period, or due to termination of the License by the City because of default after the Option Period begins, all permanent improvements and structures located on the Licensed Premises, and any alteration to any permanent improvement or structure located on the Licensed Premises, regardless of whether such improvement or structure was located on the Licensed Premises upon the execution of this License, excluding personal property which may be removed without material injury to the Licensed Premises shall become the property of the City. In order to continue operations at the Facility after this License is expired or terminated, the City shall receive and take ownership of trade fixtures, furnishings, equipment, and other operational property on the Licensed Premises.

SECTION 3. COMPENSATION, FEES, AND OTHER CHARGES

A. *Consideration*. In consideration of the rights and privileges to be granted to the Licensee by the City, the Licensee shall pay to the City an amount equal to FIVE HUNDRED AND XX/100 dollars ($500.00) per month, for access and use of the Licensed Premises. Such fee shall be paid monthly in advance, due and payable on the first of each month beginning on the first day of the first month following the effective date of this License. This fee shall be effective for the first three years of the Primary Term.

Each additional year subsequent to the first three (3) years of this License, the overall annual rate shall be increased by three percent (3.0%). As reflected in the monthly payment above, for the first three (3) years of this License, the annual rate shall be SIX THOUSAND AND XX/100 dollars ($6,000.00). Said adjustment shall be for each year of the successive seven (7) years of the Primary Term. After the completion of the Primary Term, and for each Option Period, the City shall reconsider the Licensee's annual rate.

Additionally, after the completion of the Primary Term, and for each Option Period, the City shall reconsider the Licensee's insurance obligation and may increase said coverage requirements if deemed necessary by the City to maintain a satisfactory level of protection.

B. *Delinquent Payment/Place of Payment*. The Licensee agrees that all monthly payments are due and payable and shall be paid by the Licensee without demand or notice in writing from the City. All amounts paid by the Licensee and received by the City after the fifteenth (15^{th}) day after the due date will be delinquent and shall include an additional monetary charge which shall be equal to five percent (5%) of the monthly fee amount due for each day that the fee remained unpaid. Failure of the Licensee to pay any fee or the five percent (5%) monetary charge on a delinquent fee shall constitute the Licensee's default of this License.

C. All payments made hereunder by the Licensee shall be made to the City of Lubbock, Texas at the offices of the City of Lubbock, Attn: Director of Parks and Recreation, unless notified in writing to the contrary by the City. The Licensee agrees to pay the City for all costs of collection, including but not limited to, attorney's fees, in the event of default occurring by the Licensee for non-payment of rates, fees, and charges as stated herein.

D. *Utilities*. The Licensee agrees to pay all charges for gas, water, electricity, telephone service, trash collection, solid waste, and other utilities used on or furnished to the Licensed Premises.

E. *Taxes*. The Licensee shall pay and release all charges, including without limitation, personal property taxes, gross receipts taxes, general and special assessments, and other charges of similar nature which may be levied or assessed against the Licensed Premises pursuant to any activity contemplated by this License.

F. *Annual Certified Statement*. For each year during the Primary Term and during any Option Period, the Licensee, at its own cost and expense, shall provide to the City a statement of gross receipts for the previous year prepared by an independent certified public accountant certifying that such statements have been prepared in accordance with generally accepted accounting principles and under the terms and conditions of this License. Said statements shall include gross receipts itemized for each subcategory as follows:

(1) General Sales, including Admissions Sales

(2) Room Rentals and Events

(3) Food and Beverage Sales

(4) Miscellaneous

Such statement of gross receipts shall be in a form approved by the City Manager of the City of Lubbock, or his designee.

G. *Definition of Gross Receipts*. The term gross receipts, as used in this License, means the total dollar value of all receipts received by the Licensee which are derived from, arise out of, or become payable on account of the Licensee's business, and all business transactions conducted at or from the Licensed Premises by or for the account of the Licensee. Gross receipts are both cash and credit, regardless of when paid, on all orders of goods and services, including but not limited to receipts received for the use of the Facility and other general sales, room rentals, private events, food and beverage sales, alcohol sales, and miscellaneous sales. The following shall be excluded or deducted, as the case may be, from the computation of gross receipts:

(1) Any and all retail sales taxes, excise taxes, restaurant taxes, bar or entertainment taxes, or related direct taxes collected by the Licensee in the course of making such sales, and thereafter remitted to any governmental agency.

(2) Receipts from the sale or trade-in value of any equipment used upon the Licensed Premises and owned by the Licensee.

(3) Employee meals and complimentary goods or services, if included in gross receipts.

H. *Books and Records of the Licensee*. The Licensee shall maintain such books and records in accordance with generally accepted accounting principles as would normally be examined by an independent certified public accountant pursuant to such standards in performing an audit of the Licensee's gross receipts. Such books or records shall contain records of all the Licensee's receipts in connection with its operations in a form consistent with good accounting practice and shall contain itemized records of all gross receipts by such categories of sales as are specified herein above (or such other categories as the City may require from time to time) and of all other receipts derived by the Licensee from its operations. The Licensee may keep the books and records at its corporate office, provided that such books shall be made available to the City, at the Licensed Premises, or a mutually agreed upon site, upon the City's request.

I. *Bankruptcy*. The Licensee agrees not to file any petition by or on the behalf of the Licensee seeking protection under the federal bankruptcy laws or similar relief under any law or statute of the United State or any State thereof without first giving the City reasonable advance notice in writing of such filing.

SECTION 4. COVENANTS AND CONDITIONS

A. *Non-Discrimination*. The Licensee, for itself, its personal representatives, and its permitted assigns, as a part of the consideration hereof, does hereby covenant and agree that:

(1) No person, on the grounds of race, color, sex, religion, or national origin, shall be excluded from participation in, denied the benefits of, or otherwise subjected to, discrimination on the Licensed Premises; and

(2) That in the construction of any improvements on, over, or under the Licensed Premises, and the furnishing of services thereon, no person, on the grounds of race, color, sex, religion or national origin, shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) That the Licensee shall at all times use the Licensed Premises in compliance with all non-discrimination laws, either in effect at the present time or those promulgated in the future, of the United States of America, the State of Texas, and the City or their successors.

B. *Abide by All Laws*. The Licensee agrees to abide by all laws, statutes, ordinances, rules, and regulations of Federal, State, local, and other duly constituted public authorities having jurisdiction over the Licensee or the Licensed Premises. The Licensee agrees to conduct all activities on the Licensed Premises in accordance with the standards now established or that may be reasonably established later by any competent and lawful authority.

Notwithstanding anything contained herein to the contrary, it is expressly understood and agreed that the rights granted under this License are non-exclusive, and the City herein reserves the right to grant similar privileges to another licensee on any other part of the Park.

C. *Permits*. The Licensee shall be solely responsible for, and shall be required to obtain, any and all permits required by Federal, State, or local law in conducting its operations on the Licensed Premises. Such permits shall include, but not be limited to, Texas Alcoholic Beverage Commission licenses or permits, food establishment permits, and zoning permits.

D. *City Employees*. The Licensee shall not permit any City employee or elected official to invest or otherwise hold a financial interest in this License or the constructed Facility and its operations. During the Primary Term or any Option Period of this License, the Licensee shall not hire or employ, on either full-time or part-time basis, any person that is employed by the City.

E. *Non-Assignment & Sublicensing*. The Licensee shall not transfer or assign this License, or any part hereof, or interest herein, or sublicense any portion of the Licensed Premises, except with the prior written approval of the City Manager or his designee, which approval shall not be unreasonably withheld. Any other attempted transfer, assignment, or sublicense shall be void and shall confer no rights upon any third person. No assignment or sublicense shall relieve the Licensee of any obligation under this License unless otherwise agreed to in writing by the City.

Notwithstanding the foregoing, this section shall not be interpreted to preclude the assignment of this License to a parent, subsidiary, or merged company, if such parent, subsidiary, or merged company assumes all rights and obligations of this License. Written notice of such assumption shall be provided to the City by the parent, subsidiary, or merged company at least thirty (30) days prior to the effective date of such assignment.

F. *Acceptance of the Licensed Premises*. The Licensee agrees to accept the Licensed Premises on an AS IS, WHERE IS basis; further, the City hereby disclaims, and the Licensee accepts such disclaimer, as to warranty, either express or implied, of the condition, use, or fitness for purpose of the Licensed Premises. The Licensee assumes full responsibility to make any repairs, at its own expense, as may be necessary for the safe and efficient use of the Licensed Premises, and to furnish any equipment necessary to properly maintain the Licensed Premises.

G. *Maintenance of the Licensed Premises by the Licensee*. The Licensee agrees to be responsible for all maintenance and repair of all items on the Licensed Premises including buildings, structures, grounds, pavements, utilities, grass cutting, landscaping, trash collection and removal, and all other maintenance requirements that may arise. The Licensee agrees that the Licensed Premises, and a buffer area extending twenty feet (20') out from the perimeter of the Licensed Premises, together with all improvements, shall be maintained in a safe, clean, and attractive condition at all times. The Licensee shall provide a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Licensed Premises, of all trash, garbage, and other refuse caused as a result of the Licensee's activities. The Licensee shall provide and use approved receptacles for all such garbage, trash, and other refuse. The Piling of boxes, cartons, barrels, or other similar items in an unattractive or unsafe manner, on or about the Licensed Premises, shall not be permitted.

The Licensee herein agrees not to utilize, or permit others to utilize, the Licensed Premises for the storage of wrecked or disabled automobiles, vehicles of any type, or any other equipment or items which would distract from the appearance of the Licensed Premises. Additionally, all landscaped areas on the Licensed Premises will be maintained in accordance with the provisions contained herein, including without limitation, the condition to maintain a landscaping buffer around the perimeter of the Licensed Premises.

Any failure to maintain the Licensed Premises according to the provisions of this License or any damage caused to any property of the City by any act, omission, or negligence of the Licensee, its employees, invitees, suppliers, or furnishers of service shall be repaired and restored to the condition existing prior to damage either, at the City's election, by the Licensee at the Licensee's sole expense in accordance with the Plans and Specifications approved by the City, or repaired by the City, in which case, the Licensee shall pay the City, as additional fee, the expense of repair thereby incurred.

The Licensee shall not undertake any maintenance or repair on the Licensed Premises involving structural change, alteration, or rebuilding until detailed plans and specifications prepared by an architect or engineer registered in the State of Texas have first been approved in writing by the City. Such approval shall not be unreasonably withheld.

H. *Utility Connections*. Licensee shall be solely responsible for any and all costs associated with obtaining electrical service, water utilities, and wastewater utilities including any connection fees as established by the City. The Licensee agrees to pay all subsequent charges for gas, water, electricity, telephone service, trash collection, solid waste, and other utilities used on or furnished to the Licensed Premises.

I. *Prohibition on Encumbrance*. The Licensee shall not encumber any interest in the Licensed Premises, the Park, or this License in any way, manner or form, including, but not limited to, by deed of trust, mortgage, or any other security instrument.

Further, the Licensee shall not cause or permit any mechanic's liens or any other liens to be filed against the Licensed Premises, the Park, or this License by reason of any work, labor, services, or materials supplied and/or performed or claimed to have been supplied and/or performed to, by or for the Licensee or any contractors or subcontractors of the Licensee.

J. *Right of Entry*. Nothing contained in this License shall be construed to prohibit the right of entry by the City, in, on, over, or across the Licensed Premises, at any and all times, and for any and all purposes, and the City expressly reserves the right to enter upon the Licensed Premises, and any and all improvements located thereon, subject to the conditions stated herein, to conduct any and all activities the City deems necessary. The Licensee shall furnish to the City any and all keys or instructions necessary to allow the City's right of entry reserved and described herein.

K. *Right of Inspection*. The City shall have the right to enter the Licensed Premises for inspection at reasonable times, and to make written request that repairs be made to the Facility as may be necessary for the safe and efficient use of the Facility; or, at the City's option, the City shall have the right to make repairs, additions, or alterations as may be necessary for the safety or preservation of the Licensed Premises at the Licensee's expense.

L. *Control of the City*. The City shall retain all authority placed in it which is non-delegable. No provision of this License shall be construed as delegating any non-delegable right, power, or duty of the City, and in the event of a conflict between this Section and any other term or provision of this License, this Section shall control, and such conflicting term or provision shall be void and of no force and effect.

M. *Texas Parks and Wildlife Department Approval*. All terms of this License are contingent upon the approval of the Texas Parks and Wildlife Division (the "TPWD"). The City reserves the right to require subsequent TPWD approval if this License is amended or if the use of the Licensed Premises changes in any way.

SECTION 5. INSURANCE AND INDEMNIFICATION

A. *Contractor's Insurance*. During the Primary Term or any Option Period of this License, the Licensee shall require its primary contractor (the "Contractor") and all other contractors employed for the construction of the Facility, improvements, or additions, on the Licensed Premises to procure and carry, at its cost and expense, insurance protection as hereinafter specified, in form and substance satisfactory to the City, carried with an insurance company authorized to transact business in the State of Texas, covering all foreseeable aspects and operations in connection with this License, including, but not limited to, all aspects, operations and occurrences to which the Licensee has indemnified the City in this License. A Certificate of Insurance specifying each and all coverages shall be submitted to the City prior to the execution of this License. The Licensee shall provide to the City proof of the below described insurance on or before thirty (30) days prior to the expiration date of each expiring policy, and cause each required policy to require the insurer to (i) give notice to the City, as

specified herein, of termination of any such policy sixty (60) days before such termination is to be effective; and (ii) contain a waiver of any and all of the insurer's rights to subrogation that any such insurer or insurers may acquire by virtue of payment of any loss under such insurance.

(1) *Commercial General Liability Insurance.* The Contractor and any other contractor or subcontractor of the Licensee or the Contractor shall have commercial general liability insurance with either a minimum limit of one million dollars ($1,000,000.00) bodily injury per person, one million dollars ($1,000,000.00) bodily injury per occurrence, and one million dollars ($1,000,000.00) property damage; or two million dollars ($2,000,000.00) combined single limit coverage. The City and the Licensee shall be named as an additional insured on a primary and non-contributory basis in such policy.

(2) *Professional Liability Insurance.* The Contractor and any other contractor or subcontractor of the Licensee or the Contractor hired to perform architectural or design services shall have Professional Liability Insurance with limits of one million dollars ($1,000,000.00) combined single limit. The City shall be named as an additional insured on a primary and non-contributory basis in such policy.

(3) *Automotive Liability Insurance.* The Contractor and any other contractor or subcontractor of the Licensee or the Contractor shall have auto liability insurance with limits of one million dollars ($1,000,000.00) combined single limit. The City shall be named as an additional insured on a primary and non-contributory basis in such policy.

(4) *Worker's Compensation and Employers Liability Insurance.* The Contractor and any other contractor or subcontractor of the Licensee or the Contractor shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, the Contractor and any other contractor or subcontractor of the Licensee or the Contractor shall similarly maintain Employer's Liability Insurance with coverage limits of one million dollars ($1,000,000.00). Said coverage shall be maintained throughout the Primary Term or any Option Period of this License and shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that the Licensee maintains said coverage. The policy must be endorsed to include a waiver of subrogation in favor of the City.

(5) *Builder's Risk Insurance.* The Contractor and any other contractor or subcontractor of the Licensee or the Contractor shall maintain builder's risk insurance written on an all risk basis with valuation at replacement cost for the full value of improvements.

B. Licensee Insurance. The Licensee shall procure and carry, at its sole cost and expense, through the Primary Term and any Option Period of this License, insurance protection as hereinafter specified, in form and substance satisfactory to the City, carried with an insurance company authorized to transact business in the State of Texas, covering all foreseeable aspects and operations in connection with this License, including, but not limited to, all aspects, operations, or occurrences to which the Licensee has indemnified the City in this License. A Certificate of Insurance specifying each and all coverages shall be submitted to the City prior to the execution of this License. The Licensee shall provide to the City proof of the below-described insurance on or before thirty (30) days prior to the expiration date of

each expiring policy, and cause each required policy to require the insurer to (i) give notice to the City, as specified herein, of termination of any such policy sixty (60) days before such termination is to be effective; and (ii) contain a waiver of any and all of the insurer's rights to subrogation that any such insurer or insurers may acquire by virtue of payment of any loss under such insurance.

(1) *Commercial General Liability Insurance.* The Licensee shall have commercial general liability insurance and such coverage must have either a minimum limit of one million dollars ($1,000,000.00) bodily injury per person, one million dollars ($1,000,000.00) bodily injury per occurrence, and one million dollars ($1,000,000.00) property damage; or two million dollars ($2,000,000.00) combined single limit coverage. The City and the Licensee shall be named as an additional insured on a primary and non-contributory basis in such policy.

(2) *Automotive Liability Insurance.* The Licensee shall have auto liability insurance, with limits of one million dollars ($1,000,000.00) combined single limit. The City shall be named as an additional insured on a primary and non-contributory basis in such policy.

(3) *Worker's Compensation and Employers Liability Insurance.* The Licensee shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, the Licensee shall similarly maintain Employer's Liability Insurance with coverage limits of one million dollars ($1,000,000.00). The Licensee shall maintain said coverage throughout the Primary Term and any Option Period of this License and shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that the Licensee maintains said coverage. The policy must be endorsed to include a waiver of subrogation in favor of the City.

C. Destruction of the Premises. If the Licensed Premises shall be partially destroyed by any casualty insurable under the Licensee's insurance policy, the Licensee shall, upon receipt of the insurance proceeds, repair the same.

If the Licensed Premises shall be damaged as a result of a risk which is not fully covered by the Licensee's insurance, the Licensee shall either (a) repair or rebuild the damaged improvements to the extent of available insurance proceeds, or (b) terminate this License and assign the insurance proceeds to the City. If the Licensee fails to repair or rebuild the damaged improvements to the extent of available insurance proceeds or terminate this License and assign any insurance proceeds to the City, the City shall have the right to terminate this License.

D. Independent Contractor. During all times that this License is in effect, the parties agree that the Licensee is, and shall be deemed to be, an independent contractor and operator and not an agent or employee of the City with respect to their acts or omissions hereunder. It is mutually agreed that nothing contained herein shall be deemed or construed to constitute a partnership or joint venture between the parties hereto.

E. Indemnity and Release. **THE LICENSEE SHALL INDEMNIFY AND HOLD HARMLESS, TO THE FULLEST EXTENT PERMITTED BY LAW, THE CITY, AND THE CITY'S RESPECTIVE OFFICERS, EMPLOYEES, ELECTED OFFICIALS, AND AGENTS (COLLECTIVELY, THE "INDEMNIFIED**

PARTIES"), FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, CLAIMS, OR LIABILITIES, OF ANY KIND OR NATURE, WHICH ARISE DIRECTLY OR INDIRECTLY FROM, OR ARE RELATED TO, IN ANY WAY, MANNER, OR FORM TO, THE ACTIVITIES CONTEMPLATED IN THIS LICENSE, INCLUDING, BUT NOT LIMITED TO, LOSSES, DAMAGES, CLAIMS, OR LIABILITIES ARISING FROM, OR RELATED TO, IN ANY WAY, MANNER, OR FORM, THE ACT OR OMISSION OF THIRD PARTIES. THE LICENSEE FURTHER COVENANTS AND AGREES TO DEFEND ANY SUITS OR ADMINISTRATIVE PROCEEDINGS BROUGHT AGAINST THE INDEMNIFIED PARTIES ON ACCOUNT OF ANY SUCH CLAIM, AND TO PAY OR RELEASE THE FULL AMOUNT OR OBLIGATION OF ANY SUCH CLAIM INCURRED BY, ACCRUING TO, OR IMPOSED ON THE INDEMNIFIED PARTIES, AS APPLICABLE, RESULTING FROM ANY SUCH SUITS, CLAIMS, OR ADMINISTRATIVE PROCEEDINGS. IN ADDITION, THE LICENSEE SHALL PAY TO THE INDEMNIFIED PARTIES, AS APPLICABLE, ALL ATTORNEY'S FEES INCURRED BY SUCH PARTIES IN ENFORCING THE LICENSEE'S INDEMNITY IN THIS SECTION.

THE INDEMNIFIED PARTIES SHALL NOT BE LIABLE FOR, FROM, OR AGAINST, AND THE LICENSEE HERBY RELEASES THE INDEMNIFIED PARTIES FOR, FROM, AND AGAINST, ANY LOSSES, DAMAGES, CLAIMS, OR LIABILITIES TO THE LICENSEE, ON ANY THEORY OF LEGAL LIABILITY, INCLUDING, BUT NOT LIMITED TO, THE NEGLIGENCE, OF ANY TYPE OF DEGREE OR FAULT, OF THE CITY ARISING FROM, OR RELATED TO, IN ANY WAY, MANNER, OR FORM, THE UNENFORCEABILITY OR VOIDANCE, FOR ANY REASON, OF ALL OR ANY PORTION OF, THIS LICENSE.

THE INDEMNITY AND RELEASE PROVIDED HEREIN SHALL SURVIVE THE TERMINATION OR VOIDANCE OF THIS LICENSE.

SECTION 6. TERMINATION

A. If the Licensee does not timely pay all sums due to the City when such sums become due and payable according to provisions of this License, or if the Licensee shall abandon, or cease operation of, the Licensed Premises for a period of thirty (30) days or more, or if the Licensee is not performing any terms, provisions, covenants, or conditions of this License, then the Licensee shall be in default. In said event of default, the City may immediately, or any time thereafter, terminate this License by giving the Licensee ten (10) days' notice in writing of the default. If default continues for more than twenty (20) days after notice, the City shall have the right to cancel this License.

   Provided, however, that as to those actions or circumstances which the Licensee should do, discontinue doing, or correct which create a danger or are derogatory to the planned activities for the Licensed Premise, the dangerous or derogatory actions or circumstances shall be cured by the Licensee immediately, without notice by the City. Conditions or circumstances creating a dangerous situation or which are or may be derogatory to planned activities for the Licensed Premises shall be conclusive as to the Licensee if the determination that they are such is made by the City or any governmental body with jurisdiction. The term derogatory as herein used, shall mean those things that do or reasonably appear to hinder the planned activities for the Licensed Premises.

B. In case of any default which continues for more than twenty (20) days after notice is given as herein required, the City may, at its option, instead of canceling this License, take possession

of the Licensed Premises and relet the same for the account of the Licensee, and the Licensee shall be liable to the City for the amount of fee payable hereunder for the remainder of the Primary Term and any Option Period, less the net amount received by the City on account of such reletting, such net amount to be the total amount received by such reletting, less necessary costs and expenses, including without limitation, the expense of renovating, repairing, and advertising incurred in connection with the reletting of the Licensed Premises. The Licensee hereby grants, and at all times the City shall have, a contractual lien on the Licensee's property in the Licensed Premises to secure the performance of all of the Licensee's obligations hereunder which contractual lien shall be in addition to all liens provided as a matter of law. The Licensee may remove its personal property, including improvements thereon, within twenty (20) days of the notice by the City of default and the City's request to remove same. After such time, the City, in addition to the other rights or remedies it may have, shall have the right to remove all persons and property from the Licensed Premises. Such property shall become the property of the City.

C. **THE LICENSEE HEREBY WAIVES ALL CLAIMS FOR DAMAGES WHICH MAY BE CAUSED BY THE RE-ENTRY OF THE CITY AND THE TAKING OF POSSESSION OF THE LICENSED PREMISES OR REMOVAL OR STORAGE OF THE FURNITURE AND PROPERTY AS HEREIN PROVIDED, AND WILL SAVE THE CITY HARMLESS FROM ANY LOSS, COSTS, OR DAMAGES OCCASIONED BY THE CITY THEREBY, AND NO SUCH RE-ENTRY SHALL BE CONSIDERED OR CONSTRUED TO BE FORCIBLE ENTRY. NO SUCH RE-ENTRY OR TAKING POSSESSION OF THE LICENSED PREMISES BY THE CITY SHALL BE CONSTRUED AS AN ELECTION ON ITS PART TO TERMINATE THIS LICENSE UNLESS A WRITTEN NOTICE OF SUCH INTENTION BE GIVEN TO THE LICENSEE OR UNLESS THE TERMINATION IS DECREED BY A COURT OF COMPETENT JURISDICTION.**

D. Waiver of Statutory Notice to Quit. In the event the City exercises its option to cancel this License upon the happening of any or all of the events set forth herein, a notice of cancellation shall be sent to the Licensee, and upon such cancellation, the Licensee hereby agrees that it will promptly surrender possession of the Licensed Premises to the City.

E. Surrender of Premises. The Licensee covenants and agrees that it will, at the termination of this License, in whatever manner such termination may be brought about, promptly surrender and deliver the Licensed Premises to the City in the same condition as it existed at the time of execution of this License, excepting ordinary wear and tear. The Licensee, having paid all fees and not in default thereof, shall be given a reasonable time, not to exceed twenty (20) days after the termination of this License, to remove all of the Licensee's personal property according to the provisions outlined in this License.

F. Non-Waiver for Breach. No acceptance of fees by the City after it is due, and no delay on the part of the City in enforcing any obligation of the Licensee, shall be construed as a waiver or any default then, theretofore, or thereafter existing in the performance of any other obligation undertaken by the Licensee. No lawful termination of this License shall release Licensee from responsibility or liability to the City for fees theretofore due and unpaid nor from the performance of any of the covenants, agreements, or stipulations by the Licensee herein undertaken to be kept and performed.

G. Attorney Fees. If it becomes necessary for the City to secure the services of an attorney in order to collect any amount due hereunder, or to enforce any of the provisions hereof, the

Licensee agrees and binds itself to pay the City reasonable attorney's fee and court costs, which shall bear interest from the date of its accrual at the legal rate for judgments.

SECTION 7. CONSTRUCTION

A. Mandatory Construction. In consideration for the granting of this License, the Licensee agrees to construct at the Licensed Premises the Facility with all the necessary appurtenances and improvements reasonably necessary for the purpose of the Facility. Construction of the Facility shall be commenced within six (6) months of the date of execution of this License by both parties and be completed within twenty-four (24) months from the date of the commencement of construction. The City, at its sole option, may grant a longer period for completion of the construction.

In the event that the Licensee fails to commence or complete construction of the Facility within the time frames set forth in this License, and no extension for completion has been approved by the City, this License shall immediately terminate, and title to all buildings, fixtures, or structures, whether owned by the Licensee or not, and whether completed or not, excluding trade fixtures, furnishings, equipment, and other personal property which may be removed without material injury to the Licensed Premises according to the provisions of this License, shall automatically vest in the City.

During the construction and installation of the Facility, the Licensee shall maintain financial surety favorable to the City in the amount of one hundred percent (100%) of the total construction cost of the Facility in the event that said construction cost exceeds one hundred thousand dollars ($100,000), and the Licensee shall maintain a payment bond in the amount of one hundred percent (100%) of the total construction cost in the event that said construction cost exceeds fifty thousand dollars ($50,000). All bonds shall be submitted on forms supplied by the City and executed by an approved surety company authorized to do business in the State of Texas. It is further agreed that this Lease shall not be in effect until such sureties are so furnished. The Licensee shall provide the surety required in this Section within thirty (30) days of the execution of this License.

B. Construction of Improvements. Within sixty (60) days of the execution of this License, the Licensee shall provide to the City Manager or his designee, the City, and any other appropriate agencies, preliminary Plans and Specifications prepared by an architect or engineer registered in the State of Texas. The preliminary Plans and Specifications shall be subject to approval in quality and design by the City Manager or his designee. Such approval shall not be unreasonably withheld. The preliminary Plans and Specifications shall be in accordance with the various building ordinances, electrical codes, and the uses and purposes contemplated by this License, and that the same will not constitute a fire or safety hazard or interference in the use of the remainder of the Park by the general public. The Licensee shall not implement or commence any change in the preliminary Plans and Specifications without the express written approval of the City Manager or his designee, which approval shall not be unreasonably withheld. The City shall approve or disapprove said modified preliminary Plans and Specifications within ten (10) business days after submission by the Licensee, otherwise such Plans and Specifications shall be deemed approved. Any request for changes to the preliminary Plans and Specifications shall be submitted for approval to the City prior to the commencement of any work relating to implementation of the same. All approvals are

without recourse or the assumption of liability by the City or the reviewing engineer. All improvements and alterations made by the Licensee on the Licensed Premises are subject to approval by the City, in writing, prior to construction.

The Licensee shall construct the Facility at its sole expense, and obtain all necessary construction and utility permits required by law. The Licensee shall provide copies of all required permits and licenses to the City. All construction shall meet all federal, state, and local construction, building, and sign code requirements. All construction and installation made by the Licensee pursuant to this agreement, and the operation thereof, including electrical wiring and lighting, shall meet the highest industry standards to ensure the safety, health, and well-being of patrons.

The Licensee shall submit for approval to the City Manager or his designee the final Plans and Specifications prepared by an architect or engineer registered in the State of Texas for improvements to be constructed by the Licensee on the Licensed Premises within ninety (90) days of the execution of this License, unless otherwise approved in writing by the City. The Licensee shall have the right to enter upon the Licensed Premises and commence the construction of improvements immediately upon the approval of the Plans and Specifications by the City, provided that all other requirements of this License have been met. It is stipulated that Licensee shall be responsible for construction of all improvements to Licensed Premises necessary to create and maintain a quality Facility, including without limitation, construction of all utility improvements and connections within the Licensed Premises.

Promptly after completion of the construction of the Facility, the Licensee shall furnish to the City a set of "as-built" drawings from a duly certified architect or engineer registered in the State of Texas.

C. Materials and Workmanship. The Facility shall be constructed using materials and workmanship of the best quality and grade that can be furnished. The fact that the Plans and Specifications may fail to be sufficiently complete in some detail will not relieve the Licensee of full responsibility for providing those materials and workmanship of the best quality and grade and for protecting them adequately until the Facility is completely constructed. The presence or absence of a representative of the City on the Licensed Premises during the construction of the Facility will not relieve the Licensee of full responsibility of complying with this provision.

D. Guarantees. All equipment and materials used in the construction and maintenance of the Facility shall be guaranteed against defective materials and workmanship. Prior to the commencement of construction, the Licensee shall furnish to the City, a written general guarantee which shall provide that the Licensee shall remedy any defects in the work, and pay for any and all damages of any nature whatsoever resulting in such defects, when such defects appear within two (2) years from date of final acceptance of the work as a result of defective materials or workmanship, at no cost to the City.

The obligations contained herein apply to all products and services provided by the Licensee, its contractors, its sub-contractors, and any other third party involved in the creation or development of the Facility, and the products and services to be delivered to the City under this License. Failure to comply with any of the obligations contained herein may result in the

City availing itself of any of its rights under the law and under this License including, but not limited to, its right pertaining to termination or default.

The warranties contained herein are separate and discrete from any other warranties specified in this License, and are not subject to any disclaimer of warranty, implied or expressed, or limitation to the Licensee's liability which may be specified in this License, its appendices, its schedules, its annexes, or any document incorporated into this License by reference.

E. Alterations or Improvements to Premises. The Licensee covenants and agrees that it will make no structural alterations, material changes, or additions in, on, or to the Licensed Premises without the prior written consent of the City. Such alterations or changes as are approved by the City and shall be made at the Licensee's expense. Except as herein provided, all permanent improvements and fixtures installed by the Licensee shall become the property of the City in accordance with the terms and provisions of this License, unless otherwise agreed to in writing by the parties.

F. Automatic Vesting Upon Expiration or Termination. Upon expiration or termination of this License, title to all buildings, fixtures, or structures, whether owned by the Licensee or not, and whether completed or not, excluding trade fixtures, furnishings, equipment, and other personal property which may be removed without material injury to the Licensed Premises according to the provisions of this License, shall automatically vest in the City.

G. Protection of Subsurface Lines and Structures. It shall be the Licensee's responsibility to prosecute the work contemplated by this License in such a way as to exercise due care to locate and prevent damage to all underground pipelines, utility lines, conduits, or other underground structures which might or could be damaged by the Licensee during the Primary Term and any Option Period, including the construction of the Facility. The City agrees that it will furnish to the Licensee the location of all such underground lines and utilities of which it has knowledge. However, such fact shall not relieve the Licensee of its responsibilities aforementioned. All such underground lines or structures cut or damaged by Licensee during the prosecution of the work contemplated by this License shall be repaired immediately by the Licensee to the satisfaction of the City at the Licensee's expense.

H. Barricades and Safety Measures. The Licensee shall, at its own expense, furnish and erect barricades, fences, lights, and danger signals, and shall take such other precautionary measures to protect persons, property, and the work, as may be necessary. The Licensee will be held responsible for all damage to the work due to the failure of barricades, signs, and lights to protect it, and when damage is incurred, the damaged portion shall be immediately removed and replaced by the Licensee at his own cost and expense.

I. Explosives. The use of explosives will not be permitted unless written permission to do so is obtained from the City. In all cases where written permission is obtained for the use of explosives, the Licensee shall assume full responsibility for all damage, which may occur as a direct or indirect result of the blasting. In addition, in all cases where explosives are authorized to be used, the Licensee shall use utmost care so as not to endanger life or property, and the Licensee shall further use only such methods as are currently utilized by persons, firms, or corporations engaged in similar type of construction activity. Explosive materials shall not be stored or kept at the construction site. In all cases where explosives are

to be used during the construction of the Facility contemplated by this License, it shall be the duty of the Licensee to notify each utility company having structures above or below the ground in proximity to Licensed Premises, and such notice shall be given sufficiently in advance to enable the companies to take such steps as they may deem necessary to protect their property from injury. Such notice, however, shall not relieve the Licensee of responsibility for any damage resulting from his blasting operations.

SECTION 8. OPERATIONAL CONDITIONS

A. Hours of Operation. The City Manager or his or her designee shall approve the Licensee's hours of operation and may change such hours as needed.

B. Quality of Service. It is an express condition of this License the Licensee maintains a high standard of product quality and service. Questions or complaints regarding the quality of its products or services, whether raised by patrons' complaints or on the City's own initiative or otherwise, shall be submitted to the Licensee for response.

C. Complaints by the Public. In the event that the Licensee or the City receive any written complaint concerning the Licensee's operations at the Licensed Premises, the Licensee shall promptly respond to such complaint in writing within ten (10) days of its receipt. Without further notice of demand, the Licensee shall keep a copy of each such complaint and the Licensee's written response for a period of one (1) year from the date of the complaint and shall make the complaint and the written response available to the City upon its request.

D. Personnel. The Licensee shall hire and control its personnel at no expense to the City. For purposes of this License, under no circumstances will employees or agents of the Licensee be considered City employees. The Licensee shall ensure all personnel receive sufficient training regarding operations and maintenance standards in accordance with the provisions of this License.

E. Signs. The Licensee may, at its own expense, install and operate necessary and appropriate identification signs on its Licensed Premises in compliance with the City of Lubbock Code of Ordinances. All signs located on the Licensed Premises, excluding signs location on the Licensee's buildings, are subject to the approval of the City Manager or his designee, which consent shall not be unreasonably withheld.

F. Safety Instruction. The Licensee shall provide sufficient safety instructions to users and employees of its facilities to ensure the well-being and safety of the patrons. Such instructions are subject to the approval of the City Manager or his designee, which consent shall not be unreasonably withheld.

G. Pricing. The Licensee shall maintain price structures for the use of the Facility in a manner competitive with similar operations within the area, and such pricing structures shall be approved by the City Manager or his designee. Questions or complaints regarding the pricing of the Facility, whether raised by patrons' complaints or on the City's own initiative or otherwise, may be submitted to the Licensee for response. The City Manager or his designee shall approve all items of merchandise held for sale to the public by the Licensee prior to the items being offered for sale by the Licensee.

H. Landscaping. All areas within the Licensed Premises not utilized by structures, parking spaces, or vehicular way shall be landscaped by the Licensee. A landscaping plan is to be included along with the Plans and Specifications for approval by the City. No initial landscaping is to be undertaken by the Licensee before written approval is obtained from the City Manager or his designee. Landscaping material shall be waterwise and shall be chosen for its permanence, attractiveness, and ease of maintenance. Landscaped areas, including the buffer area extending twenty (20) feet out from the perimeter of the Licensed Premises, shall be kept and maintained at all times.

I. Covenant Against Waste and Nuisance. The Licensee covenants and agrees that it shall not use the Licensed Premises in any manner that will constitute waste, and that it shall not cause or permit any unlawful conduct, unreasonable annoyance or nuisance to exist or arise in the course of, or as a result of, its use of the Licensed Premises. The Licensee shall not permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance, or nuisance at, in, or on the Licensed Premises.

SECTION 9. MISCELLANEOUS

A. License is Binding on Successors, Assigns, Etc. All covenants, agreements, provisions, and conditions of this License shall be binding upon and inure to the benefit of the City and the Licensee, jointly and severally, and their legal representatives, successors, assigns, grantees, and assignees. No modification of this License shall be binding upon either party unless it is in writing and is signed by both parties.

B. Protection of Park. The City reserves the right to take any action it considers necessary to protect the Park, together with the right to prevent the Licensee from erecting, or permitting to be erected, any building or other structure on or adjacent to the Park which, in the opinion of the City, would limit the usefulness of the Park or constitute a hazard to the general public.

The City reserves the right to further develop the Park as the City sees fit regardless of the desires of the Licensee, and without any hindrance or interference from the Licensee. The City expressly reserves the right to grant to other persons, additional licenses and privileges even though the purposes for which such additional licenses and privileges are given are the same and duplicates of those contained in this License. The City reserves the right to restrict and designate parking areas for all areas of the Park.

C. Subordination. This License shall be subordinate to provisions of any existing or future agreements entered into by and between the City and the Federal or State government for the improvement, operation, or maintenance of the Park; provided, that if such agreements restrict the operation of the Licensed Premises, appropriate rate reductions shall be negotiated between the City and the Licensee.

D. Liens Against the City. In accordance with the laws of the State of Texas, the Licensee understands and agrees that, for itself, and as a condition of doing business with the Licensee, the Licensee's contractors, suppliers, vendors, tenants, agents, and any other person shall not levy any lien against the real property of the City.

E. Entire Agreement. This License constitutes the entire understanding between the parties and as of its effective date supersedes all prior or independent agreements between the parties

covering the subject matter of this License. Any change or modifications to this License shall be in writing signed by both parties.

F. Notice. Any notice given to either party shall be hand-delivered or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to:

For the Licensee:

Alström Angels
Attn: Cassie Johnston
Executive Director
5121 69th Street Ste. B1
Lubbock, Texas 79424
Telephone: 806.701.5290
Cell: 806.786-4903

For the City:

City of Lubbock
Attn: City Secretary
P.O. Box 2000
Lubbock, Texas, 79457

Telephone: 806.775.2061
Facsimile: 806.775.3983

With copy to:
Attn: Parks Department Director
P.O. Box 2000
Lubbock, Texas 79457

G. Headings and Titles. The headings and subtitles contained in this License are for the purpose of clarification and in no way are determinative of the intent and purposes of the License or the conditions stated herein.

H. Severability. If any part, provision, term, condition, obligation, or portion of this License is found to be illegal or void by a court of final jurisdiction, the entire License shall not be void, but the void provision shall be struck and the remainder of this License shall continue in full force and effect as nearly as possible in accordance with the original intent of the parties.

I. Force Majeure. The City shall not be required to perform any term, condition, or covenant in this License so long as such performance is delayed or prevented by force majeure, which shall mean any act of God, civil riot, flood, action of the State or Federal government, and any other cause not reasonably within the control of the City.

J. Non-Arbitration. The City reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the City shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies contained in this License are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this License, the former shall control.

K. Venue and Applicable Law. This License is subject to all present and future valid laws, orders, rules, ordinances, and regulations of the United States of America, the State of Texas, the parties, and any other regulatory body having jurisdiction. This License shall be construed and governed according to the laws of the State of Texas. The sole venue for any action, controversy, dispute, or claim arising under this License shall be in a court of appropriate jurisdiction in Lubbock County, Texas, exclusively.

L. Public Information. This License is public information. To the extent, if any, that any provision of this License is in conflict with Tex. Gov't. Code Ann. Chapter 552 et seq., as amended (the "Texas Public Information Act") the same shall be of no force and effect.

M. No Third-Party Beneficiaries. This License is entered solely by and between, and may be enforced only by and among the parties. Except as set forth above, this License shall not be deemed to create any rights in or obligations to any third parties.

N. No Personal Liability. Nothing in this License is construed as creating any personal liability on the part of any employee, officer, elected official, or agent of any public body that may be a party to this License.

O. Immunities Acknowledged and Retained. **EACH PARTY EXPRESSLY ACKNOWLEDGES AND AGREES THAT NO PROVISION OF THIS LICENSE IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY A PARTY OF ITS IMMUNITIES FROM SUIT OR LIABILITY THAT IT MAY HAVE BY OPERATION OF LAW. THE CITY RETAINS ALL OF ITS GOVERNMENTAL IMMUNITIES.**

EXECUTED IN TWO COUNTERPARTS, EACH OF WHICH SHALL HAVE THE FORCE AND EFFECT OF AN ORIGINAL, THIS 23rd **DAY OF** March **, 2021.**

SIGNATURES

CITY OF LUBBOCK, TEXAS

DANIEL M. POPE, MAYOR

ALSTRÖM ANGELS

Name [Signature]

Cassie Johnston

Name [Print]

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

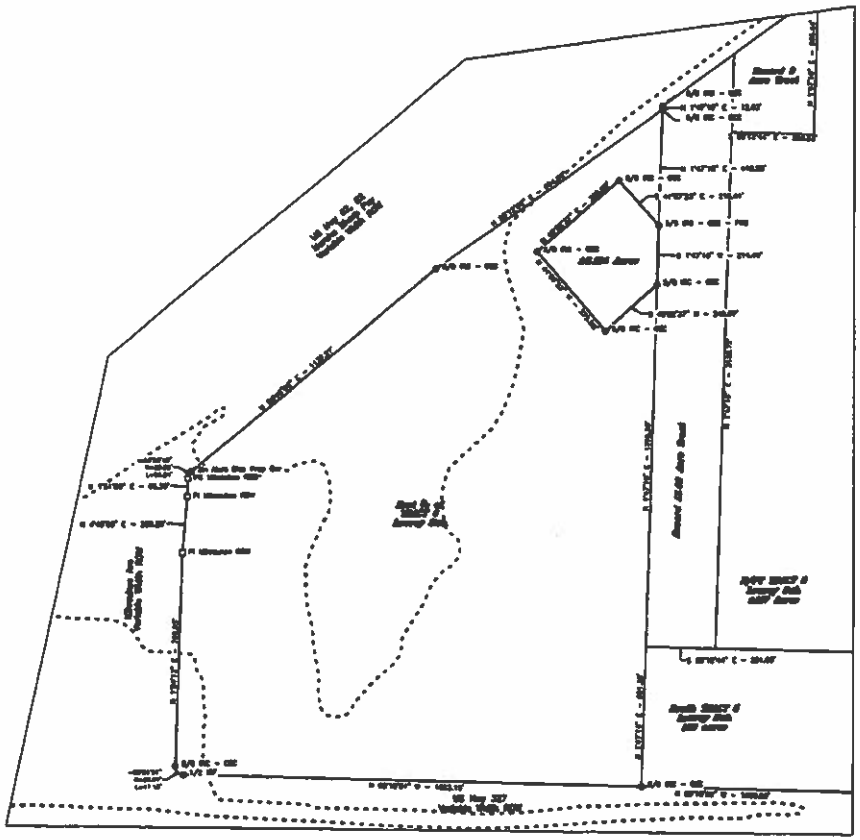
Brooke Witcher, Assistant City Manager

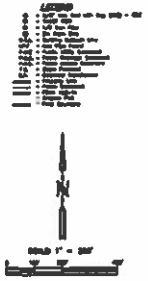
APPROVED AS TO FORM:

Ryan Brooke, Assistant City Attorney

Exhibit A – Description of the Licensed Premises

MILESTONES ADDITION, ±3.124 acres from the East 1/2 of Tract 6, Lowrey Subdvn., Blk. 36 AK City and County Lubbock, Texas





VICINITY MAP

MILESTONES ADDITION

±3.124 ACRES FROM THE EAST 1/2 OF TRACT 6, LOWREY SUBDVN., BLK. 36 AK

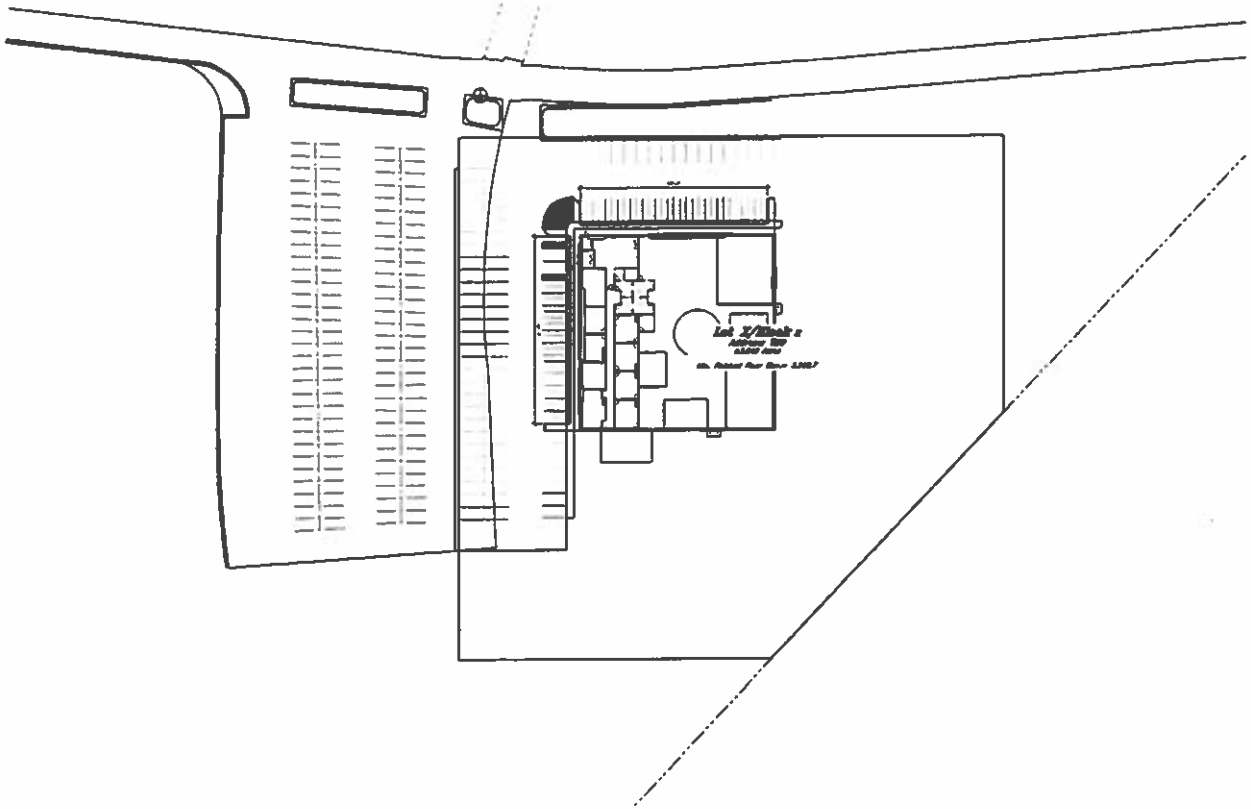
LUBBOCK, LUBBOCK COUNTY, TEXAS

May 25, 2018

Dog Park
Milestones
McAlister Park
NORTH
City of Lubbock
TEXAS

Exhibit B – Survey of the Licensed Premises

Exhibit C – Plans and Specifications for the Facility



Preliminary Site Plan

Preliminary Site Plan

Milestones

±1.048 AC.
Lot X, Block X
ALSTROM ANGELS
(Vol. xx, Pg. xx)
LUBBOCK, LUBBOCK COUNTY, TEXAS
December 27, 2017

Minutes
Parks and Recreation Board Meeting
City of Lubbock Parks and Recreation
October 25, 2016

Park Board Members Present:
Susan Tomlinson, Beth Bridges, Peter Laverty, John Forburger, Jane Nagy, Jim Douglass, Michael Zant

Park Board Members Absent:
Ann Horkey, John Aguilar

Staff Present:
Scott Snider, Assistant City Manager
Bridget Faulkenberry, Parks and Recreation Director
Johnny McLellan, Recreation Services Manager
Stewart Gerhart, Park Operations Manager
Leslie Morgan, Management Assistant

Council Present:
Sheila Patterson Harris
Juan Chadis

Item 1: Call to Order
At 12:13pm, Susan Tomlinson, Chair, called the meeting to order.

Item 2: Approval of Minutes
- Susan Tomlinson asked for a motion to approve the minutes of the September 27th, 2016 regular meeting. Peter Laverty made a motion to approve and Beth Bridges seconded the motion. Motion passed 8-0.

ACTION ITEM
Item 3.1: Consider a request for recommendation for construction of a Milestones Play Park on McAlister Park property: Cassie Johnston and Melissa Dudley with Alstrom Angels presented.
- Alstrom Angels, a non-profit organization, requested board recommendation to move forward with asking City Council to approve use of park land for 20,000 square foot indoor playground.
    - Beth Bridges made motion to approve request and Jane Nagy seconded. Motion passed 8-0.

Item 3.2: Consider a request for recommendation for exercise equipment to be installed in Buddy Holly Recreation Area: Christy Martinez with Los Hermanos Familia presented.
- Los Hermanos Familia seeks board recommendation to ask City Council for the money to install gym equipment that will be purchased through outside donations.
    - Susan Tomlinson called for a motion.
    - Peter Laverty made motion to pass recommendation on to City Council.
    - John Forburger seconded and motion passed 8-0.

WORK SESSION
Item 4.1: Parks and Recreation Department updates
- Bridge at Mae Simmons Park is installed. ADA compliance is underway
- November meeting moved to November 29th due to Thanksgiving holiday
- Park events for October/November presented

Adjourn
With no further discussion the meeting adjourned at 1:14pm

Attest,

Leslie Morgan, Management Assistant

Information

Agenda Item

Resolution - Parks and Recreation: Consider a resolution authorizing the Mayor to execute Contract 17397, with Gorman Outdoor, Inc., for tree and brush removal along the Jim Bertram Canyon Lake System as part of the ARPA Cattail/Dredging Capital Project.

Item Summary

In May 2022, the City Council approved $7,000,000 of American Rescue Plan Act (ARPA) funding for the Parks and Recreation Department, with $1,900,000 dedicated to cattail removal/dredging. In conjunction with the cattail management plan and mitigation, the Parks and Recreation Department will utilize this funding for tree and brush clearing along the banks of the Jim Bertram Canyon Lake System.

The Parks and Recreation Department staff has an estimated 220,817 square-feet of parkland within the Jim Bertram Canyon Lake System, with nuisance vegetation and overgrown trees along the stream banks that hinder users from having a pleasant view of the lake system.

These areas include: Vaquero Lake #4, Aztlan Corridor, Mackenzie Park North and South, Mae Simmons Park, Dunbar Lake #6, and the underdeveloped lake system west of the American Windmill Museum.

Each location has varying tree removal and maintenance needs, in preparation for future projects. The areas of most concern fall into the 100-year and 500-year floodway, making it of high importance to clean up stream banks, to allow for better storm water flow.

The contractor will utilize necessary equipment to chip the removed tree debris, in order to make disposal of material more efficient. The contractor will transport all chipped mulch material to a City of Lubbock site located at 1912 Erskine Street, for use as ground cover, erosion control, and weed suppression. Any unusable plant debris will be hauled to the City of Lubbock Solid Waste Facility, for disposal by the contractor.

In response to Invitation to Bid (ITB) 23-17397-DH, 2 vendors submitted bids. The bids were opened on June 20, 2023, and they were as follows.

Contractor	Amount
Texas Green Tree Services, Lubbock, Texas	$209,806.55
Gorman Outdoor, Inc., Shallowater, Texas	$631,919.65

Texas Green Tree Services notified staff on July 20, 2023, that they were no longer interested the contract. Therefore, staff recommends awarding the contract to the second bidder, Gorman Outdoor, Inc. of Shallowater, Texas,for $631,919.65.

The proposed timeline for this contract will be 18 months from award of this contract, with the option of one, 6-month extension.

Fiscal Impact

Contract 17397 for $631,919.65, is funded in Capital Improvement Project 92764, Cattail Removal/Dredging - ARPA.

Staff/Board Recommending

Brooke Witcher, Assistant City Manager
Colby VanGundy, Director of Parks and Recreation

Attachments

Resolution
Contract
Bid Tab
Budget Detail
CIP Detail
Project Summary

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Contract No. 17397 for Tree and Brush Removal for Jim Bertram Canyon Lake System as per ITB 23-17397-DH, by and between the City of Lubbock and Gorman Outdoor, Inc., and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

_____
Rachael Foster, Assistant City Attorney

ccdocsII/RES.ServiceContract 17397- Gorman Outdoor, Inc.
7.26.23

City of Lubbock
Contract for
ITB 23-17397-DH
Tree and Brush Removal for Jim Bertram Canyon Lake System

THIS CONTRACT made and entered into this ___ day of _____, **2023**, by and between the City of Lubbock ("City"), and **Gorman Outdoor, Inc** , ("Contractor").

WITNESSETH:

WHEREAS, the City of Lubbock duly advertised for bids for **Tree and Brush Removal for Jim Bertram Canyon Lake System** and bids were received and duly opened as required by law; and

WHEREAS, after careful consideration of the bid submitted by Contractor, the City authorized the execution, in the name of the City of Lubbock a contract with said Contractor covering the purchase and delivery of the said **Tree and Brush Removal for Jim Bertram Canyon Lake System**

NOW, THEREFORE, in consideration of the mutual agreement contained herein, as well as the financial consideration hereinafter referred to, the parties hereby covenant and agree as follows:

1. In accordance with City's specifications and Contractor's bid, copies of which are attached hereto and made part hereof, Contractor will deliver to the City, **Tree and Brush Removal for Jim Bertram Canyon Lake System**, and more specifically referred to as **Items 1-1 through 7-5** on the bid submitted by the Contractor or in the specifications attached hereto.

2. The City promises and agrees to employ, and does employ, the Contractor to cause to be done the work provided for in this Contract and to complete and finish the same according to the attached specifications, offer, and terms and conditions contained herein.

3. The contract shall be for a one-time purchase. The contractor acknowledges that work will begin only after issuance of a "Notice to Proceed". Upon receipt of the Notice to Proceed, the Contractor will have 540 consecutive calendar days to complete the work. Inclement weather shall be the only reason the work may not take place.

4. All stated annual quantities are approximations of usage during the time period to be covered by pricing established by this bid. Actual usage may be more or less. Order quantities will be determined by actual need. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services under this bid and resulting contract.

5. The Contractor must maintain the insurance coverage required during the term of this contract including any extensions. It is the responsibility of the Contractor to ensure that valid insurance is on file with the Purchasing and Contract Management Department as required by contract or contract may be terminated for non-compliance.

6. A) Prices quoted shall be guaranteed for a period for six (6) months upon City approval. The rate may be adjusted at the City's discretion for the effective change in Consumer Price Index (CPI) or Product Price Index (PPI) as appropriate.

B) Further, if the Contractor can provide documentation for actual charges for material, labor, etc. that demonstrates that the change in CPI or PPI is not sufficient, the Contractor shall provide such documentation to the City, and at the City's sole discretion, the contractual rate may be further adjusted. If agreement regarding a new rate cannot be reached, the City shall terminate at the end of the current contract period.

C) If an adjustment to pricing is granted under this section, the Contractor must provide the Director of Purchasing and Contract Management written, quarterly documentation to justify the ongoing adjustment. If no such documentation is timely received, the rate will automatically revert to the initial, awarded rate.

7. This contract shall remain in effect until the first of the following occurs: (1) the expiration date, (2) performance of services ordered, or (3) termination of by either party with a 30 day written notice. The City of Lubbock reserves the right to award the canceled contract to the next lowest and best bidder as it deems to be in the best interest of the city.

8. Contractor shall at all times be an independent contractor and not an agent or representative of City with regard to performance of the Services. Contractor shall not represent that it is, or hold itself out as, an agent or representative of City. In no event shall Contractor be authorized to enter into any agreement or undertaking for or on behalf of City.

9. Insurance Requirements

SECTION A. Prior to the approval of this contract by the City, the Contractor shall furnish a completed Insurance Certificate to the City, which shall be completed by an agent authorized to bind the named underwriter(s) to the coverages, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. THE CITY SHALL HAVE NO DUTY TO PAY OR PERFORM UNDER THIS CONTRACT UNTIL SUCH CERTIFICATE SHALL HAVE BEEN DELIVERED TO THE CITY.
SECTION B. The City reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverages and their limits when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Contractor.
SECTION C. Subject to the Contractor's right to maintain reasonable deductibles in such amounts as are approved by the City, the Contractor shall obtain and maintain in full force and effect for the duration of this contract, and any extension hereof, at Contractor's sole expense, insurance coverage written by companies approved by the State of Texas and acceptable to the City, in the following type(s) and amount(s):

Commercial General Liability Requirements: $IM occurrence/ $2M aggregate (can be combined with an Excess Liability to meet requirement). CGL is required in ALL contracts. It is perhaps the most important of all insurance policies in a contractual relationship. It insures the Contractor has broad liability coverage for contractual activities and for completed operations.

Commercial General Liability to include Products - Completion/OP, Personal and Advertising Injury, Contractual Liability, Fire Damage (any one fire), and Medical Expenses (any one person).

Automobile Liability Requirements: $IM/occurrence is needed

Workers Compensation and Employer Liability Requirements: Statutory. If the vendor is an independent contractor with no employees and are exempt from providing Workers' Compensation coverage, they must sign a waiver (obtained from COL Purchasing) and

include a copy of their driver's license. Employer Liability ($1 M) is required with Workers Compensation.

* The City of Lubbock (including its officials, employees and volunteers) shall be afforded additional insured status on a primary and non-contributory basis on all liability policies except professional liabilities and workers' comp.

* Waivers of Subrogation are required for CGL, AL, and WC.

* To Include Products of Completed Operations endorsement.

* Carrier will provide a 30-day written notice of cancellation, I 0-day written notice for non-payment.

* Carriers must meet an A.M. Best rating of A- or better.

* Subcontractors must carry same limits as listed above.

IMPORTANT: POLICY ENDORSEMENTS

The Contractor will provide copies of the policies without expense, to the City and **all endorsements** thereto and may make any reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any of such policies). Upon such request by the City, the Contractor shall exercise reasonable efforts to accomplish such changes in policy coverages, and shall pay the cost thereof. Any costs will be paid by the Contractor.

REQUIRED PROVISIONS

The Contractor agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, on the certificate or its attachment, the following required provisions:

a. Name the City of Lubbock and its officers, employees, and elected representatives as additional insureds, (as the interest of each insured may appear) as to all applicable coverage;

b. Provide for 30 days notice to the City for cancellation, nonrenewal, or material change;

c. Provide for notice to the City at the address shown below by registered mail;

d. The Contractor agrees to waive subrogation against the City of Lubbock, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance;

e. Provide that all provisions of this contract concerning liability, duty, and standard of care together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

NOTICES

The Contractor shall notify the City in the event of any change in coverage and shall give such notices not less than 30 days prior the change, which notice must be accompanied by a replacement CERTIFICATE OF INSURANCE.

All notices shall be given to the City at the following address:

Marta Alvarez, Director of Purchasing & Contract Management
City of Lubbock
1314 Avenue K, 9th Floor
Lubbock, Texas 79401

SECTION D. Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor shall not relieve the Contractor of full responsibility or liability for damages and accidents

as set forth in the contract documents. Neither shall the bankruptcy, insolvency, or denial of liability by the insurance company exonerate the Contractor from liability.

10. Neither the City nor the Contractor shall assign, transfer or encumber any rights, duties or interests accruing from this Contract without the written consent of the other.

11. The City reserves the right to exercise any right or remedy to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the City shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

12. At any time during the term of the contract, or thereafter, the City, or a duly authorized audit representative of the City or the State of Texas, at its expense and at reasonable times, reserves the right to audit Contractor's records and books relevant to all services provided to the City under this Contract. In the event such an audit by the City reveals any errors or overpayments by the City, Contractor shall refund the City the full amount of such overpayments within 30 days of such audit findings, or the City, at its option, reserves the right to deduct such amounts owing the City from any payments due Contractor.

13. All funds for payment by the City under this contract are subject to the availability of an annual appropriation for this purpose by the City. In the event of non-appropriation of funds by the City Council of the City of Lubbock for the goods or services provided under the contract, the City will terminate the contract, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the goods or services covered by this contract is spent, whichever event occurs first. If at any time funds are not appropriated for the continuance of this contract, cancellation shall be accepted by the Seller on 30 days prior written notice, but failure to give such notice shall be of no effect and the City shall not be obligated under this contract beyond the date of termination.

14. The Contractor shall not assign or sublet the contract, or any portion of the contract, without written consent from the Director of Purchasing and Contract Management. Should consent be given, the Contractor shall insure the Subcontractor or shall provide proof on insurance from the Subcontractor that complies with all contract Insurance requirements.

15. Contractor acknowledges by supplying any Goods or Services that the Contractor has read, fully understands, and will be in full compliance with all terms and conditions and the descriptive material contained herein and any additional associated documents and Amendments. The City disclaims any terms and conditions provided by the Contractor unless agreed upon in writing by the parties. In the event of conflict between these terms and conditions and any terms and conditions provided by the Contractor, the terms and conditions provided herein shall prevail. The terms and conditions provided herein are the final terms agreed upon by the parties, and any prior conflicting terms shall be of no force or effect.

16. The Contractor (i) does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, “foreign

terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

17. **The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter.**

    To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contact as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

18. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

19. By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract.

    If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

    Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract.

    If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

20. The Contractor shall retain all information received from or concerning the City and the City's business in strictest confidence and shall not reveal such information to third parties without prior written consent of the City, unless otherwise required by law.

21. The Contractor shall indemnify and save harmless the city of Lubbock and its elected officials, officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any kind, character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, to the extent arising out of, related to or occasioned by, the negligent acts of the Contractor, its agents, employees, and/or subcontractors, related to the performance, operations or omissions under this agreement and/or the use or occupation of city owned property. The indemnity obligation provided herein shall survive the expiration or termination of this agreement.

22. This Contract consists of the following documents set forth herein; Invitation to Bid No. 23-17397-DH, Specifications, and the Bid Form.

-----INTENTIONALLY LEFT BLANK-----

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed the day and year first above written. Executed in triplicate.

CITY OF LUBBOCK

Tray Payne, Mayor

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Colby VanGundy, Director of Parks and Recreation Department

APPROVED AS TO FORM:

Rachel Foster, Assistant City Attorney

CONTRACTOR

BY J Brett Gorman
Authorized Representative

J Brett Gorman
Print Name

7212 N FM 179
Address

Shallowater TX 79363
City, State, Zip Code

Tree Removal and Brush Clearing in Parkland Areas

Background

Parks and Recreation has an estimated 220,817 square feet of parkland within the Jim Bertram Canyon Lake system with nuisance vegetation and overgrowth of trees along the streambanks that hinder users from having a pleasant view of the lake system. These areas include: Vaquero Lake #4, Aztlan Corridor, Mackenzie Park North & South, Mae Simmons Park, Dunbar Lake #6 and the underdeveloped lake system west of the American Windmill Museum. Each location has varying tree removal and maintenance needed in preparation for future projects. The areas of most concern fall into the 100 year and 500 year floodway, making it of high importance to clean up along stream banks to allow for better storm water flow. The American Rescue Plan Act provided funds allocated by the City of Lubbock for brush clearing and tree debris removal.

Alternate bid: Contractor will utilize necessary equipment to chip the removed tree debris in order to make disposal of material more efficient. Contractor to transport all of chipped mulch material to City of Lubbock site located at 1912 Erskine Street for use as ground cover, erosion control, and weed suppression. Any unusable plant debris will be hauled off to the City of Lubbock Solid Waste facility by contractor for disposal.

Table 1.1 below details the estimated areas to be serviced in sq. ft. and acres of each section.

Parkland Section	Sum of Area (sq. ft.)	Sum of Area (Acres)
1.1	2757.5	0.06
1.2	1,855.1	0.04
2.1	9,096.1	0.21
2.2	3,932.7	0.09
2.3	4,479.8	0.10
3.1	3,073.5	0.07
3.2	4,268.4	0.10
4.1	17,092.0	0.39
4.2	27,094.9	0.62
5.1	12,456.8	0.29
5.2	17,008.2	0.39
5.3	21,574.9	0.50
6.1	6,164.1	0.14
6.2	17,047.6	0.39
6.3	15,915.1	0.37
6.4	18,347.3	0.42
7.1	4,015.7	0.09
7.2	8,928.0	0.20
7.3	8,984.0	0.21
7.4	8,009.6	0.18
7.5	8,715.6	0.20
Estimated Total:	**220,817.2**	**5.1**

Map below depicts the 7 sections of parkland that are in need of service along the Canyon Lake System.

1.1
1.2
2.1
2.2
2.3
3.1
3.2
4.1
4.2
5.1
5.2
5.3
6.1
6.2
6.3
6.4
7.1
7.2
7.3
7.4
7.5
MARSHA SHARP FWY
PARKWAY DR
INTERSTATE 27
M L KING JR BLVD
IDALOU RD
GUAVA AVE
E BROADWAY
E 19TH ST
E 34TH ST
34TH ST
N

Scope of Work

Sec. 1.1

Services to be performed along the south east area of Lake #4 in delineated areas. Contractor will trim back overgrown or drooping branches and remove any saplings with diameter of less than 3” to obtain an unimpeded view of Lake #4. Contractor will remove tree debris and perform general brush clearing of understory.

Sec. 1.2

Contractor will trim back overgrown braches and remove any saplings with diameter of less than 3” to obtain an unimpeded view of Lake #4. Contractor will remove tree debris and perform general brush clearing of understory.

City of Lubbock Parks and Recreation

Map depicts delineated sections 1.1 and 1.2 along the north side of Cesar Chavez Rd. at Lake #4.

Scope of Work

Sec 2.1

Services to be performed along both sides of the stream bank in Aztlan corridor. Contractor will remove tree debris and perform general brush clearing of understory. Contractor will trim back overgrown branches and remove any saplings with diameter of less than 3”.

Sec 2.2

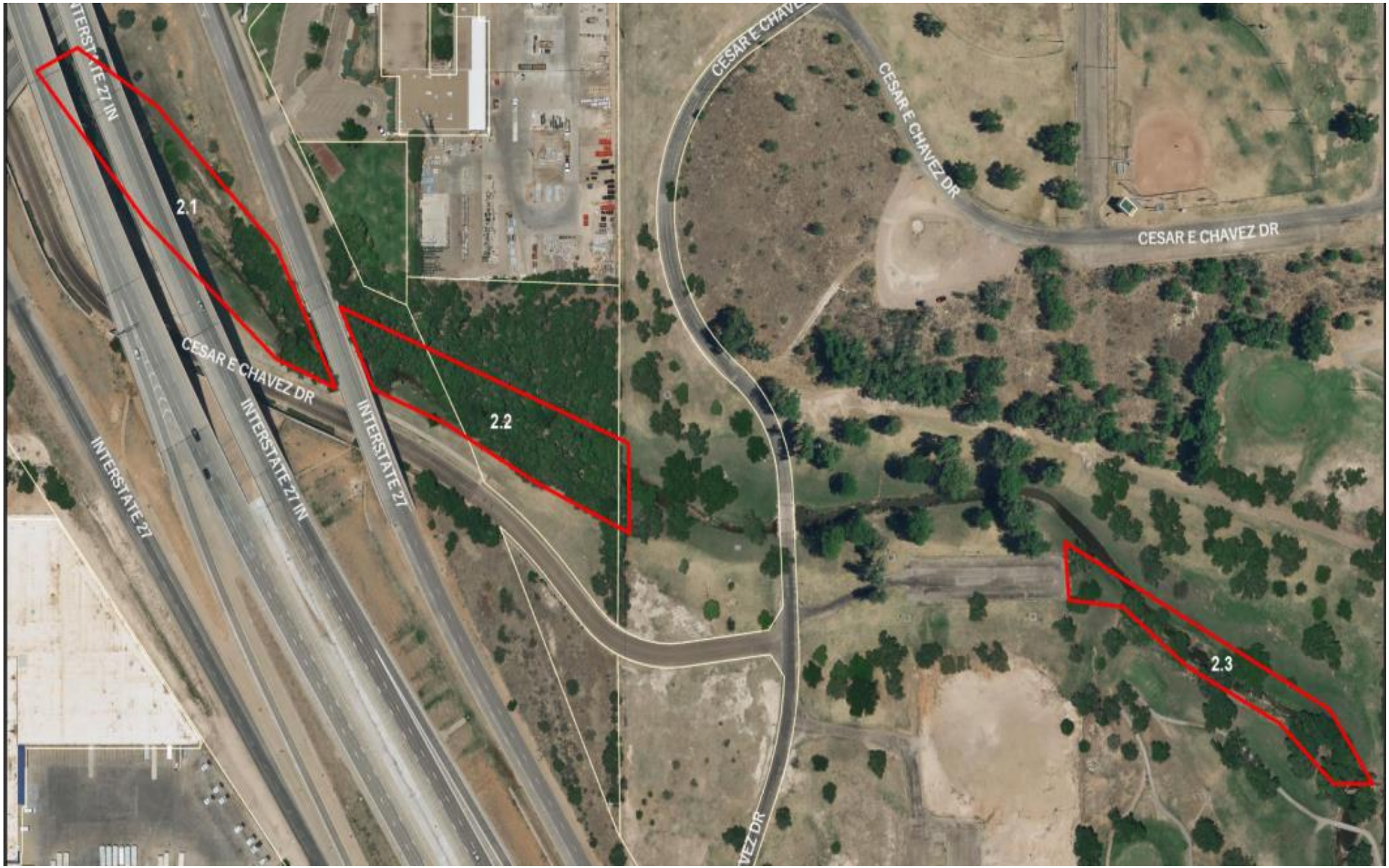
Services to be performed on the south side of the stream bank only along Cesar E Chavez Dr. for about 30 feet outwards. Contractor will trim back overgrown tree limbs, remove tree debris, and perform general brush clearing of understory.

Sec 2.3

Services to be performed southeast of parking lot in the delineated area along the stream bank for about 30 feet outwards. Contractor will remove excess shrubs around the trunks of trees and perform general brush clearing of tree debris.

City of Lubbock Parks and Recreation

Map depicts sections 2.1, 2.2, and 2.3 in need of servicing along Cesar E Chavez Dr.



Scope of Work

Sec 3.1

Services to be performed up to 30 feet from both sides of the stream bank in delineated area. Contractor will need to remove excess shrubs around the trunks of trees and general brush clearing of tree debris. Contractor will trim back overgrown branches and remove any saplings with diameter of less than 3", focusing on area around the bridge.

Sec 3.2

Services to be performed on south side of stream bank only along tree line north of Cesar E Chavez Dr. Contractor will remove excess shrubs around the trunks of trees and general brush clearing of tree debris, focusing on area around fence line.

City of Lubbock Parks and Recreation

Map depicts delineated sections 3.1 and 3.2 along north side of Cesar E Chavez Dr to be serviced at Mackenzie Park- North.

Scope of Work

Sec 4.1

Services to be performed for up to 30 feet from both sides of the streambank in delineated area.
Contractor will remove dead trees along the bank and trim back overgrown or drooping branches.
Contractor will perform general brush clearing of understory.

Sec 4.2

Services to be performed for up to 30 feet from both sides of the bank from body of water. Contractor will remove dead trees along the stream bank and trim back overgrown or drooping branches. Contractor will remove excess shrubs around the trunks of trees and general brush clearing of tree debris. Avoid newly planted cottonwood trees along stream bank.

Map depicts sections 4.1 on the north side of Parkway Dr and section 4.2 on south of Parkway Dr to be serviced.

Scope of Work

Sec 5.1

Services to be performed on area along the both sides of the stream bank to about 30 feet outwards in delineated area. Contractor will trim back overgrown branches and remove any saplings with diameter of less than 3". Contractor will remove tree debris and perform general brush clearing.

Sec 5.2

Services to be performed on area along the both sides of the stream bank to about 30 feet outwards in delineated area. Contractor will trim back overgrown tree limbs. Contractor will remove dead tree debris and perform general brush clearing of understory.

Sec 5.3

Services to be performed on the area along both sides of the stream bank to about 30 feet outwards in delineated area, this includes the area to the right of the dirt road not along the stream. Contractor will trim back overgrown branches or drooping braches and remove excess saplings. Contractor will remove tree debris and perform general brush clearing of understory.

North facing view

South facing view

City of Lubbock Parks and Recreation

Map depicts delineated sections 5.1, 5.2, and 5.3 west of Canyon Lake Dr to be serviced.

Scope of Work

Sec 6.1

Services to be performed on area along west side of the stream bank to about 30 feet outwards in delineated area at Mae Simmons Park. Contractor will trim back overgrown tree limbs. Contractor will remove tree debris and perform general brush clearing of understory.

Sec 6.2

Services to be performed in delineated area to the water's edge and back about 100 feet. Contractor will remove tree debris and perform general brush clearing of understory.

Sec 6.3

Services to be performed on area along both sides of the stream bank outwards in delineated area. Contractor will trim back overgrown or drooping branches and remove any saplings with diameter of less than 3". Contractor will remove tree debris and perform general brush clearing of understory.

Sec 6.4

Services to be performed on area along both sides of the stream bank to about 30 feet outwards in delineated area. Contractor will trim back overgrown or drooping branches and remove excess saplings growing. Contractor will remove tree debris and perform general brush clearing of understory.

City of Lubbock Parks and Recreation

Map depicts delineated sections 6.1-6.4 west of Canyon Lake Dr. at Mae Simmons Park to be serviced.

Scope of Work

Sec 7.1

Services to be performed on area along south east corner of Canyon Lake Dr. in delineated area along the bank of lake. Contractor will trim back overgrown or drooping branches and remove any saplings with diameter of less than 3” to obtain an unimpeded view of Lake #6. Contractor will remove tree debris and perform general brush clearing of understory.

Sec 7.2

Services to be performed on southeast area of Canyon Lakes Dr along both sides of the stream for about 30 feet outwards of streambank. Contractor will remove tree debris and perform general brush clearing of understory.

Sec 7.3

Services to be performed east of Canyon Lake Dr in delineated area to the edge of Lake #6. Contractor will trim back overgrown or drooping branches and remove any saplings with diameter of less than 3” to obtain an unimpeded view of Lake #6. Contractor will remove tree debris and perform general brush clearing of understory.

Sec 7.4, 7.5

Services to be performed east of Canyon Lake Dr. in delineated area along tree line. Contractor will trim back overgrown or drooping branches and remove any saplings with diameter of less than 3” to obtain an unimpeded view of Lake #6. Contractor will remove tree debris and perform general brush clearing of understory.

City of Lubbock Parks and Recreation

Map depicts delineated sections 7.1-7.5 along Canyon Lakes Dr in need of servicing at Dunbar Lake

City of Lubbock, TX
Purchasing and Contract Management
Vendor Acknowledgement Form

In compliance with the **Invitation to Bid**, the undersigned Bidder having examined the Invitation to Bid, instructions to bidders, General Conditions of the Agreement, Specifications, and being familiar with the conditions to be met, hereby submits the following bid for furnishing the material, equipment, labor and everything necessary for providing the items listed and agrees to deliver said items at the locations and for the prices set forth on the bid form and/or the bid table associated with this bid.

A bid will be subject to being considered irregular and may be rejected if it shows omissions, **alterations of form**, conditional alternate bids, additions or alternates in lieu of the items specified, if the unit prices are obviously unbalanced (either in excess of or below reasonably expected values), or irregularities of any kind. The Invitation to Bid is by reference incorporated in this contract.

Where applicable, prices are quoted as: **F.O.B. Destination, Freight Pre-Paid and Allowed**
Where applicable, delivery days are: **Days After Receipt of Order (ARO)**

Unless otherwise specified herein, the City may award the bid either item-by–item or on an all-or-none basis for any item or group of items shown on the bid.

The City of Lubbock is seeking a contract for with one or more contractors. In order to assure adequate coverage, the City may make multiple awards, selecting multiple vendors to provide the products desired, if multiple awards are in the best interest of the City. A decision to make a multiple award of this Bid, however, is an option reserved by the City, based on the needs of the City.

PAYMENT TERMS AND DISCOUNTS - Bidder offers a prompt payment discount of _____%, net _____ calendar days. Discounts will not be considered in determining low bid. Unless otherwise indicated on the Bid Form, payment terms will be NET THIRTY DAYS. The City will pay the successful bidder within thirty days after the receipt of a correct invoice or after the date of acceptance, whichever event occurs later. Discounts for prompt payment requiring payment by the City within a stipulated number of days will be interpreted as applying within the stipulated number of calendar days after the date of receipt by the City of a correct invoice or after the date of acceptance that meets contract requirements, whichever event occurs later. Discounts for payment in less than ten days will not be considered.

MOST FAVORED PRICING: The Bidder certifies that the price quoted is not in excess of the lowest price charged anyone else, including its most favored customer, for like quality and quantity of the products/services; does not include an element of profit on the sale in excess of that normally obtained by the Bidder on the sale of products/services of like quality and quantity; and does not include any provision for discounts to selling agents. If at any time during the contract period, the supplier should sell or offer for sale to any other customer, an equal or less quantity of similar contract products of like or better quality, at a lower net price(s) than provided herein, supplier agrees to notify the City and sell same product(s) at the lower price(s) on all deliveries made during the period in which such lower price(s) is effective.

INTERLOCAL PURCHASING (optional): The City desires to make available to other local governmental entities of the State of Texas, by mutual agreement with the successful bidder, and properly authorized interlocal purchasing agreements as provided for by the Interlocal Cooperation Act (Chapter 791, Government Code), the right to purchase the same services, at the prices quoted, for the period of this contract. Each bidder shall indicate on the Bid Form in the space provided below if he/she will honor Political Subdivision orders in addition to orders from the City of Lubbock. Should these other governmental entities decide to participate in this contract, would you (the bidder) agree that all terms, conditions, specifications, and pricing would apply?

City of Lubbock
ITB 23-17397-DH
Tree and Brush Removal for Jim Bertram Canyon Lake System
Bid Form

#	Item Description	Quantity Required (+/-)	UOM	Location Total	Gorman Outdoor, Inc. Shallowater, TX $631,919.65 Unit Price	Total Cost
1						
#1-1	Parkland Section 1.1 As Specified	2788	SQ FT		$6.91	$19,253.93
#1-2	Parkland Section 1.2 As Specified	1855	SQ FT		$6.23	$11,556.65
2						
#2-1	Parkland Section 2.1 As Specified	9096	SQ FT		$0.85	$7,731.60
#2-2	Parkland Section 2.2 As Specified	3933	SQ FT		$4.90	$19,271.70
#2-3	Parkland Section 2.3 As Specified	4480	SQ FT		$2.58	$11,558.40
3						
#3-1	Parkland Section 3.1 As Specified	3074	SQ FT		$3.76	$11,558.24
#3-2	Parkland Section 3.2 As Specified	4268	SQ FT		$2.71	$11,566.28
4						
#4-1	Parkland Section 4.1 As Specified	17092	SQ FT		$4.63	$79,135.96
#4-2	Parkland Section 4.2 As Specified	27095	SQ FT		$1.46	$39,558.70
5						
#5-1	Parkland Section 5.1 As Specified	12457	SQ FT		$1.56	$19,432.92
#5-2	Parkland Section 5.2 As Specified	17008	SQ FT		$1.15	$19,559.20
#5-3	Parkland Section 5.3 As Specified	21575	SQ FT		$1.81	$39,050.75
6						
#6-1	Parkland Section 6.1 As Specified	6164	SQ FT		$1.88	$11,588.32
#6-2	Parkland Section 6.2 As Specified	17048	SQ FT		$3.42	$58,304.16
#6-3	Parkland Section 6.3 As Specified	15915	SQ FT		$3.63	$57,771.45
#6-4	Parkland Section 6.4 As Specified	18347	SQ FT		$4.31	$79,075.57
7						
#7-1	Parkland Section 7.1 As Specified	4016	SQ FT		$4.89	$19,638.24
#7-2	Parkland Section 7.2 As Specified	8928	SQ FT		$0.86	$7,678.08
#7-3	Parkland Section 7.3 As Specified	8984	SQ FT		$3.45	$30,994.80
#7-4	Parkland Section 7.4 As Specified	8010	SQ FT		$4.85	$38,848.50
#7-5	Parkland Section 7.5 As Specified	8716	SQ FT		$4.45	$38,786.20

Other governmental entities that might have interests in this contract are Frenship Independent School District, Lubbock Housing Authority, Lubbock County, Lubbock County Hospital District, Lubbock Independent School District, South Plains Association of Governments, City of Texarkana, Texas Tech University, West Texas Municipal Power Agency, Lynn County, and City of Wolfforth.

YES_____ NO ✓

- If you (the bidder) checked YES, the following will apply:
- Governmental entities utilizing Interlocal Agreements for Cooperative Purchasing with the City of Lubbock will be eligible, but not obligated, to purchase materials/services under the contract(s) awarded as a result of this solicitation. All purchases by governmental entities other than the City of Lubbock will be billed directly to that governmental entity and paid by that governmental entity. City of Lubbock will not be responsible for another governmental entity's debts. Each governmental entity will order their own materials/service as needed.

ADDENDA

Bidder acknowledges receipt of addenda issued in regard to this solicitation:

Addenda No. _____ Date_____
Addenda No. _____ Date_____
Addenda No. _____ Date_____
Addenda No. _____ Date_____

INSURANCE REQUIREMENTS

I, the undersigned Bidder certify that the insurance requirements contained in this bid document have been reviewed by me and my Insurance Agent/Broker. If I am awarded this contract by the City of Lubbock, I will be able to, within ten (10) business days after being notified of such award by the City of Lubbock, furnish a valid insurance certificate to the City meeting all of the requirements defined in this bid.

If the time requirement specified above is not met, the City has the right to reject this proposal and award the contract to another contractor. If you have any questions concerning these requirements, please contact the Director of Purchasing & Contract Management for the City of Lubbock at (806) 775-2572.

SUSPENSION AND DEBARMENT CERTIFICATION

Federal Law (A-102 Common Rule and OMB Circular A-110) prohibits non-Federal entities from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of $25,000 and all non-procurement transactions (e.g., sub-awards to sub-recipients).

Contractors receiving individual awards of $25,000 or more and all sub-recipients must certify that their organization and its principals are not suspended or debarred by a Federal agency.
Before an award of $25,000 or more can be made to your firm, you must certify that your organization and its principals are not suspended or debarred by a Federal agency.
I, the undersigned agent for the firm named below, certify that neither this firm nor its principals are suspended or debarred by a Federal agency.

TEXAS GOVERNMENT CODE SECTION 2252.152

The undersigned representative of the undersigned company or business, being an adult over the age of eighteen (18) years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152, certify that the company named above is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas, which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify the City of Lubbock Purchasing and Contract Department.

TEXAS GOVERNMENT CODE SECTION 2271.002

Company hereby certifies the following:
1. Company does not boycott Israel; and
2. Company will not boycott Israel during the term of the contract.

The following definitions apply to this state statute:
(1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and
(2) "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

This Certification is required from a Company if the Company has 10 or more full-time employees and the contract for goods or services (which includes contracts formed through purchase orders) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity.

TEXAS GOVERNMENT CODE 2274

By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract.

If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract.

If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

FEDERAL AND STATE SAFETY REGULATIONS

Contractor shall comply with all federal and state safety regulation including but not limited to Occupational, Safety and Health Administration (OSHA) and the Department of Workforce Development (DWD) regulations. This agreement includes incorporation of Federal Transit Administration (FTA) Terms. The preceding provisions include, in part, certain Standard Terms and Conditions required by the Department of Transportation (DOT), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any requests which would cause Bus to be in violation of the FTA terms and conditions.

All Environmental Protection Agency (EPA) rules and regulations must be followed by the Contractor.

MASTER AGREEMENT

For Federal Transit Administration Agreements authorized by 49 U.S.C. chapter 53, Title 23, United States Code (Highways), the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, as amended by the SAFETEA-LU Technical Corrections Act of 2008, the Transportation Equity Act for the 21st Century, as amended, the National Capital Transportation Act of 1969, as amended, the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, February 17, 2009, or other Federal laws that FTA administers.

https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements

The Master Agreement can be found in its entirety on the City of Lubbock website www.ci.lubbock.tx.us

INCOMPLETE INFORMATION

Failure to complete or provide any of the information requested in this Request for Proposal, including references, and/or additional information as information as indicated, may results in disqualification by reason of "non-responsiveness".

CONTRACTOR ACKNOWLEDGEMENT

In compliance with this solicitation, the undersigned bidder, having examined the bid documents, instructions to bidders, documents associated with the invitation to bid, and being familiar with the conditions to be met has reviewed the above information regarding:

- **Insurance Requirements**
- **Suspension and Debarment Certification**
- **Texas Government Code Section 2252.152**
- **Texas Government Code Section 2271.002**
- **Texas Government Code 2274**
- **Federal and State Regulations**
- **Master Agreement**

SUBMISSION INFORMATION

An individual authorized to bind the company must sign the following section. Failure to execute this portion may result in bid rejection.

THIS BID IS SUBMITTED BY GORMAN OUTDOOR INC a corporation organized under the laws of the State of TEXAS, or a partnership consisting of _____ or individual trading as _____ of the City of _____

Tax ID No.: 26-4077970

Address: 7212 N FM 179

City: Shallowater State: TX Zip: 79363

M/WBE Firm:						
		Woman		Black American		Native American
		Hispanic American		Asian Pacific American		Other (Specify)

Please complete the information below.

By J Brett Gorman Date: 6/19/23

Authorized Representative - must sign by hand

Officer Name and Title: J Brett Gorman / President

Business Telephone Number 806-790-5171 FAX: _____

E-mail Address: brett@gormanoutdoor.com

Agreement Example

Review

This sample Agreement has been reviewed and

( ) is acceptable

(X) is acceptable as noted

Printed Name: J Brett Gorman

Proposer: J Brett Gorman

Date: 6/19/23

City of Lubbock
ITB 23-17397-DH
Tree and Brush Removal for Jim Bertram Canyon Lake System
Bid Tabulation Sheet

#	Item Description	Quantity Required (+/-)	UOM	Location Total	Gorman Outdoor, Inc. Shallowater, TX $631,919.65		Texas Green Tree Services Lubbock Lubbock, TX $209,806.55	
					Unit Price	Total Cost	Unit Price	Total Cost
1								
#1-1	Parkland Section 1.1 As Specified	2788	SQ FT		$6.91	$19,253.93	$0.95	$2,648.60
#1-2	Parkland Section 1.2 As Specified	1855	SQ FT		$6.23	$11,556.65	$0.95	$1,762.25
2								
#2-1	Parkland Section 2.1 As Specified	9096	SQ FT		$0.85	$7,731.60	$0.95	$8,641.20
#2-2	Parkland Section 2.2 As Specified	3933	SQ FT		$4.90	$19,271.70	$0.95	$3,736.35
#2-3	Parkland Section 2.3 As Specified	4480	SQ FT		$2.58	$11,558.40	$0.95	$4,256.00
3								
#3-1	Parkland Section 3.1 As Specified	3074	SQ FT		$3.76	$11,558.24	$0.95	$2,920.30
#3-2	Parkland Section 3.2 As Specified	4268	SQ FT		$2.71	$11,566.28	$0.95	$4,054.60
4								
#4-1	Parkland Section 4.1 As Specified	17092	SQ FT		$4.63	$79,135.96	$0.95	$16,237.40
#4-2	Parkland Section 4.2 As Specified	27095	SQ FT		$1.46	$39,558.70	$0.95	$25,740.25
5								
#5-1	Parkland Section 5.1 As Specified	12457	SQ FT		$1.56	$19,432.92	$0.95	$11,834.15
#5-2	Parkland Section 5.2 As Specified	17008	SQ FT		$1.15	$19,559.20	$0.95	$16,157.60
#5-3	Parkland Section 5.3 As Specified	21575	SQ FT		$1.81	$39,050.75	$0.95	$20,496.25
6								
#6-1	Parkland Section 6.1 As Specified	6164	SQ FT		$1.88	$11,588.32	$0.95	$5,855.80
#6-2	Parkland Section 6.2 As Specified	17048	SQ FT		$3.42	$58,304.16	$0.95	$16,195.60
#6-3	Parkland Section 6.3 As Specified	15915	SQ FT		$3.63	$57,771.45	$0.95	$15,119.25
#6-4	Parkland Section 6.4 As Specified	18347	SQ FT		$4.31	$79,075.57	$0.95	$17,429.65
7								
#7-1	Parkland Section 7.1 As Specified	4016	SQ FT		$4.89	$19,638.24	$0.95	$3,815.20
#7-2	Parkland Section 7.2 As Specified	8928	SQ FT		$0.86	$7,678.08	$0.95	$8,481.60
#7-3	Parkland Section 7.3 As Specified	8984	SQ FT		$3.45	$30,994.80	$0.95	$8,534.80
#7-4	Parkland Section 7.4 As Specified	8010	SQ FT		$4.85	$38,848.50	$0.95	$7,609.50
#7-5	Parkland Section 7.5 As Specified	8716	SQ FT		$4.45	$38,786.20	$0.95	$8,280.20

City of Lubbock, TX
Capital Project
Project Cost Detail
August 22, 2023

Capital Project Number:	92764
Capital Project Name:	Cattail Removal/Dredging- ARPA

Encumbered/Expended	**Budget**
dredgeSMART contract 17433	$ 89,400
Newspaper Advertising	286
Agenda Item August 22, 2023	
Gorman Outdoor Contract 17397	631,920
Encumbered/Expended To Date	721,606
Estimated Costs for Remaining Appropriation	
Engineering and Design	1,178,394
Remaining Appropriation	1,178,394
Total Appropriation	$ 1,900,000

CIP 92764 ARPA Parks - Cattail Removal/Dredging

Upgrade/Major Maintenance

Project Manager: Kalee Robinson - Park Development

Project Scope

Complete removal of the 1,355,780 sq. ft. of cattail growth from the Canyon Lake System. Contractor will utilize any method of removal (physical, chemical, or a combination of different strategies) considered necessary to perform the outlined job without harming the current landscape and fauna of the Canyon Lake System. Contractor must discuss with the client any reasonably foreseeable consequences for actions taken in the removal process. The growth areas are specified on the table below and the following aerial views of the Canyon Lake System.

Project Justification

Cattail growth has taken over a significant portion of the Canyon Lake System and has become a detriment to the experience of users of the city lakes and parks. Spreading for 1.3 million square feet of park land, cattail species extend across 12 public areas – Aztlan Corridor, Aztlan Park, Buddy Holly Recreation Area, Carrillo Family Recreation Area, Comancheria Lake, Dunbar Historical Lake, Fiesta Plaza, Llano Estacado, Mackenzie Park (North), Mackenzie Park (South), Mae Simmons Park, and Vaquero Lake. The American Rescue Plan Act provided funds allocated by the city for removal of the cattail zones.

Project Highlights

Council Priorities Addressed:
This project will address Council Priorities, Public Health and Community Improvement as it will allow for full use of the Canyon Lake System allowing Lubbock citizens and visitors to kayak, fish, stand-up paddle board, etc. This will improve the surrounding parks in general as the cattails have clearly taken over.

Project Dates

Start Date: May 10, 2022
Bid Date: TBD
Bid Award Date: TBD
Project Start Date: TBD
Projected Project End Date: TBD

Project History

$1,900,000 was appropriated in the FY 2021-22, Budget Amendment No. 24, Ord. No. 2022-O0071, May 10, 2022.

Project Location

Project Appropriations

Cultural 92764

	2022 - 23 Budget CIP	2023 - 24 Budget	2024 - 25 Budget	2025 - 26 Budget	2026 - 27 Budget	2027 - 28 Budget	2028 - 29 Budget
Construction	$1,900,000	$0	$0	$0	$0	$0	$0

	2022 - 23 Budget CIP	2023 - 24 Budget	2024 - 25 Budget	2025 - 26 Budget	2026 - 27 Budget	2027 - 28 Budget	2028 - 29 Budget
TOTAL	$1,900,000	$0	$0	$0	$0	$0	$0

Project Funding

Cultural 92764

	Funding to Date	FY 2023-24 Budget	FY 2024-25 Budget	FY 2025-26 Budget	FY 2026-27 Budget	FY 2027-28 Budget	FY 2028-29 Budget
Description pending	$1,900,000	$0	$0	$0	$0	$0	$0
TOTAL	$1,900,000	$0	$0	$0	$0	$0	$0

92764

Description	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Total
No Impact Anticipated	$0	$0	$0	$0	$0	$0	$0
TOTAL	$0	$0	$0	$0	$0	$0	$0

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Purchasing and Contract Management

Project Summary

ITB 23-17397-DH
Tree and Brush Removal for Jim Bertram Canyon Lake System

Notice was published in the Lubbock Avalanche Journal on June 04 & June 11, 2023.
Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from June 2 to June 20, 2023.
1 individual attended the pre-bid meeting.
20 vendors downloaded the documents using Bonfire.com.
22 vendors were notified separately.
2 vendors submitted bids.

Information

Agenda Item

Resolution - Information Technology: Consider a resolution authorizing the Mayor to execute Contract 17004, with CTE Networking, Inc., and Contract 17517 with Armada Solutions, LLC, for data, voice, and fiber optic cabling cervices at City facilities.

Item Summary

In response to RFP 23-17004-DH, proposals were received from 5 vendors.

The Evaluation Committee used the following criteria in determining the scores of 5 vendors who responded: Experience - 15 points; Responsibility - 20 points; Capability and Skill - 10 points; Responsiveness - 10 points; Record of Performance Proposal - 10 points; and Cost Proposal - 35 points.

Vendor	100 Points
CTE Networking, Inc., Lubbock, Texas	93.33
Armada Solutions, LLC, Floresville, Texas	66.00
Advanced Connections, Inc., Lubbock, Texas	52.33
Lubbock Telcom, Inc., Lubbock, Texas	41.67
Enterprise Security, Lubbock, Texas	16.17

Information Technology Staff and the Evaluation Committee, recommend awards to the top two ranking proposers, CTE Networking, Inc. of Lubbock, Texas, and Armada Solutions, LLC, of Floresville, Texas.

The contracts with CTE Networking, Inc. and Armada Solutions, LLC, are for data, voice, and fiber optic cable installation and include maintenance at City facilities, as needed. These contracts are for a term of 1 year, with the option of 3, 1-year extensions. The contracts provide pricing, and all stated quantities are approximations of usage. Actual usage may be more or less. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services resulting from these contracts.

Fiscal Impact

The cost of the cabling services is budgeted in the Information Technology Professional Services Account and ensuing fiscal years operating budgets, as well as other various department budgets, as necessary.

Staff/Board Recommending

Brooke Witcher, Assistant City Manager
James C. Brown, Chief Information Officer

Attachments

Resolution - CTE Networking, Inc.
Contract - CTE Networking, Inc.
Resolution - Armada Solutions, LLC
Contract - Armada Solutions, LLC
Project Summary Sheet

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute, for and on behalf of the City of Lubbock, a Service Contract No. 17004 between the City of Lubbock and CTE Networking, Inc. for Data, Voice, and Fiber Cabling Services at certain City facilities, and related documents. Said Contract is incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Brooke Witcher
_____
Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

Contract 17004

City of Lubbock
RFP 23-17004-DH
Cabling Services for Data, Voice and Fiber
Agreement

This Service Agreement (this "Agreement") is entered into as of the ___day of _____**2023** ("Effective Date") by and between CTE Networking, Inc. **(**the Contractor), and the City of Lubbock (the "City").

RECITALS

WHEREAS, the City has issued a Request for Proposals 23-17004-DH, **Cabling Services for Data, Voice and Fiber** and

WHEREAS, the proposal submitted by the Contractor has been selected as the proposal which best meets the needs of the City for this service; and

WHEREAS, Contractor desires to perform as an independent contractor to provide **Cabling Services for Data, Voice and Fiber**, upon terms and conditions maintained in this Agreement; and

NOW THEREFORE, for and in consideration of the mutual promises contained herein, the City and Contractor agree as follows:

City and Contractor acknowledge the Agreement consists of the following exhibits which are attached hereto and incorporated herein by reference, listed in their order of priority in the event of inconsistent or contradictory provisions:

1. This Agreement
2. Exhibit A – General Requirements
3. Exhibit B – Best and Final Offer
4. Exhibit C – Insurance Requirements

Scope of Work

Contractor shall provide the services that are specified in Exhibit A. The Contractor shall comply with all the applicable requirements set forth in Exhibit B and Exhibit C attached hereto.

Article 1

1.1 The contract shall be for a term of one (1) year, with the option of four (4), one (1) year extensions, said date of term beginning upon formal approval. The contract may be renewed for up to four (4) additional one (1) year terms under the same term and conditions upon written agreement from both parties.

1.2 All stated annual quantities are approximations of usage during the time period to be covered by pricing established by this bid. Actual usage may be more or less. Order quantities will be determined by actual need. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services under this bid and resulting contract.

1.3 The Contractor must maintain the insurance coverage required during the term of this contract including any extensions. It is the responsibility of the Contractor to ensure that valid insurance is

on file with the Purchasing and Contract Management Department as required by contract or contract may be terminated for non-compliance.

1.4 A) Prices quoted shall be guaranteed for a period for six (6) months upon City approval. The rate may be adjusted at the City's discretion for the effective change in Consumer Price Index (CPI) or Product Price Index (PPI) as appropriate.

B) Further, if the Contractor can provide documentation for actual charges for material, labor, etc. that demonstrates that the change in CPI or PPI is not sufficient, the Contractor shall provide such documentation to the City, and at the City's sole discretion, the contractual rate may be further adjusted. If agreement regarding a new rate cannot be reached, the City shall terminate at the end of the current contract period.

C) If an adjustment to pricing is granted under this section, the Contractor must provide the Director of Purchasing and Contract Management written, quarterly documentation to justify the ongoing adjustment. If no such documentation is timely received, the rate will automatically revert to the initial, awarded rate.

1.5 This contract shall remain in effect until the first of the following occurs: (1) the expiration date, (2) performance of services ordered, or (3) termination of by either party with a 30 day written notice. The City of Lubbock reserves the right to award the canceled contract to the next lowest and best bidder as it deems to be in the best interest of the city.

Article 2 Miscellaneous.

2.1 This Agreement is made in the State of Texas and shall for all purposes be construed in accordance with the laws of said State, without reference to choice of law provisions.

2.2 This Agreement is performable in, and venue of any action related or pertaining to this Agreement shall lie in, Lubbock, Texas.

2.3 This Agreement and its Exhibits contains the entire agreement between the City and Contractor and supersedes any and all previous agreements, written or oral, between the parties relating to the subject matter hereof. No amendment or modification of the terms of this Agreement shall be binding upon the parties unless reduced to writing and signed by both parties.

2.4 This Agreement may be executed in counterparts, each of which shall be deemed an original.

2.5 In the event any provision of this Agreement is held illegal or invalid, the remaining provisions of this Agreement shall not be affected thereby.

2.6 The waiver of a breach of any provision of this Agreement by any parties or the failure of any parties otherwise to insist upon strict performance of any provision hereof shall not constitute a waiver of any subsequent breach or of any subsequent failure to perform.

2.7 This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives and successors and may be assigned by Contractor or the City to any successor only on the written approval of the other party.

2.8 All claims, disputes, and other matters in question between the Parties arising out of or relating to this Agreement or the breach thereof, shall be formally discussed and negotiated between the Parties for resolution. In the event that the Parties are unable to resolve the

claims, disputes, or other matters in question within 30 days of written notification from the aggrieved Party to the other Party, the aggrieved Party shall be free to pursue all remedies available at law or in equity.

2.9 At any time during the term of the contract, or thereafter, the City, or a duly authorized audit representative of the City or the State of Texas, at its expense and at reasonable times, reserves the right to audit Contractor's records and books relevant to all services provided to the City under this Contract. In the event such an audit by the City reveals any errors or overpayments by the City, Contractor shall refund the City the full amount of such overpayments within 30 days of such audit findings, or the City, at its option, reserves the right to deduct such amounts owing the City from any payments due Contractor.

2.10 The City reserves the right to exercise any right or remedy to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the City shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

2.11 The contractor shall not assign or sublet the contract, or any portion of the contract, without written consent from the Director of Purchasing and Contract Management. Should consent be given, the Contractor shall insure the Subcontractor or shall provide proof of insurance from the Subcontractor that complies with all contract insurance requirements document, this provision shall control.

2.12 Contractor acknowledges by supplying any Goods or Services that the Contractor has read, fully understands, and will be in full compliance with all terms and conditions and the descriptive material contained herein and any additional associated documents and Amendments. The City disclaims any terms and conditions provided by the Contractor unless agreed upon in writing by the parties. In the event of conflict between these terms and conditions and any terms and conditions provided by the Contractor, the terms and conditions provided herein shall prevail. The terms and conditions provided herein are the final terms agreed upon by the parties, and any prior conflicting terms shall be of no force or effect.

2.13 Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the City from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

2.14 Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter. To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to

the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

2.15 No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

2.16 Texas Government Code 2274. By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

2.17 Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

2.18 Confidentiality. The Contractor shall retain all information received from or concerning the City and the City's business in strictest confidence and shall not reveal such information to third parties without prior written consent of the City, unless otherwise required by law.

2.19 Indemnify. The Contractor shall indemnify and save harmless the city of Lubbock and its elected officials, officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any kind, character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, to the extent arising out of, related to or occasioned by, the negligent acts of the Contractor, its agents, employees, and/or subcontractors, related to the performance, operations or omissions under this agreement and/or the use or occupation of city owned property. The indemnity obligation provided herein shall survive the expiration or termination of this agreement.

-----INTENTIONALLY LEFT BLANK-----

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed the day and year first above written. Executed in triplicate.

CITY OF LUBBOCK

_____

Tray Payne, Mayor

ATTEST:

_____

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____

James Brown, Information Technology Director

APPROVED AS TO FORM

_____

Mitch Satterwhite, First Assistant City Attorney

CONTRACTOR

BY: _____ CTE NETWORKS

Authorized Representative

KEVIN ROBERTS

Print Name

305. N. YUMA

Address

LUBBOCK, TX. 79416

City, State, Zip Code

Exhibit A

City of Lubbock, TX
Cabling Services for Data, Voice and Fiber

I. GENERAL REQUIREMENTS

I. INTENT

1.1 The City of Lubbock is issuing this Request for Proposal (RFP) under the guidelines of a High-Technology RFP, and the award of the contract shall be made to the responsible vendor(s) whose proposal is determined to be the best evaluated offer resulting from negotiation, taking into consideration the relative importance of price, qualifications, experience, references, local support and service, and other evaluation factors set forth in the request for proposal. Receipt of any proposal shall under no circumstance obligate the City of Lubbock to accept the best price offering.

a) The City of Lubbock (hereinafter called "City") is seeking proposals from interested firms and individuals, (hereinafter called "Proposer") install and maintain the voice and data cabling and fiber installation and fiber maintenance in buildings

b) Offerors are invited to submit demonstrated competence and qualifications of their firm for providing these services.

c) The information contained within this document is intended to provide interested firms with the requirements and criteria that will be used to make the selection.

d) All Contractors must be Panduit Certified installers.

2. COST PROPOSAL

2.1 Prices shall include service call charge, all of the overhead, including, but not limited to, trip related charges, mileage and materials.

2.2 The Offeror shall submit pricing on Price Sheet, Attachment A.

2.3 The contract shall be for a term of one (1) year, with the option of three (3) one (1) year extensions; said date of term beginning upon formal approval. All stated annual quantities are approximations of usage during the time period to be covered by pricing established by this proposal. Actual usage may be more or less. Order quantities will be determined by actual need. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services under this bid and resulting contract. The Contractor must maintain the insurance coverage required during the term of this contract including any extensions. It is the responsibility of the Contractor to ensure that valid insurance is on file with the Purchasing and Contract Management Department as required by contract of contract may be terminated for non-compliance.

3. VOICE CABLE AND DATA CABLE

3.1 The installation of all premises, distribution, backbone and horizontal wiring are to comply with all local code authority and the following EIA/TIA and ANSI specifications and or standards: ANSI/TIA 568 Standard, Commercial Building Communications Wiring Standard EIA/TIA 569 Standard, and Commercial Building Standards for Telecommunications Pathways and Spaces. ANSI/ICEA S-83-596-1988, Standard for Fiber Optic Premises Distribution Cable ANSI/TIA-C.2

Category 6. All premises wiring required to complete installation of the services requested in this RFP will be the responsibility of the Contractor. Premises wiring are defined as intra and inter building data and voice wiring necessary for the project. This includes fiber patches and data patch connections. All Voice patch and cross connects will be done by City Communications Staff.

3.2 Manufacturers Material Specification sheets are required for all installation materials used in this bid of all materials are chosen for cable products. This material is to be attached as Attachment "C" to the balance of the response.

3.3 All cabling must be designed for the purpose as outlined in article 800 of the NEC code. Contractor is to determine the proper use of either PVC or Teflon conductor insulation depending on the air handling requirements of the building or as applicable wiring and building codes require. All voice and data wiring must be band striped with the color of the mating insulated conductor of the assemble pair. Telephone industry standard 10 basic color codes are to be used. Conductors will be twisted into pairs and assembled into a cylindrical core. Cables having more than 25 pairs will be coded into industry standard 25 pair color groups being bound with a unique color binder.

3.4 All wiring and termination materials employed in the installation of this system must fully comply with all applicable requirements under FCC Part 68 subpart J and be recognized or listed by a national recognized testing laboratory (NRTL).

3.5 All new wiring in common areas or office environments must be enclosed in metal raceway (i.e., wire mold) when locations are not provided or served via already provided in wall voice & data conduit and electrical boxes

4. FIBER OPTIC CABLE

4.1 Fiber cable to be supplied is to be multimode 62.5/125 micron. Single mode at 8.3/125. Accepted manufacturers for this product is: Corning, AT&T, 3M, Berktec.

4.2 All fiber optic cables and connection to be designed and manufactured to all applicable ANSI/EIA/TIA specifications.

4.3 End connections for fiber cable must be LC or otherwise ordered by the City.

5. VOICE, DATA AND FIBER TERMINATION'S

5.1 Voice termination's are to be made on standard single RJ-45 jacks with a minimum of 50 micro inches of gold surface plating on the contact wires and plugs, The City currently employs Panduit Pan-Net Mini-Com jacks. Colors are white or electrical ivory.

5.2 Data termination's are to be made on standard single Category 6e RJ-45 8 position jack with a with gold surface plating on the contact wires and plugs. The City currently employs Panduit Pan-Net Mini-Com jacks. With Blue as the first jack in the plate followed by Black, Green and Yellow. Wiring standard for Category 6e wiring termination is T568B.

5.3 Data modular jack housings are be to Electrical Ivory in color, flush mount and is to located on the same face plate as the voice termination whenever possible.

5.4 Equipment room MDF and IDF terminations for voice applications are to be made on standard 66 M1-50 or 110 type termination blocks and associated mounting brackets and hardware specifically designed for the purpose. The use and or combination of cable trays, backboards, wall frames, and

stand-alone frames are expected to be utilized improvising a logical and proper layout to equipment spaces and IDF locations.

5.5 Data MDF and IDF will be terminated on Panduit Mini-Com Modular Patch Panel Kits.

5.6 All fiber terminations will be in a Panduit Fiber Box according to the City Standards.

6. INSTALLATION

6.1 The Contractor will coordinate with the City any interruption to existing telephone\data communications. Any interruptions are to be minimized and be performed after-hours, on weekends or holidays.

6.2 Regarding installation activity that is potentially disruptive (i.e. drilling, running cable, mounting frames, raceway, etc.) to administrative activity, the Contractors will notify the Communication Department manager of potential disturbance prior to beginning work.

6.3 Contractors are to supply their own tools and equipment, especially brooms, dustpans, ladders, vacuum's etc.

6.4 Contractor will be required to clean work areas at the end of each shift or workday.

6.5 Installation equipment, materials, and product will ONLY be allowed to be kept in specified areas. Hallways, office areas lobbies etc. are not suitable for storage and the City will NOT be held liable for missing or stolen equipment.

6.6 Wiring to all outlets to run above the ceiling shall be fastened to the building structure at eight (8) foot intervals through the combined use of, but not limited to, J hooks, beam clamps, D-rings, and hangers. At no time are voice or data drops/homeruns to be directly secured to the building structure above ceiling without the use of cable supports. Cabling above ceiling shall be sectioned off, and routed back to intermediate or master wiring closets. All wiring shall run continuously from the outlet to the wiring closet without breaks or splices. Cable supports shall be employed every eight (8) feet. Cable supports (J Hooks etc.) shall be sized 50% larger than needed to allow for future growth. **No cable shall be placed on Ceiling Grid or attached to Ceiling Grid stays.**

6.7 In areas where ceiling tiles are removed for cable pulling, or ceiling tiles are damaged as a result of cable pulling, the Contractor shall replace tiles with like tiles.

6.8. All boxes, equipment and cable shall be firmly secured in place. Boxes, jacks and blocks shall be plumb and square. Consideration will be given for overall aesthetic factors. **Sample installation diagrams and layouts are to be followed at all times. Deviations due to design and or Building structural considerations must be cleared with Communication Department.**

6.9 Any new or replacement premises wiring shall be clearly labeled. The Contractor and City will work to design a structured method of designating all cabling involved with the project.

6.10 The Contractor will observe all applicable departmental safety and security regulations established.

6.11 The Contractor is responsible for repair of damage to the building due to carelessness of their workmen, and exercise reasonable care to avoid any damage to property. The Contractor must report to the City any damage to the building that may exist or may occur during the occupancy of the quarters.

6.12 The Contractor must run all jumpers and wiring, including line jumpers connected to lightning or surge protectors, as may be required to properly interconnect the system parts to each other and to the common carrier network(s).

6.13 The Contractor must promptly correct all defects for which the Contractor is responsible.

6.14 Upon completion of the work, the Contractor must remove his tools, equipment and all rubbish and debris from the premises and must leave the premises clean and neat.

6.15 The Contractor will obtain the City's Communications Department permission before cutting into or through any part of the building structure such as beams, girders, concrete, or tile floors, partitions and ceilings. The Contractor shall restore any girders, beams, floors, partitions, ceilings, fire partitions and walls to their original condition.

6.16 The Contractor will coordinate all work with the City's Communications Department.

6.17 Cable pulling tension shall not exceed 110N (25lbf) for UTP horizontal four pair cables.

6.18 Optical fiber connecting hardware shall be installed to provide well-organized installation and cable management and always in accordance with manufacturer's guidelines.

6.19 Core boring set up is to be handled in such a way as to minimize interference with daily operations and with minimal impact to the work environment.

6.20 A temporary structure/enclosure is to be erected to contain all indoor core-boring locations. Cleanup of debris related to boring is the responsibility of the contractor. Work area is being cleaned and returned to an as found condition. This will include but not be limited to water control and abatement, floor washing, vacuuming, carpet cleaning, furniture dusting, furniture cleaning and furniture washing by a professional cleaning service as needed.

6.21 Fiber optic cable service loops are to be provided at all fiber termination points. Wiring closet loops are to be a minimum of 15ft. End termination or main termination point loop is to be a minimum of 30ft.

6.22 Category 6e and Category 3 horizontal cabling shall have a minimum two (10) foot service loop for each cable above ceiling. Service loop is to be neatly dressed and secured.

6.23 Category 6e patch panel terminations are to maintain cable jacket according to Panduit installation standards.

6.24 All indoor/outdoor splices and distribution must be enclosed in an enclosure designed for the purpose and able to provide maximum protection to splices and protection from environmental effects.

6.25 All splices must be impervious to environmental effects and mechanical shock.

6.26 Splice trays must protect all fiber splices.

6.27 All inside distribution and outside plant fiber cabling must be strain relieved to hinder the possibility of breakage and connection failure.

6.28 **The use of inner duct is mandatory in ALL situations were fiber is being installed unless hardened Fiber cable is being used**. Buried or aerial fiber optic cable must be approved and designed to specific standards intended for aerial or buried application. In general, all fiber must run in inner duct to its termination point (fiber patch panel).

6.29 Installation work will involve performing installation duties in an operational, production data center. The utmost care is to be exercised in the installation of requested services. At no time will installation work be permitted without notification of Communications Department.

6.30 City may elect also to implement other changes of its own accord. Should the City elect to make its own changes, City shall assume responsibility for the operation integrity of the structured wiring as it is directly affected by such changes by City. Upon request, the Contractor shall research all reported physical installation & performance problems or errors and correct them to the City's satisfaction. If the problem or error resulted from design changes made by City, the charge for correction shall be computed using the rates for standard T&M charges as requested in this bid.

6.31 All asbestos clearance must be attained by Contractor before drilling or cutting of any materials in City buildings.

7. TESTING AND ACCEPTANCE

GENERAL

7.1.1 Inspection of the installed systems shall be made by the staff of Communications Department. If items from the bid have been omitted or need changing as per requirements stated herein, they shall be noted in a deviation list. This deviation list will be given to the Contractor who is expected to complete all items within the time specified by Communications Department prior to any payment being due there under, the system must be delivered, installed and accepted by Communications Department, as stated herein.

7.1.2 Installation of structured horizontal wiring, cable riser, voice and data drops, raceway, terminations, fiber riser, fiber distribution, coring, and peripheral equipment must be completed.

7.1.3 The City will make inspection as it deems necessary when notified by the Contractor that the services requested, or any part thereof, is ready for acceptance.

7.1.4 After cutover of any portion of the system, the Contractor shall conduct acceptance tests outlined in this section for fiber and copper cabling.

7.1.5 Performance and quality tests shall be conducted as specified in this section.

7.1.6 Successful testing by the Contractor with written report of results to Communications Department manager of all performance and quality incorporating the full range of testing specified.

7.1.7 Implementation of any and all deviation list items which may result from inspections by the Communications Department manager must be completed.

7.1.8 Written certification signed by an authorized representative of the Contractor indicating the satisfactory completion of the above outlined items.

7.1.9 Acceptance of the services requested shall be granted after all equipment has passed the tests required in the RFP, and has been in operation thirty (30) consecutive days without a major failure. The event of a major failure, the City reserves the right to extend the acceptance date until a time the installation complies with the thirty (30) day major fault free requirement.

7.1.10 Following verification by Communications Department that the installation conforms to all the requirements stated herein, and that the system is 100% operational, a letter of acceptance will be issued to the Contractor.

7.1.11 Final payment is contingent on signed acceptance of services from the City.

8.2 VOICE GRADE WIRE TESTING

The following tests shall be run on all voice grade runs:

The tests shall be run from end to end between **all** termination points. Station jack to IDF, riser to main equipment room etc.

1) Continuity. (all pairs)

2) Wire Map. (test must include open pairs, shorts, and crossed pairs)

8.3 CATEGORY 6e WIRE TESTING

The following tests shall be run on all installed Category 6e data runs:

Testing shall be end to end, patch panel to jack including patch cables. (Total run length not to exceed 316ft. With patch cables 328ft).

a. Wire Map
b. Length
c. Insertion Loss
d. NEXT Loss
e. PS NEXT Loss
f. ACR-F Loss
g. PS ACR-F Loss
h. Return Loss
i. Propagation Delay
j. Delay Skew

Test results shall be presented in an Excel spreadsheet, version 5.0 or greater, and detailing cable port location (building, closet etc.) and all requested test data for the run.

8.4 SINGLE MODE AND MULTI MODE FIBER TESTING

The following tests shall be run on **all** installed fiber stands:
Testing is to be end to end with all terminations and splices involved for each strand tested OTDR, Both directions. Test results shall be presented in an Excel spreadsheet, version 5.0 or greater, detailing cable detailing cable port, location (building, closet etc.) length and attenuation in dB. Additionally, each test is to include a graphical representation of the test, measurement results, and cable information and set up parameters. The following standards will be used:

ANSI/TIA/EIA-455-59A, Measurement of Fiber Point Discontinuities Using an OTDR. ANSI/TIA/EIA-455-60A, Measurement of Fiber or Cable Length Using an OTDR. ANSI/TIA/EIA-455-61A, Measurement of Fiber or Cable Attenuation Using an OTDR.
ANSI/TIA/EIA-526-7, Optical Power Loss Measurements of Installed Singlemode Fiber Cable Plant. ANSI/TIA/EIA-526-14-A, Optical Power Loss Measurements of Installed Multimode Fiber Cable Plant.

9. EVALUATION CRITERIA

The following criteria will be used to evaluate and rank submittals:

a) Experience – The offeror's experience in providing the services as requested in the specifications. (15%)

b) Responsibility – The offeror who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability that will assure good faith performance as required by these specifications. (20%)

c) Capability and Skill – Offeror's capability, flexibility and skill to perform the services stated in the specifications. (10%)

d) Responsiveness – The degree to which the offeror has responded to the purpose and scope of specifications. (10%)

e) Record of performance based on previous work with the City and/or other client references. (10%)

f) Cost (35%)

10. PROPOSAL FORMAT

a) Proposals should provide a straightforward, concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness, clarity of content, and conveyance of the information requested by the City.

b) The proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume. No spiral binding.

c) If the proposal includes any comment over and above the specific information requested in the RFP, it is to be included as a separate appendix to the proposal.

d) The proposal must be organized into the following response item sections and submitted in an indexed binder.

TAB A Qualifications and Experience

1. Briefly introduce your company, providing a summary of the administration, organization. Provide a detailed description of your experience.

TAB B Price Sheet

1. Use the provided price proposal sheet.

Attachment A. TAB C References

1. Provide three references. Please include the name of the agency, contact name, telephone, fax and email address. Performance should include goods or services, similar to those in this proposal, within the last twenty-four (24) months.

City of Lubbock
RFP 23-17004-DH
Cabling Services for Data, Voice and Fiber
BAFO

				CTE Networking, Inc.	
			Location Total	**Lubbock, TX $8,923.25**	
#	Item Description	Quantity Required (+/-)	UOM	Unit Price	Total Cost
1	Cabling (4)				
#1-1	CAT 6 Data Drop 50 to 300 feet	1	EA	$190.00	$190.00
#1-2	CAT 6 Voice Drop 50 to 1000 feet	1	EA	$190.00	$190.00
#1-3	CAT 6 Voice and Data Drop 50 to 300 feet	1	EA	$300.00	$300.00
#1-4	25 pair CAT 3 500 feet terminated both ends	1	Per Ft	$3.25	$3.25
2	Fiber (3)				
#2-1	1000 feet Single Mode Fiber 6 strand With termination both ends and wall mount cabinet	1	EA	$3,500.00	$3,500.00
#2-2	500 feet Multi Mode Fiber 6 strand With termination both ends and wall mount cabinet	1	EA	$2,750.00	$2,750.00
#2-3	Fiber repair and testing	1	Per Strand	$75.00	$75.00
3	Data MDF/IDF (5)				
#3-1	Install Panduit Mini-Com patch panel Ports.	24	EA	$15.00	$360.00
#3-2	Install Panduit Vertical Cable management both sides of rack.	1	EA	$600.00	$600.00
#3-3	Install Horizontal Panduit able management.	2	EA	$75.00	$150.00
#3-4	Install 1U Filler Panels	2	EA	$65.00	$130.00
#3-5	Purchase and install one CPI 7 foot free standing data rack and 3.5 feet of ladder rack to wall.	1	EA	$600.00	$600.00
4	Other Services				
#4-1	Cost per hour for repair and other related services	1	Per Hour	$75.00	$75.00

CTE NETWORKING, INC.
5/30/23

VENDOR ACKNOWLEDGEMENT

In compliance with this procurement, the undersigned offeror having examined the request for proposal, instructions to offerors, documents associated with the request for proposals, and being familiar with the conditions to be met, has reviewed the information regarding:

- **Insurance Requirements**
- **Suspension and Debarment Certification**
- **Texas Government Code Section 2252.152**
- **Texas Government Code Section 2271.002**
- **Texas Government Code 2274**
- **Federal and State Regulations**
- **Master Agreement**

An individual authorized to bind the company must sign the following section. Failure to execute this portion may result in proposal rejection.

Authorized Signature	**Title** OWNER
Print/Type Name KEVIN ROBERTS	**Date** 5/12/23
Company Name CTG NETWORKING, INC.	**Address** 305 N. YUMA
	City, State Zip Code LUBBOCK, TX. 79416

Contact for questions, clarifications, etc.	
Name and Title:	KEVIN ROBERTS / OWNER
Mailing Address:	305 N. YUMA
City, State, Zip:	LUBBOCK, TX. 79416
Telephone No:	806-438-7649
Fax No:	
E-Mail:	CTGNETWORKING @ SBCGLOBAL.NET

INSURANCE REQUIREMENTS

32.1. Prior to the approval of this contract by the City, the Contractor shall furnish a completed Insurance Certificate to the City, which shall be completed by an agent authorized to bind the named underwriter(s) to the coverages, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. THE CITY SHALL HAVE NO DUTY TO PAY OR PERFORM UNDER THIS CONTRACT UNTIL SUCH CERTIFICATE SHALL HAVE BEEN DELIVERED TO THE CITY.

32.2. The City reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverages and their limits when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Contractor.

32.3. Subject to the Contractor's right to maintain reasonable deductibles in such amounts as are approved by the City, the Contractor shall obtain and maintain in full force and effect for the duration of this contract, and any extension hereof, at Contractor's sole expense, insurance coverage written by companies approved by the State of Texas and acceptable to the City, in the following type(s) and amount(s):

Commercial General Liability Requirements: $1M occurrence / $2M aggregate (can be combined with an Excess Liability to meet requirement). CGL is required in ALL contracts. It is perhaps the most important of all insurance policies in a contractual relationship. It insures the Contractor has broad liability coverage for contractual activities and for completed operations.

Commercial General Liability to include Products – Completion/OP, Personal and Advertising Injury, Contractual Liability, Fire Damage (any one fire), and Medical Expenses (any one person).

Automobile Liability Requirements: $1M/occurrence is needed

Workers Compensation and Employer Liability Requirements: Statutory. If the vendor is an independent contractor with no employees and are exempt from providing Workers' Compensation coverage, they must sign a waiver (obtained from COL Purchasing) and include a copy of their driver's license. Employer Liability ($1M) is required with Workers Compensation.

* The City of Lubbock (including its officials, employees and volunteers) shall be afforded additional insured status on a primary and non-contributory basis on all liability policies except professional liabilities and workers' comp.

* Waivers of Subrogation are required for CGL, AL, and WC.

* To Include Products of Completed Operations endorsement.

* Carrier will provide a 30-day written notice of cancellation, 10-day written notice for non-payment.

* Carriers must meet an A.M. Best rating of A- or better.

* Subcontractors must carry same limits as listed above

IMPORTANT: POLICY ENDORSEMENTS

The Contractor will provide copies of the policies without expense, to the City and **all endorsements** thereto and may make any reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any of such policies). Upon such request by the City, the Contractor shall exercise reasonable efforts to accomplish such changes in policy coverages, and shall pay the cost thereof. Any costs will be paid by the Contractor.

REQUIRED PROVISIONS

The Contractor agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, on the certificate or its attachment, the following required provisions:

a. Name the City of Lubbock and its officers, employees, and elected representatives as additional insureds, (as the interest of each insured may appear) as to all applicable coverage;

b. Provide for 30 days notice to the City for cancellation, nonrenewal, or material change;

c. Provide for notice to the City at the address shown below by registered mail;

d. The Contractor agrees to waive subrogation against the City of Lubbock, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance;

e. Provide that all provisions of this contract concerning liability, duty, and standard of care together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.

NOTICES

The Contractor shall notify the City in the event of any change in coverage and shall give such notices not less than 30 days prior the change, which notice must be accompanied by a replacement CERTIFICATE OF INSURANCE.

All notices shall be given to the City at the following address:

Marta Alvarez, Director of Purchasing & Contract Management
City of Lubbock
1314Avenue K, 9th Floor
Lubbock, Texas 79401

Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor shall not relieve the Contractor of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency, or denial of liability by the insurance company exonerate the Contractor from liability.

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Service Contract No. 17517 for cabling services for data, voice and fiber, by and between the City of Lubbock and Armada Solutions, LLC, and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocs II/RES.Contract-Armada Solutions, LLC
August 16, 2023

Contract 17517

City of Lubbock
RFP 23-17004-DH
Cabling Services for Data, Voice and Fiber
Agreement

This Service Agreement (this "Agreement") is entered into as of the __day of _____**2023** ("Effective Date") by and between **Armada Solutions, LLC** (the Contractor), and the City of Lubbock (the "City").

RECITALS

WHEREAS, the City has issued a Request for Proposals 23-17004-DH, **Cabling Services for Data, Voice and Fiber** and

WHEREAS, the proposal submitted by the Contractor has been selected as the proposal which best meets the needs of the City for this service; and

WHEREAS, Contractor desires to perform as an independent contractor to provide **Cabling Services for Data, Voice and Fiber**, upon terms and conditions maintained in this Agreement; and

NOW THEREFORE, for and in consideration of the mutual promises contained herein, the City and Contractor agree as follows:

City and Contractor acknowledge the Agreement consists of the following exhibits which are attached hereto and incorporated herein by reference, listed in their order of priority in the event of inconsistent or contradictory provisions:

1. This Agreement
2. Exhibit A – General Requirements
3. Exhibit B – Best and Final Offer
4. Exhibit C – Insurance Requirements

Scope of Work

Contractor shall provide the services that are specified in Exhibit A. The Contractor shall comply with all the applicable requirements set forth in Exhibit B and Exhibit C attached hereto.

Article 1

1.1 The contract shall be for a term of one (1) year, with the option of four (4), one (1) year extensions, said date of term beginning upon formal approval. The contract may be renewed for up to four (4) additional one (1) year terms under the same term and conditions upon written agreement from both parties.

1.2 All stated annual quantities are approximations of usage during the time period to be covered by pricing established by this bid. Actual usage may be more or less. Order quantities will be determined by actual need. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services under this bid and resulting contract.

1.3 The Contractor must maintain the insurance coverage required during the term of this contract including any extensions. It is the responsibility of the Contractor to ensure that valid insurance is

on file with the Purchasing and Contract Management Department as required by contract or contract may be terminated for non-compliance.

1.4 A) Prices quoted shall be guaranteed for a period for six (6) months upon City approval. The rate may be adjusted at the City's discretion for the effective change in Consumer Price Index (CPI) or Product Price Index (PPI) as appropriate.

B) Further, if the Contractor can provide documentation for actual charges for material, labor, etc. that demonstrates that the change in CPI or PPI is not sufficient, the Contractor shall provide such documentation to the City, and at the City's sole discretion, the contractual rate may be further adjusted. If agreement regarding a new rate cannot be reached, the City shall terminate at the end of the current contract period.

C) If an adjustment to pricing is granted under this section, the Contractor must provide the Director of Purchasing and Contract Management written, quarterly documentation to justify the ongoing adjustment. If no such documentation is timely received, the rate will automatically revert to the initial, awarded rate.

1.5 This contract shall remain in effect until the first of the following occurs: (1) the expiration date, (2) performance of services ordered, or (3) termination of by either party with a 30 day written notice. The City of Lubbock reserves the right to award the canceled contract to the next lowest and best bidder as it deems to be in the best interest of the city.

Article 2 Miscellaneous.

2.1 This Agreement is made in the State of Texas and shall for all purposes be construed in accordance with the laws of said State, without reference to choice of law provisions.

2.2 This Agreement is performable in, and venue of any action related or pertaining to this Agreement shall lie in, Lubbock, Texas.

2.3 This Agreement and its Exhibits contains the entire agreement between the City and Contractor and supersedes any and all previous agreements, written or oral, between the parties relating to the subject matter hereof. No amendment or modification of the terms of this Agreement shall be binding upon the parties unless reduced to writing and signed by both parties.

2.4 This Agreement may be executed in counterparts, each of which shall be deemed an original.

2.5 In the event any provision of this Agreement is held illegal or invalid, the remaining provisions of this Agreement shall not be affected thereby.

2.6 The waiver of a breach of any provision of this Agreement by any parties or the failure of any parties otherwise to insist upon strict performance of any provision hereof shall not constitute a waiver of any subsequent breach or of any subsequent failure to perform.

2.7 This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives and successors and may be assigned by Contractor or the City to any successor only on the written approval of the other party.

2.8 All claims, disputes, and other matters in question between the Parties arising out of or relating to this Agreement or the breach thereof, shall be formally discussed and negotiated between the Parties for resolution. In the event that the Parties are unable to resolve the

claims, disputes, or other matters in question within 30 days of written notification from the aggrieved Party to the other Party, the aggrieved Party shall be free to pursue all remedies available at law or in equity.

2.9 At any time during the term of the contract, or thereafter, the City, or a duly authorized audit representative of the City or the State of Texas, at its expense and at reasonable times, reserves the right to audit Contractor's records and books relevant to all services provided to the City under this Contract. In the event such an audit by the City reveals any errors or overpayments by the City, Contractor shall refund the City the full amount of such overpayments within 30 days of such audit findings, or the City, at its option, reserves the right to deduct such amounts owing the City from any payments due Contractor.

2.10 The City reserves the right to exercise any right or remedy to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the City shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

2.11 The contractor shall not assign or sublet the contract, or any portion of the contract, without written consent from the Director of Purchasing and Contract Management. Should consent be given, the Contractor shall insure the Subcontractor or shall provide proof of insurance from the Subcontractor that complies with all contract insurance requirements document, this provision shall control.

2.12 Contractor acknowledges by supplying any Goods or Services that the Contractor has read, fully understands, and will be in full compliance with all terms and conditions and the descriptive material contained herein and any additional associated documents and Amendments. The City disclaims any terms and conditions provided by the Contractor unless agreed upon in writing by the parties. In the event of conflict between these terms and conditions and any terms and conditions provided by the Contractor, the terms and conditions provided herein shall prevail. The terms and conditions provided herein are the final terms agreed upon by the parties, and any prior conflicting terms shall be of no force or effect.

2.13 Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the City from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

2.14 Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter. To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to

the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

2.15 No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

2.16 Texas Government Code 2274. By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

2.17 Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

2.18 Confidentiality. The Contractor shall retain all information received from or concerning the City and the City's business in strictest confidence and shall not reveal such information to third parties without prior written consent of the City, unless otherwise required by law.

2.19 Indemnify. The Contractor shall indemnify and save harmless the city of Lubbock and its elected officials, officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any kind, character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, to the extent arising out of, related to or occasioned by, the negligent acts of the Contractor, its agents, employees, and/or subcontractors, related to the performance, operations or omissions under this agreement and/or the use or occupation of city owned property. The indemnity obligation provided herein shall survive the expiration or termination of this agreement.

-----INTENTIONALLY LEFT BLANK-----

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed the day and year first above written. Executed in triplicate.

CITY OF LUBBOCK

_____
Tray Payne, Mayor

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
James Brown, Information Technology Director

APPROVED AS TO FORM

_____
Mitch Satterwhite, First Assistant City Attorney

CONTRACTOR

BY: Kenneth Nunn Jr.
Authorized Representative

Kenneth Nunn Jr.
Print Name

3234 County Rd 233
Address

Floresville, Tx 78114
City, State, Zip Code

City of Lubbock, TX
Cabling Services for Data, Voice and Fiber

I. GENERAL REQUIREMENTS

I. INTENT

1.1 The City of Lubbock is issuing this Request for Proposal (RFP) under the guidelines of a High-Technology RFP, and the award of the contract shall be made to the responsible vendor(s) whose proposal is determined to be the best evaluated offer resulting from negotiation, taking into consideration the relative importance of price, qualifications, experience, references, local support and service, and other evaluation factors set forth in the request for proposal. Receipt of any proposal shall under no circumstance obligate the City of Lubbock to accept the best price offering.

a) The City of Lubbock (hereinafter called "City") is seeking proposals from interested firms and individuals, (hereinafter called "Proposer") install and maintain the voice and data cabling and fiber installation and fiber maintenance in buildings

b) Offerors are invited to submit demonstrated competence and qualifications of their firm for providing these services.

c) The information contained within this document is intended to provide interested firms with the requirements and criteria that will be used to make the selection.

d) All Contractors must be Panduit Certified installers.

2. COST PROPOSAL

2.1 Prices shall include service call charge, all of the overhead, including, but not limited to, trip related charges, mileage and materials.

2.2 The Offeror shall submit pricing on Price Sheet, Attachment A.

2.3 The contract shall be for a term of one (1) year, with the option of three (3) one (1) year extensions; said date of term beginning upon formal approval. All stated annual quantities are approximations of usage during the time period to be covered by pricing established by this proposal. Actual usage may be more or less. Order quantities will be determined by actual need. The City of Lubbock does not guarantee any specific amount of compensation, volume, minimum, or maximum amount of services under this bid and resulting contract. The Contractor must maintain the insurance coverage required during the term of this contract including any extensions. It is the responsibility of the Contractor to ensure that valid insurance is on file with the Purchasing and Contract Management Department as required by contract of contract may be terminated for non-compliance.

3. VOICE CABLE AND DATA CABLE

3.1 The installation of all premises, distribution, backbone and horizontal wiring are to comply with all local code authority and the following EIA/TIA and ANSI specifications and or standards: ANSI/TIA 568 Standard, Commercial Building Communications Wiring Standard EIA/TIA 569 Standard, and Commercial Building Standards for Telecommunications Pathways and Spaces. ANSI/ICEA S-83-596-1988, Standard for Fiber Optic Premises Distribution Cable ANSI/TIA-C.2

Category 6. All premises wiring required to complete installation of the services requested in this RFP will be the responsibility of the Contractor. Premises wiring are defined as intra and inter building data and voice wiring necessary for the project. This includes fiber patches and data patch connections. All Voice patch and cross connects will be done by City Communications Staff.

3.2 Manufacturers Material Specification sheets are required for all installation materials used in this bid of all materials are chosen for cable products. This material is to be attached as Attachment "C" to the balance of the response.

3.3 All cabling must be designed for the purpose as outlined in article 800 of the NEC code. Contractor is to determine the proper use of either PVC or Teflon conductor insulation depending on the air handling requirements of the building or as applicable wiring and building codes require. All voice and data wiring must be band striped with the color of the mating insulated conductor of the assemble pair. Telephone industry standard 10 basic color codes are to be used. Conductors will be twisted into pairs and assembled into a cylindrical core. Cables having more than 25 pairs will be coded into industry standard 25 pair color groups being bound with a unique color binder.

3.4 All wiring and termination materials employed in the installation of this system must fully comply with all applicable requirements under FCC Part 68 subpart J and be recognized or listed by a national recognized testing laboratory (NRTL).

3.5 All new wiring in common areas or office environments must be enclosed in metal raceway (i.e., wire mold) when locations are not provided or served via already provided in wall voice & data conduit and electrical boxes

4. FIBER OPTIC CABLE

4.1 Fiber cable to be supplied is to be multimode 62.5/125 micron. Single mode at 8.3/125. Accepted manufacturers for this product is: Corning, AT&T, 3M, Berktec.

4.2 All fiber optic cables and connection to be designed and manufactured to all applicable ANSI/EIA/TIA specifications.

4.3 End connections for fiber cable must be LC or otherwise ordered by the City.

5. VOICE, DATA AND FIBER TERMINATION'S

5.1 Voice termination's are to be made on standard single RJ-45 jacks with a minimum of 50 micro inches of gold surface plating on the contact wires and plugs, The City currently employs Panduit Pan-Net Mini-Com jacks. Colors are white or electrical ivory.

5.2 Data termination's are to be made on standard single Category 6e RJ-45 8 position jack with a with gold surface plating on the contact wires and plugs. The City currently employs Panduit Pan-Net Mini-Com jacks. With Blue as the first jack in the plate followed by Black, Green and Yellow. Wiring standard for Category 6e wiring termination is T568B.

5.3 Data modular jack housings are be to Electrical Ivory in color, flush mount and is to located on the same face plate as the voice termination whenever possible.

5.4 Equipment room MDF and IDF terminations for voice applications are to be made on standard 66 M1-50 or 110 type termination blocks and associated mounting brackets and hardware specifically designed for the purpose. The use and or combination of cable trays, backboards, wall frames, and

stand-alone frames are expected to be utilized improvising a logical and proper layout to equipment spaces and IDF locations.

5.5 Data MDF and IDF will be terminated on Panduit Mini-Com Modular Patch Panel Kits.

5.6 All fiber terminations will be in a Panduit Fiber Box according to the City Standards.

6. INSTALLATION

6.1 The Contractor will coordinate with the City any interruption to existing telephone\data communications. Any interruptions are to be minimized and be performed after-hours, on weekends or holidays.

6.2 Regarding installation activity that is potentially disruptive (i.e. drilling, running cable, mounting frames, raceway, etc.) to administrative activity, the Contractors will notify the Communication Department manager of potential disturbance prior to beginning work.

6.3 Contractors are to supply their own tools and equipment, especially brooms, dustpans, ladders, vacuum's etc.

6.4 Contractor will be required to clean work areas at the end of each shift or workday.

6.5 Installation equipment, materials, and product will ONLY be allowed to be kept in specified areas. Hallways, office areas lobbies etc. are not suitable for storage and the City will NOT be held liable for missing or stolen equipment.

6.6 Wiring to all outlets to run above the ceiling shall be fastened to the building structure at eight (8) foot intervals through the combined use of, but not limited to, J hooks, beam clamps, D-rings, and hangers. At no time are voice or data drops/homeruns to be directly secured to the building structure above ceiling without the use of cable supports. Cabling above ceiling shall be sectioned off, and routed back to intermediate or master wiring closets. All wiring shall run continuously from the outlet to the wiring closet without breaks or splices. Cable supports shall be employed every eight (8) feet. Cable supports (J Hooks etc.) shall be sized 50% larger than needed to allow for future growth. **No cable shall be placed on Ceiling Grid or attached to Ceiling Grid stays.**

6.7 In areas where ceiling tiles are removed for cable pulling, or ceiling tiles are damaged as a result of cable pulling, the Contractor shall replace tiles with like tiles.

6.8. All boxes, equipment and cable shall be firmly secured in place. Boxes, jacks and blocks shall be plumb and square. Consideration will be given for overall aesthetic factors. **Sample installation diagrams and layouts are to be followed at all times. Deviations due to design and or Building structural considerations must be cleared with Communication Department.**

6.9 Any new or replacement premises wiring shall be clearly labeled. The Contractor and City will work to design a structured method of designating all cabling involved with the project.

6.10 The Contractor will observe all applicable departmental safety and security regulations established.

6.11 The Contractor is responsible for repair of damage to the building due to carelessness of their workmen, and exercise reasonable care to avoid any damage to property. The Contractor must report to the City any damage to the building that may exist or may occur during the occupancy of the quarters.

6.12 The Contractor must run all jumpers and wiring, including line jumpers connected to lightning or surge protectors, as may be required to properly interconnect the system parts to each other and to the common carrier network(s).

6.13 The Contractor must promptly correct all defects for which the Contractor is responsible.

6.14 Upon completion of the work, the Contractor must remove his tools, equipment and all rubbish and debris from the premises and must leave the premises clean and neat.

6.15 The Contractor will obtain the City's Communications Department permission before cutting into or through any part of the building structure such as beams, girders, concrete, or tile floors, partitions and ceilings. The Contractor shall restore any girders, beams, floors, partitions, ceilings, fire partitions and walls to their original condition.

6.16 The Contractor will coordinate all work with the City's Communications Department.

6.17 Cable pulling tension shall not exceed 110N (25lbf) for UTP horizontal four pair cables.

6.18 Optical fiber connecting hardware shall be installed to provide well-organized installation and cable management and always in accordance with manufacturer's guidelines.

6.19 Core boring set up is to be handled in such a way as to minimize interference with daily operations and with minimal impact to the work environment.

6.20 A temporary structure/enclosure is to be erected to contain all indoor core-boring locations. Cleanup of debris related to boring is the responsibility of the contractor. Work area is being cleaned and returned to an as found condition. This will include but not be limited to water control and abatement, floor washing, vacuuming, carpet cleaning, furniture dusting, furniture cleaning and furniture washing by a professional cleaning service as needed.

6.21 Fiber optic cable service loops are to be provided at all fiber termination points. Wiring closet loops are to be a minimum of 15ft. End termination or main termination point loop is to be a minimum of 30ft.

6.22 Category 6e and Category 3 horizontal cabling shall have a minimum two (10) foot service loop for each cable above ceiling. Service loop is to be neatly dressed and secured.

6.23 Category 6e patch panel terminations are to maintain cable jacket according to Panduit installation standards.

6.24 All indoor/outdoor splices and distribution must be enclosed in an enclosure designed for the purpose and able to provide maximum protection to splices and protection from environmental effects.

6.25 All splices must be impervious to environmental effects and mechanical shock.

6.26 Splice trays must protect all fiber splices.

6.27 All inside distribution and outside plant fiber cabling must be strain relieved to hinder the possibility of breakage and connection failure.

6.28 **The use of inner duct is mandatory in ALL situations were fiber is being installed unless hardened Fiber cable is being used**. Buried or aerial fiber optic cable must be approved and designed to specific standards intended for aerial or buried application. In general, all fiber must run in inner duct to its termination point (fiber patch panel).

6.29 Installation work will involve performing installation duties in an operational, production data center. The utmost care is to be exercised in the installation of requested services. At no time will installation work be permitted without notification of Communications Department.

6.30 City may elect also to implement other changes of its own accord. Should the City elect to make its own changes, City shall assume responsibility for the operation integrity of the structured wiring as it is directly affected by such changes by City. Upon request, the Contractor shall research all reported physical installation & performance problems or errors and correct them to the City's satisfaction. If the problem or error resulted from design changes made by City, the charge for correction shall be computed using the rates for standard T&M charges as requested in this bid.

6.31 All asbestos clearance must be attained by Contractor before drilling or cutting of any materials in City buildings.

7. TESTING AND ACCEPTANCE

GENERAL

7.1.1 Inspection of the installed systems shall be made by the staff of Communications Department. If items from the bid have been omitted or need changing as per requirements stated herein, they shall be noted in a deviation list. This deviation list will be given to the Contractor who is expected to complete all items within the time specified by Communications Department prior to any payment being due there under, the system must be delivered, installed and accepted by Communications Department, as stated herein.

7.1.2 Installation of structured horizontal wiring, cable riser, voice and data drops, raceway, terminations, fiber riser, fiber distribution, coring, and peripheral equipment must be completed.

7.1.3 The City will make inspection as it deems necessary when notified by the Contractor that the services requested, or any part thereof, is ready for acceptance.

7.1.4 After cutover of any portion of the system, the Contractor shall conduct acceptance tests outlined in this section for fiber and copper cabling.

7.1.5 Performance and quality tests shall be conducted as specified in this section.

7.1.6 Successful testing by the Contractor with written report of results to Communications Department manager of all performance and quality incorporating the full range of testing specified.

7.1.7 Implementation of any and all deviation list items which may result from inspections by the Communications Department manager must be completed.

7.1.8 Written certification signed by an authorized representative of the Contractor indicating the satisfactory completion of the above outlined items.

7.1.9 Acceptance of the services requested shall be granted after all equipment has passed the tests required in the RFP, and has been in operation thirty (30) consecutive days without a major failure. The event of a major failure, the City reserves the right to extend the acceptance date until a time the installation complies with the thirty (30) day major fault free requirement.

7.1.10 Following verification by Communications Department that the installation conforms to all the requirements stated herein, and that the system is 100% operational, a letter of acceptance will be issued to the Contractor.

7.1.11 Final payment is contingent on signed acceptance of services from the City.

8.2 VOICE GRADE WIRE TESTING

The following tests shall be run on all voice grade runs:

The tests shall be run from end to end between **all** termination points. Station jack to IDF, riser to main equipment room etc.

1) Continuity. (all pairs)

2) Wire Map. (test must include open pairs, shorts, and crossed pairs)

8.3 CATEGORY 6e WIRE TESTING

The following tests shall be run on all installed Category 6e data runs:

Testing shall be end to end, patch panel to jack including patch cables. (Total run length not to exceed 316ft. With patch cables 328ft).

a. Wire Map
b. Length
c. Insertion Loss
d. NEXT Loss
e. PS NEXT Loss
f. ACR-F Loss
g. PS ACR-F Loss
h. Return Loss
i. Propagation Delay
j. Delay Skew

Test results shall be presented in an Excel spreadsheet, version 5.0 or greater, and detailing cable port location (building, closet etc.) and all requested test data for the run.

8.4 SINGLE MODE AND MULTI MODE FIBER TESTING

The following tests shall be run on **all** installed fiber stands:
Testing is to be end to end with all terminations and splices involved for each strand tested OTDR, Both directions. Test results shall be presented in an Excel spreadsheet, version 5.0 or greater, detailing cable detailing cable port, location (building, closet etc.) length and attenuation in dB. Additionally, each test is to include a graphical representation of the test, measurement results, and cable information and set up parameters. The following standards will be used:

ANSI/TIA/EIA-455-59A, Measurement of Fiber Point Discontinuities Using an OTDR. ANSI/TIA/EIA-455-60A, Measurement of Fiber or Cable Length Using an OTDR. ANSI/TIA/EIA-455-61A, Measurement of Fiber or Cable Attenuation Using an OTDR.
ANSI/TIA/EIA-526-7, Optical Power Loss Measurements of Installed Singlemode Fiber Cable Plant. ANSI/TIA/EIA-526-14-A, Optical Power Loss Measurements of Installed Multimode Fiber Cable Plant.

9. EVALUATION CRITERIA

The following criteria will be used to evaluate and rank submittals:

a) Experience – The offeror's experience in providing the services as requested in the specifications. (15%)

b) Responsibility – The offeror who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability that will assure good faith performance as required by these specifications. (20%)

c) Capability and Skill – Offeror's capability, flexibility and skill to perform the services stated in the specifications. (10%)

d) Responsiveness – The degree to which the offeror has responded to the purpose and scope of specifications. (10%)

e) Record of performance based on previous work with the City and/or other client references. (10%)

f) Cost (35%)

10. PROPOSAL FORMAT

a) Proposals should provide a straightforward, concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness, clarity of content, and conveyance of the information requested by the City.

b) The proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume. No spiral binding.

c) If the proposal includes any comment over and above the specific information requested in the RFP, it is to be included as a separate appendix to the proposal.

d) The proposal must be organized into the following response item sections and submitted in an indexed binder.

TAB A Qualifications and Experience

1. Briefly introduce your company, providing a summary of the administration, organization. Provide a detailed description of your experience.

TAB B Price Sheet

1. Use the provided price proposal sheet.

Attachment A. TAB C References

1. Provide three references. Please include the name of the agency, contact name, telephone, fax and email address. Performance should include goods or services, similar to those in this proposal, within the last twenty-four (24) months.

City of Lubbock
RFP 23-17004-DH
Cabling Services for Data, Voice and Fiber
BAFO

#	Item Description	Quantity Required (+/-)	UOM	Location Total Armada Solutions LLC Floresville, TX $12,592.00 Unit Price	Total Cost
1	Cabling (4)				
#1-1	CAT 6 Data Drop 50 to 300 feet	1	EA	$160	$160
#1-2	CAT 6 Voice Drop 50 to 1000 feet	1	EA	$160	$160
#1-3	CAT 6 Voice and Data Drop 50 to 300 feet	1	EA	$280	$280
#1-4	25 pair CAT 3 500 feet terminated both ends	1	Per Ft	$2	$2
2	Fiber (3)				
#2-1	1000 feet Single Mode Fiber 6 strand With termination both ends and wall mount cabinet	1	EA	$5,000.00	$5,000.00
#2-2	500 feet Multi Mode Fiber 6 strand With termination both ends and wall mount cabinet	1	EA	$4,400.00	$4,400.00
#2-3	Fiber repair and testing	1	Per Strand	$300	$300
3	Data MDF/IDF (5)				
#3-1	Install Panduit Mini-Com patch panel Ports.	24	EA	$10	$240
#3-2	Install Panduit Vertical Cable management both sides of rack.	1	EA	$120	$120
#3-3	Install Horizontal Panduit able management.	2	EA	$60	$120
#3-4	Install 1U Filler Panels	2	EA	$45	$90
#3-5	Purchase and install one CPI 7 foot free standing data rack and 3.5 feet of ladder rack to wall.	1	EA	$1,600.00	$1,600.00
4	Other Services				
#4-1	Cost per hour for repair and other related services	1	Per Hour	$120	$120

Kenneth Munn Jr.

VENDOR ACKNOWLEDGEMENT

In compliance with this procurement, the undersigned offeror having examined the request for proposal, instructions to offerors, documents associated with the request for proposals, and being familiar with the conditions to be met, has reviewed the information regarding:

- **Insurance Requirements**
- **Suspension and Debarment Certification**
- **Texas Government Code Section 2252.152**
- **Texas Government Code Section 2271.002**
- **Texas Government Code 2274**
- **Federal and State Regulations**
- **Master Agreement**

An individual authorized to bind the company must sign the following section. Failure to execute this portion may result in proposal rejection.

Kenneth Nunn Jr.
Authorized Signature

Director of Operations
Title

Kenneth Nunn Jr.
Print/Type Name

5-13-2023
Date

Armada Solutions LLC
Company Name

32341 County RD 233
Address

Floresville, TX 78114
City, State Zip Code

Contact for questions, clarifications, etc.	
Name and Title:	Emily Taylor, Administrative Specialist
Mailing Address:	323 Natchez Cir
City, State, Zip:	Winder, GA 30680
Telephone No:	(770) 307-7378
Fax No:	
E-Mail:	Taylorem615@gmail.com

Commercial General Liability Requirements: $1M occurrence / $2M aggregate (can be combined with an Excess Liability to meet requirement). CGL is required in ALL contracts. It is perhaps the most important of all insurance policies in a contractual relationship. It insures the Contractor has broad liability coverage for contractual activities and for completed operations.

Commercial General Liability to include Products – Completion/OP, Personal and Advertising Injury, Contractual Liability, Fire Damage (any one fire), and Medical Expenses (any one person).

Automobile Liability Requirements: $1M/occurrence is needed

Workers Compensation and Employer Liability Requirements: Statutory. If the vendor is an independent contractor with no employees and are exempt from providing Workers' Compensation coverage, they must sign a waiver (obtained from COL Purchasing) and include a copy of their driver's license. Employer Liability ($1M) is required with Workers Compensation.

* The City of Lubbock (including its officials, employees and volunteers) shall be afforded additional insured status on a primary and non-contributory basis on all liability policies except professional liabilities and workers' comp.

* Waivers of Subrogation are required for CGL, AL, and WC.

* To Include Products of Completed Operations endorsement.

* Carrier will provide a 30-day written notice of cancellation, 10-day written notice for nonpayment.

* Carriers must meet an A.M. Best rating of A- or better.

* Subcontractors must carry same limits as listed above

Purchasing and Contract Management

Project Summary

RFP 23-17004-DH
Cabling Services for Data, Voice and Fiber

Notice was published in the Lubbock Avalanche Journal on April 23 & May 07, 2023.
Notice was published on the Purchasing Web Site under Bid Opportunities.
Notice was published on the State of Texas Electronic State Business Daily.
Notice was published on Bonfire.com from April 24 to May 15, 2023.
4 individuals attended the pre-proposal meeting.
42 vendors downloaded the documents using Bonfire.com.
26 vendors were notified separately.
5 vendors submitted proposal(s)

Information

Agenda Item

Resolution - Information Technology: Consider a resolution authorizing the Mayor to execute Contract 17464, with Unite Private Networks, LLC, for the lease of dark fiber optic circuits to connect City facilities.

Item Summary

The contract with Unite Private Networks, LLC, is for the lease of dark fiber optic circuits from the Police Academy to Citizens Tower at a monthly cost of $1,450 for one pair; and from Citizens Tower to the Emergency Operations Center at a monthly cost of $1,250 for one pair of fiber optic cables. This is a three-year agreement with an annual cost of $32,400 and a total cost of $97,200.

The purchase is made available with Contract 220105 Technology Solutions, Products and Services between The Interlocal Purchasing System (TIPS) & Unite Private Networks (UPN).

Fiscal Impact

The annual cost of $32,400 is budgeted in the Information Technology operating budget.

Staff/Board Recommending

Brooke Witcher, Assistant City Manager
James C. Brown, Chief Information Officer

Attachments

Resolution - Unite Private Networks LLC
Contract - Unite Private Neworks LLC

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Service Contract No. 17464 for Dark Fiber Project to connect City facilities, by and between the City of Lubbock and Unite Private Networks, LLC, and related documents. Said Contract is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Brooke Witcher, Assistant City Manager

APPROVED AS TO FORM:

_____
Mitchell Satterwhite, First Assistant City Attorney

ccdocsII/RES.Contract-Unite Private Networks, LLC
August 10, 2023

Contract No. 17464

CITY OF LUBBOCK, TX
SERVICE CONTRACT

The underlying agreement through which Unite Private Networks, LLC ("UPN" or "Contractor") leases Dark Fiber services to the City of Lubbock (the "City") makes its cooperative purchase is as follows: Contract 220105 Technology Solutions, Products and Services between The Interlocal Purchasing System (TIPS) and UPN executed on May 25, 2022 and effective through May 3 2027.

This Service Agreement (this "Agreement") is entered into as of the final signature hereto, ("Effective Date") by and between Contractor and the City.

RECITALS

WHEREAS, the parties enter into this agreement in accordance with Local Government Code (LGC) §271.102 (b); and

WHEREAS, Contractor desires to perform as an independent contractor to lease Dark Fiber and related services ("Services") to the City upon terms and conditions maintained in this Agreement; and

NOW THEREFORE, for and in consideration of the mutual promises contained herein, the City and Contractor agree as follows:

City and Contractor acknowledge the Agreement consists of the following exhibits, which are attached hereto and incorporated herein by reference, listed in their order of priority in the event of inconsistent or contradictory provisions:

1. This Agreement
2. Exhibit A – Quotes 43415 and 43416
3. Exhibit B – Contract 220105 Technology Solutions, Products and Services Summary
4. Exhibit C – Certificate of Insurance

Scope of Work

Contractor shall provide the services that are specified in Exhibit A. The Contractor shall comply with all the applicable requirements set forth in Exhibit B and C attached hereto.

Article 1 Terms

1.1 Contractor shall use its commercially reasonable efforts to render Services under this Agreement in a professional and business-like manner and in accordance with the standards and practices recognized in the industry.

1.2 UPN shall issue a Service Commencement Letter (as "Service Commencement Letter" is hereinafter defined) upon installation and delivery of the dark fiber service contemplated herein (the "City Fibers"). City shall either accept or reject the City Fibers within five (5) days of UPN issuing the associated Service Commencement Letter. If City rejects the City Fibers, City shall provide a written description reasonably detailing failure. UPN shall then re-test and issue another Service Commencement Letter. This process shall continue until the City Fibers are in compliance with industry standards and the terms and conditions of this Agreement.

1.3 City shall pay all undisputed charges by check or wire transfer of immediately available funds to the account designated by UPN, unless otherwise agreed to by the Parties. All undisputed charges shall be paid by City within thirty (30) calendar days following receipt of an invoice from UPN. Any undisputed portion of an invoice not paid by the applicable due date shall be overdue and City shall incur a fee of 1.5% per month, or the maximum amount permitted by law, until the undisputed portions of the invoice are paid in full. Unless otherwise stated in the Service Order, all MRC be

subject to an annual increase equal to the greater of (i) three percent (3%) or (ii) the cumulative increase in the U.S. Consumer Price Index, All Urban Consumers (CPI-U), U.S. City Average, published by United States Department of Labor, Bureau of Labor Statistics for the preceding 12-month period.

1.4 At each endpoint of each dark fiber service, the Point of Demarcation shall be UPN's zero manhole within the public right-of-way ("Zero Manhole"). Point of Demarcation extensions may carry additional charges.

1.5 UPN shall perform all routine and emergency maintenance on all dark fiber services. UPN shall use its best efforts to perform routine maintenance between the hours of 12:00 AM and 6:00 AM, local time, to minimize any potential disruptive impact on the continuity or performance level of the City Fibers. Notwithstanding the preceding, UPN may perform urgent maintenance at any time for purposes such as restoration of continuity to a severed or partially-severed fiber optic cable, restoration of dysfunctional power and ancillary support equipment, or correction of any potential jeopardy conditions that could affect the City Fibers or UPN's network.

1.6 Subject to UPN's consent, City may attach electronic equipment to the City Fibers. City must immediately remove any equipment adversely impacting the City Fibers or UPN's network immediately upon notice from UPN.

1.7 In the event that UPN terminates this Agreement for City Default (as "City Default" is defined herein) or City terminates this Agreement for any reason other than UPN Default (as "UPN Default" is defined herein) or in accordance with Section 1.14 below ("Early Termination"), City shall pay an early termination fee to UPN which shall be equal to (i) 100% of the remaining monthly recurring charges plus (ii) any waived or otherwise unpaid NRC or special construction charges, plus (iii) any fees payable to third parties and attributable to the terminated services, if any, to the extent such fees are not captured by the amounts in subsection (i) of this section (together, the "Early Termination Liability" or "ETL"). ETL shall be due and payable within thirty (30) days of the date of an invoice for the same. City acknowledges that ETL is a reasonable estimate of liquidated damages to be suffered by UPN as a result of the termination and not a penalty.

1.8 If UPN determines in its reasonable business judgment, or is required by a third party with applicable legal authority, to relocate all or any portion of the City Fibers or any of the facilities, materials, or equipment used to furnish the City Fibers to City, UPN shall provide City prior written notice of any such relocation, if possible, and City shall pay its Proportionate Share of the costs. "Proportionate Share" means a fair reasonable amount determined by UPN in good faith.

1.9 Either party shall be in default ("UPN Default" or "City Default" as applicable) under this Agreement in the event a party fails to comply with any material obligation, agreement, term, or provision of this Agreement or the Service Order and such failure continues for more than thirty (30) days after receipt of written notice from the other party.

1.10 IN NO A PARTY'S DAMAGES RESULTING FROM A BREACH OR VIOLATION OF ANY MATERIAL OBLIGATION, AGREEMENT, TERM, OR CONDITION CONTAINED IN THIS AGREEMENT OR ANY ACT OR OMISSION ARISING FROM OR RELATED TO THIS AGREEMENT SHALL BE LIMITED TO ACTUAL DIRECT DAMAGES.

1.11 Neither party shall be in default under this Agreement or a Service Order with respect to any failure or delay in performing its obligations hereunder to the extent that such failure or delay is caused by acts of nature, God, wars, revolution, civil commotion, acts of public enemy, embargo, acts of government in its sovereign capacity, labor difficulties, strikes, slowdowns, picketing or boycotts, damage to fiber or facilities caused by a third party, delays caused by the inaction of utilities, local exchange carriers, cities, municipalities, or other political subdivisions in granting access to rights of way, poles, or any other required items or any other circumstances beyond the reasonable control and not involving any fault or negligence of the delayed party (each, a "Force Majeure Event"). If a Force Majeure Event occurs, the party affected by such Force Majeure Event shall be excused from performance under the applicable Service Order on a day-to-day basis during the continuance of such Force Majeure Event.

1.12 The term of this Agreement shall commence as of Contractor's installation of Services and remain in effect for thirty-six (36) months (the "Initial Term"). Thereafter, this Agreement shall automatically renew for successive one (1) year periods (each, a "Renewal Term") unless and until terminated by either party upon ninety (90) days' notice to the other party prior to the expiration of the Initial Term or any applicable Renewal Term.

1.13 The City shall not assign any interest in this Agreement and shall not transfer any interest in the Agreement, whatsoever, without prior consent of the Contractor. Contractor may at any time, without consent but on written notice to the City, assign its rights and obligations under this Agreement to (i) any affiliate, or (ii) a person, firm, corporation, partnership, association, trust or other entity which purchases all or substantially all of its assets whether via merger, sale, stock purchase, or other similar equity arrangement. Any assignment shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

1.14 All funds for payment by the City under this Agreement are subject to the availability of an annual appropriation for this purpose by the City. In the event of non-appropriation of funds by the City Council of the City of Lubbock for the goods or services provided under the Agreement, the City will terminate the Agreement, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the goods or services covered by this Agreement is spent, whichever event occurs first, subject to the following conditions: (i) City agrees to request all appropriations from the City Council required to fulfill its obligations hereunder, and (ii) if sufficient funds are not appropriated, City shall notify UPN before terminating this Agreement to discuss an alternate payment schedule or amendment to this Agreement. If at any time funds are not appropriated for the continuance of this Agreement and the foregoing conditions are met, cancellation shall be accepted by the contractor on 30 days prior written notice, but failure to give such notice shall be of no effect and the City shall not be obligated under this Agreement beyond the date of termination.

Article 2 Miscellaneous.

2.1 This Agreement is made in the State of Texas and shall for all purposes be construed in accordance with the laws of said State, without reference to choice of law provisions.

2.2 This Agreement is performable in, and venue of any action related or pertaining to this Agreement shall lie in, Lubbock, Texas.

2.3 This Agreement and its Exhibits contains the entire agreement between the City and Contractor and supersedes any and all previous agreements, written or oral, between the parties relating to the subject matter hereof. No amendment or modification of the terms of this Agreement shall be binding upon the parties unless reduced to writing and signed by both parties.

2.4 This Agreement may be executed in counterparts, each of which shall be deemed an original.

2.5 In the event any provision of this Agreement is held illegal or invalid, the remaining provisions of this Agreement shall not be affected thereby.

2.6 The waiver of a breach of any provision of this Agreement by any parties or the failure of any parties otherwise to insist upon strict performance of any provision hereof shall not constitute a waiver of any subsequent breach or of any subsequent failure to perform.

2.7 This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives and successors and may be assigned by Contractor or the City to any successor only on the written approval of the other party.

2.8 All claims, disputes, and other matters in question between the Parties arising out of or relating to this Agreement or the breach thereof, shall be formally discussed and negotiated between the Parties for resolution. In the event that the Parties are unable to resolve the

claims, disputes, or other matters in question within 30 days of written notification from the aggrieved Party to the other Party, the aggrieved Party shall be free to pursue all remedies available at law or in equity.

2.9 At any time during the term of the contract, or thereafter, the City, or a duly authorized audit representative of the City, at its expense and upon ninety (90) days' prior written notice to Contractor, reserves the right to audit Contractor's records and books relevant to all services provided to the City under this Contract. In the event such an audit by the City reveals any errors (including underpayment or overpayments by the City), the parties shall remedy such errors within 30 days of such audit findings.

2.10 Each party reserves the right to exercise any right or remedy to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, neither party shall be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this do.

2.11 The Contractor may utilize subcontractors in performance of this Agreement, but Contractor shall remain responsible for the work performed by any subcontractor.

2.12 Contractor acknowledges by supplying any Goods or Services that the Contractor has read, fully understands, and will be in full compliance with all terms and conditions and the descriptive material contained herein and any additional associated documents and Amendments. The City disclaims any terms and conditions provided by the Contractor unless agreed upon in writing by the parties. In the event of conflict between these terms and conditions and any terms and conditions provided by the Contractor, the terms and conditions provided herein shall prevail. The terms and conditions provided herein are the final terms agreed upon by the parties, and any prior conflicting terms shall be of no force or effect.

2.13 Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the City from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

2.14 Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter. To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

2.15 No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

2.16 Texas Government Code 2274. By entering into this Agreement, Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

2.17 Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Contractor is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Contractor verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

2.18 Confidentiality. Each party shall retain all information received from or concerning the other party in strictest confidence and shall not reveal such information to third parties without prior written consent of the City, unless otherwise required by law.

2.19 Indemnify. To the extent permitted by applicable law, each party shall indemnify and save harmless the other party and its elected officials, officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any kind, character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, to the extent arising out of, related to or occasioned by, the negligent acts of the indemnifying party, its agents, employees, and/or subcontractors, related to the performance, operations or omissions under this agreement and/or the use or occupation of city owned property. The indemnity obligation provided herein shall survive the expiration or termination of this agreement.

[The remainder of this page is intentionally left blank. Signature page to follow.]

Type text here

IN WITNESS WHEREOF. this Agreement is executed as of the Effective Date.

CITY OF LUBBOCK

TRAY PAYNE. MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

James Brown, Information Technology Director

APPROVED AS TO FORM:

Mitch Satterwhite, Asst. Assistant Attorney

Unite Private Networks, LLC

BY W. Travis Noble

W. Travis Noble, SVP Sales
Print Name:

Email: legaldept@upnfiber.com

Address: 120 W. 12th St., Fl. 11
Kansas City, MO 64105

TIPS City of Lubbock Service Quote
Dark Fiber

Vendor: Unite Private Networks
TIPS ID: 220105

Company: City of Lubbock		**Company Contact: James Brown**	**UPN Sales Contact: Kathy Roquemore**
Company Name	City of Lubbock	**Phone: 806-775-2372**	**Phone: 806-549-9653**
Address	1314 Avenue K	**Email: jbrown@mylubbock.us**	**Email: kathy.roquemore@upnfiber.com**
City, State ZIP	Lubbock, Texas 79401		

Quote Valid Until: 8/21/2023 **OPP:43415**

Bandwidth	Service Description	Address	Term	Cost
1 pair	Dark Fiber	City of Lubbock Citizens Tower (1314 Ave. K to Reese Center PD Academy (508 Davis Drive). Entry at NE corner of 1314 Ave K as diverse entry.	36	MRC $1,450.00 NRC/Installation $0

Dark Fiber Service – Point to Point

City of Lubbock TEXAS

1 Dark Fiber Circuit Represented Below
1 Pair (2 Strands)

Approximately 14 miles

PD Academy

Citizens Tower

Unite Private Networks Owns & Maintains The Last Mile, Enabling UPN To Have Full End-To-End Operational Control of The Network

UPN Equipment Guide
Fiber Distribution Panel

- 100% FIBER INFRASTRUCTURE
- CUSTOM DESIGNED NETWORK
- DEDICATED PROJECT MANAGER
- ULTRA SCALABLE BANDWIDTH

Configuration Represented

UPN Providing: Dark Fiber – Point to Point Service
- **Entry:** Single Building Entrance Lateral
- **CPE:** UPN Provided Fiber Distribution Panel (No Electronics Provided)
- **Fiber Count:** 1 Pair (2 Fiber Strands)
- **Demarc:** Minimum Point Of Entry
- **LOA/CFA:** UPN Provides At The UPN Demarc
- **Hand Off:** Single Interface - Single Mode Fiber/ LC Connectors

Notes: Customer requested changes differing from above configuration could result in additional charges. Customer responsible for cross connections when applicable.

LEGEND
UPN Existing Fiber
UPN New Fiber Build

Logical Design:
39810-1
CLC
11/21/2022

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The Interlocal Purchasing System

Purchasing Made Personal

Printed 21 June 2023

uniteprivatenetworks.com/

Unite Private Networks

EMAIL PO & VENDOR QUOTE TO: TIPSPO@TIPS-USA.COM PO AND QUOTE MUST REFERENCE VENDOR TIPS CONTRACT NUMBER ATTACH PO AS A PDF - ONLY ONE PO (WITH QUOTE) PER ATTACHMENT

PAYMENT TO		TIPS CONTACT	
ADDRESS	120 W. 12th Street, 11th Floor	NAME	Charlie Martin
CITY	Kansas City	PHONE	(866) 839-8477
STATE	MO	FAX	(866) 839-8472
ZIP	64105	EMAIL	tips@tips-usa.com

DISADVANTAGED/MINORITY/WOMAN BUSINESS ENTERPRISE: N **HUB: N**

SERVING STATES

MO | KS | NE | IA | TX | Ok | AR | CO | NM | AZ

Overview

UPN currently serves over 300 communities across 21 states with 10,000 metro fiber route miles and over 7,000 on-net buildings. We have a proven history of successful completion of large and complex fiber optic construction projects, on time and on budget. Our customer relationships typically include long-term agreements (10-20 years) for fiber-optic connectivity between multiple facility locations. UPN manages all phases of the customer relationship, including RFP response, construction management, network reliability, technical assistance, and customer service to facilitate to a long-term partnership with our customers. Headquartered in Kansas City metro area, UPN has been providing customer focused communication solutions since 1998.

AWARDED CONTRACTS "View EDGAR Doc" on Website

Contract	Comodity	Exp Date	EDGAR
220105	Technology Solutions Products and Services	05/31/2027	See EDGAR Certification Doc.

CONTACTS BY CONTRACTS

220105

Cary Crain	Sales Director	(501) 319-3377	cary.crain@upnfiber.com
Gary Korte	Sales Director	(501) 529-3080	gary.korte@upnfiber.com

TIPS City of Lubbock Service Quote
Dark Fiber

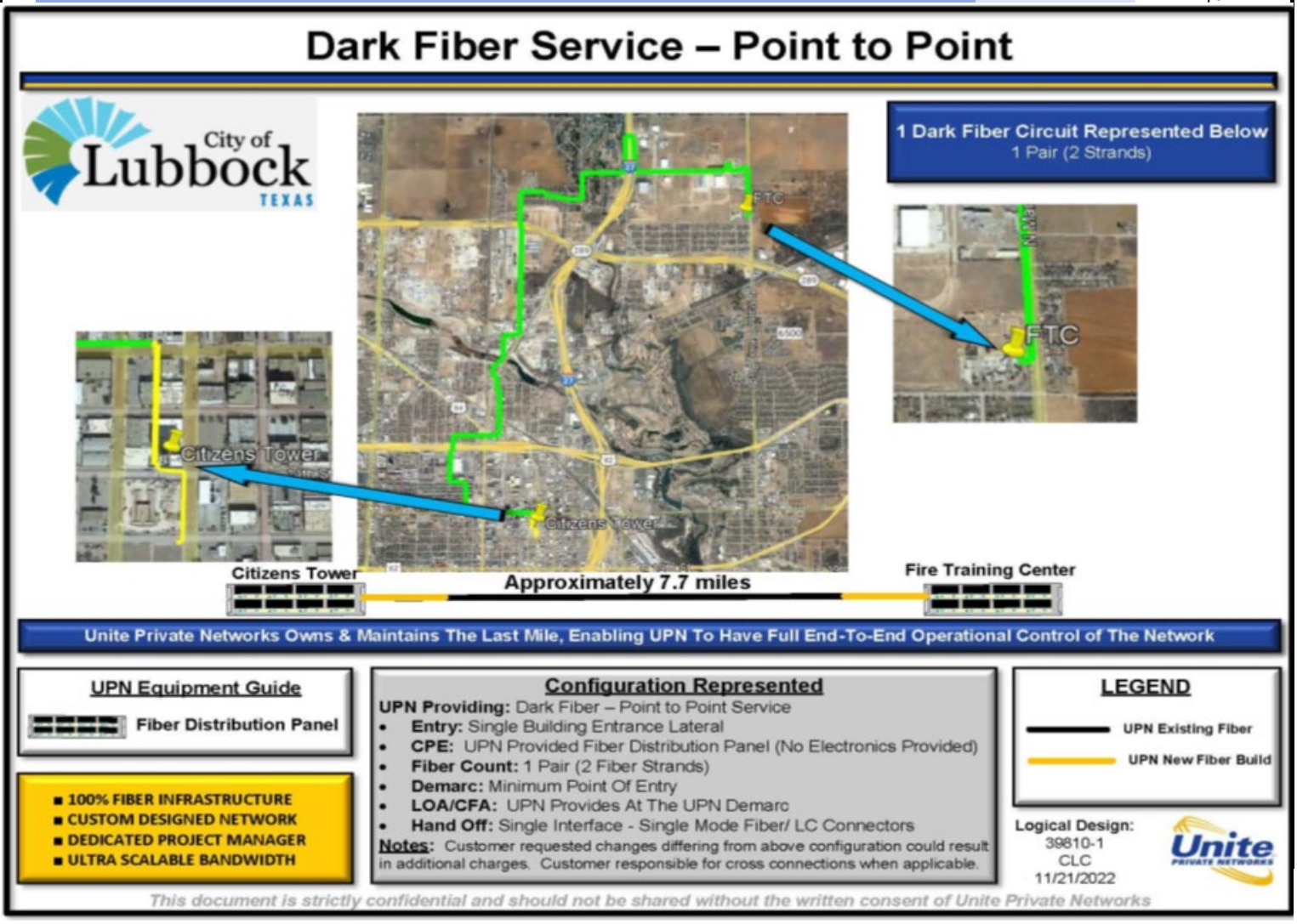
Vendor: Unite Private Networks
TIPS ID: 220105

Company: City of Lubbock		**Company Contact: James Brown**	**UPN Sales Contact: Kathy Roquemore**
Company Name	City of Lubbock	**Phone: 806-775-2372**	**Phone: 806-549-9653**
Address	1314 Avenue K	**Email: jbrown@mylubbock.us**	**Email: kathy.roquemore@upnfiber.com**
City, State ZIP	Lubbock, Texas 79401		

Quote Valid Until: 8/21/2023 **OPP:43416**

Bandwidth	Service Description	Address	Term	Cost
1 pair	Dark Fiber	City of Lubbock EOC (1515 E. Ursuline St.) to Citizens Tower (1314 Ave. K) Entry at NE corner of 1314 Ave K as diverse entry	36	MRC $1,250.00 NRC/Installation $0

Dark Fiber Service – Point to Point



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Information

Agenda Item

Resolution - City Secretary: Consider a resolution confirming the City Manager's appointment of Jimmy Castillo to the Civil Service Commission.

Item Summary

Per Local Government Code Section 143.006, the chief executive of the municipality shall appoint members to the Civil Service Commission, with the confirmation of the City Council.

Fiscal Impact

None

Staff/Board Recommending

Courtney Paz, City Secretary

Attachments

Resolution - Jimmy Castillo
Roster

RESOLUTION

WHEREAS, Section 143.006 of the Local Government Code requires appointment of persons to the Civil Service Commission of the City of Lubbock to be made by the municipality's chief executive and confirmed by the municipality's governing body; NOW THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the City Council of the City of Lubbock hereby confirms the appointment of **Jimmy Castillo** by City Manager W. Jarrett Atkinson, for a term of office of three years as a member of the Civil Service Commission of the City of Lubbock.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
W. Jarrett Atkinson, City Manager

APPROVED AS TO FORM:

_____
Mitch Satterwhite, First Assistant City Attorney

ccdocs/RES.CSCAppointment-Jimmy Castillo
July 5, 2023

Civil Service Commission

Perm/Temp Board: P

Formulates rules and standards applicable to classified civil service positions in the Fire and Police departments, monitors promotions, disciplinary actions, and the enforcement and effect of the Civil Service statutes. Members are appointed by the City Manager per Vernon's Texas Codes Annotated, Local Govt. 143.006. Three-year term. Meets the third Wednesday of each month at 8:30 a.m. QUALIFICATIONS: A person of good moral character, a United States citizen, a resident of the municipality who has resided in the municipality for more than three years, over the age of 25, and not have held a public office within the preceding three years. STAFF LIAISON: Clifton Beck, 806-775-2277

Member Size: 3

Notes: Can serve more than 3 terms only if confirmed by 2/3 vote of the municipality's governing body. Vickie Bennett and Jimmy Castillo are on their 4th Terms.

Current Appointments:

Bennett, Vickie
Member
Position: 2
Designation: Member

5th Term:
10/01/2021- 10/01/2024

Eligible for Reappointment: Yes

Email:
vlbennett@suddenlink.net

Address:
1908 57th Street
Lubbock TX 79412

District 2

Phone:
(806) 767-9821

Alt. Phone:
(806) 789-4767

Occupation:
Human Resources

Employer:
First Bank & Trust

Castillo, Jimmy
Chair
Position: 1
Designation: Member

5th Term:
10/01/2020- 10/01/2023

Eligible for Reappointment: Yes

Email:
jimmy@castillofotos.com

Address:
9108 Quincy Ave
Lubbock TX 79424

District 5

Phone:
(806) 543-0218

Alt. Phone:
(806) 543-0218

Occupation:
Graphic Designer

Employer:
(806) 543-0218

Witherspoon, Lewis
Vice Chair
Position: 3
Designation: Member

2nd Term:
10/01/2022- 10/01/2025

Eligible for Reappointment: Yes

Email:
stepdog6724@gmail.com

Address:
3411 Urbana Place
Lubbock TX 79407

District 6

Phone:
(806) 548-2420

Alt. Phone:
(806) 548-2420

Occupation:
Retired

Current Vacancies:
No current vacancies

Upcoming Vacancies:

Jimmy Castillo
Term Ends: Oct 01, 2023

Information

Agenda Item

Resolution - City Manager: Consider a resolution authorizing the Mayor to execute Amendment No. 1 replacing Article II-Scope of Services, to the American Rescue Plan Act (ARPA) Funding Agreement, by and between the City of Lubbock and StarCare Spcialty Health System, for the Construction of Infrastructure to serve as a Center for Behavioral Health Crisis.

Item Summary

StarCare will be responsible for the construction of a +/- 10,000 square foot (approximate) service site, to be adjoined with or on the same location known as Sunrise Canyon, and will be known as the Hope Center.

The new facility will be utilized to deliver behavioral health services to people experiencing mental health distress. They will receive appropriate specialty healthcare, thereby avoiding emergency rooms, jails and/or in-patient hospitals, as appropriate. By changing Article II - Scope of Services, a well-defined timeline for the completion of the project is identified. Major milestones are as follows.

Milestone	Estimated Dates of Completion
Design Development and Review	March 22, 2024
Competitive Bid Process	April 29, 2024
Construction Completion	March 23, 2025
Grand Opening/Ribbon Cutting	April 23, 2025

Fiscal Impact

The Amendment has no fiscal impact.

Staff/Board Recommending

Bill Howerton, Deputy City Manager

Attachments

Resolution - Hope Center
Amendment 1 - Hope Center
Original Agreement - Hope Center

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, Amendment No. 1 to the American Rescue Plan Act (ARPA) Funding Agreement for the Construction of Infrastructure to serve as a Center for Behavioral Health Crisis dated May 10, 2022, replacing Article II. Scope of Services, by and between the City of Lubbock and StarCare Specialty Health System, and related documents. Said Amendment is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

_____
Ryan Brooke, Senior Assistant City Attorney

RES.Amendment No. 1, StarCare ARPA Funding Agreement
8.17.23

DocuSign Envelope ID: D9CF951B-BDF3-4128-98DC-1878ADE33AE2

AMENDMENT NO. 1
TO THE AMERICAN RESCUE PLAN ACT (ARPA) FUNDING AGREEMENT FOR THE CONSTRUCTION OF INFRASTRUCTURE TO SERVE AS A CENTER FOR BEHAVIORAL HEALTH CRISIS

THIS FIRST AMENDMENT to the American Rescue Plan Act (ARPA) Funding Agreement for the Construction of Infrastructure to serve as a Center for Behavioral Health Crisis dated May 10, 2022, is entered into by the **City of Lubbock** ("City"), a home rule municipal corporation in Lubbock County, Texas and **StarCare Specialty Health System,** a Unit of Local Government, as authorized by Chapter 534 of the Texas Health and Safety Code ("Subrecipient").

WHEREAS, on or about May 10, 2022, City and Subrecipient executed a Funding Agreement whereby the City agreed to provide ARPA funds to the Subrecipient and Subrecipient agreed to use said funds for construction of infrastructure to serve as a center for behavioral health crisis; and

WHEREAS, both parties for good and valuable consideration desire to amend said Funding Agreement with regard to Article II. Scope of Services;

NOW THEREFORE, for and in consideration of the mutual promises, covenants, terms and conditions, both general and specific, as hereinafter set forth, the Funding Agreement of May 10, 2022, is hereby amended by deleting Article II. Scope of Services, and replacing it with the following:

ARTICLE II. SCOPE OF SERVICES

Subrecipient shall be responsible for the construction of a +/- 10,0000 square foot (approximate) service site to be adjoined with or on the same location known as Sunrise Canyon and will be known as the Hope Center ("Center"). The new facility will be utilized to deliver behavioral health services to people experiencing mental health distress to receive appropriate specialty healthcare, thereby avoiding emergency rooms, jails, and in-patient hospitals, as appropriate.

The Center will be open to all Lubbock residents regardless of income or insurance status. The Center will screen anyone who presents or who is brought to the Center in mental health crisis with the goal of linking individuals to the most appropriate level of care. Although the goal is to assist everyone, receipt of some services may be limited based on diagnosis and specific program eligibility requirements.

The Subrecipient shall move existing crisis mental health services into the new facility or shall add crisis mental health services into the new facility as appropriate. These services shall include, but are not limited to:

1. 24/7 walk-in psychiatric crisis services;
2. 24/7 law enforcement/emergency medical services drop-off;

DocuSign Envelope ID: D9CF951B-BDF3-4128-98DC-1878ADE33AE2

3. 23-hour Extended Observation Unit;
4. Drop in services for adults with complex mental health challenges;
5. Group therapy;
6. Psychosocial rehabilitation;
7. Targeted case management; and
8. Access to walk-in psychiatric consultation

The parties have established the previously required Steering Committee through a separate Interlocal Agreement. Said Steering Committee shall continue to recommend policies, improve coordination of, and support the operation of the Center constructed with funds awarded through this contract. The Steering Committee shall make recommendations about the operation of and priority of services to be provided in the Center. The Subrecipient shall work with the Steering Committee and vested community organizations to leverage existing funding, secure additional funding and, to the extent they are willing, coordinate with existing providers to expand services to include:

1. Onsite medical clearance, whether virtual or in-person;
2. Onsite primary care;
3. Medication management;
4. An array of substance abuse disorder services; and
5. Discharge planning to coordinate access to housing, social services, and treatment post-discharge through case managers and peer support.

The Subrecipient shall design the Center in a manner that includes space for existing StarCare programs as well as allows room for expansion and new services, including flexible space in which to house community partners who serve the same people. The Subrecipient will review the final floor plans and receive approval from the City before construction begins.

The current timeline is attached as Exhibit A. In order to not impede progress needed for completion with the agreed timelines attached as Exhibit A, the City shall provide approval via separate instrument not later than 7 days after approval of this amendment.

The projected opening date of the facility is April, 2025. Project schedule milestones are included in Exhibit A and are agreed by both parties to govern activities under this contract subject to minor modifications which shall be agreed upon by the Steering Committee, Subrecipient and the City.

The conceptual floor plan is attached as Exhibit B and was agreed upon by the Steering Committee and Subrecipient on July 31, 2023. The City shall provide approval via separate instrument not later than 7 days after approval of this amendment. Following such approval, Exhibit B shall govern activities under this contract, subject to generally accepted industry standard modifications for constructability and access.

The conceptual site plan is attached as Exhibit C and was agreed upon by the Steering Committee and Subrecipient on July 31, 2023. The City shall provide approval via separate instrument not later than 7 days after approval of this amendment. Following such approval,

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Exhibit C shall govern activities under this contract, subject to generally accepted industry standard modifications for constructability and access.

All other portions of the original Funding Agreement shall remain in place and are not altered by this Amendment.

IN WITNESS HEREOF, the parties have executed this Amendment as of this____ day of _____ 2023.

CITY OF LUBBOCK:

TRAY PAYNE, MAYOR

STARCARE SPECIALTY HEALTH SYSTEM

DocuSigned by:
Beth Lawson
29D87C92FE6F473...

Beth Lawson, Chief Executive Officer
Print and Title

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

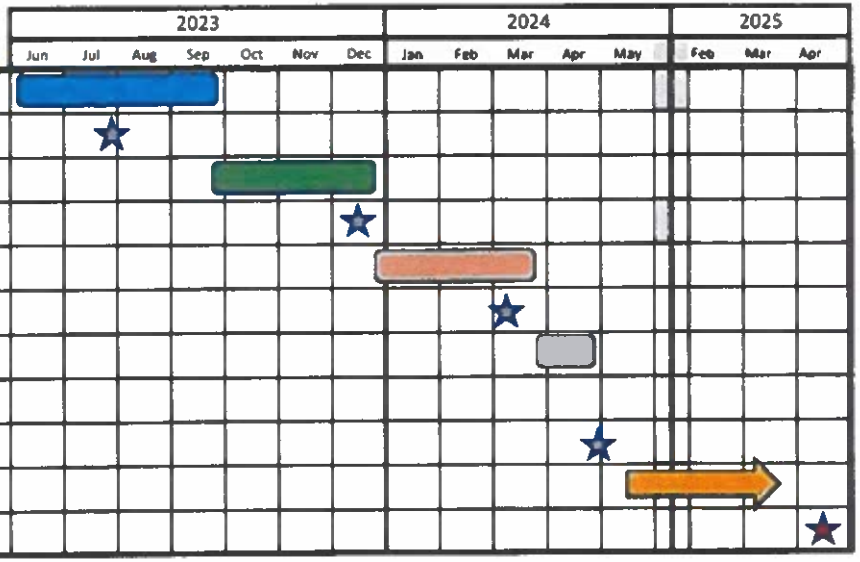
Ryan Brooke, Senior Assistant City Attorney

EXHIBIT A

HOPE CENTER PROPOSED CONSTRUCTION TIMELINE

Steering Committee Unanimously Approved on 7.31.23

Schematic Design	Parkhill/Page	June 5, 2023	September 28, 2023
Schematic Review	Steering Committee	July 31, 2023	
Design Development	Parkhill/Page	September 25, 2023	December 22, 2023
Design Development Review	Starcare	December 18, 2023	
Construction Documents	Parkhill	December 22, 2023	March 22, 2024
Construction Documents Review & Approval	Steering Committee	March 11, 2024	
Competitive Bid Process	Parkhill	March 22, 2024	April 29, 2024
Ground Breaking Ceremony	Steering Committee	TBD	
Bid/Contractor Selections & Engagement	Parkhill/ Starcare	April 29, 2024	
Construction	Contractor	May 17, 2024	March 23, 2025
Grand Opening/ Ribbon Cutting	Starcare	April 23, 2025	



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STARCARE- SITE PLAN

EXHIBIT B

STARCARE SPECIALTY HEALTH SYSTEM Parkhill Page/

Project Status Issue Date
SCHEMATIC DESIGN 07/24
DRAFT

Project
Starcare Sunrise Valley Diversion Center and Hospital

Client
Starcare Specialty Health System

Project Number
6P22015.01

0' 8' 16' 32'

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DIVERSION CENTER
CONCEPTUAL FLOOR PLAN

EXHIBIT C

STARCARE SPECIALTY HEALTH SYSTEM Parkhill Page/

Project Status Issue Date
SCHEMATIC DESIGN 07/24
DRAFT

Project
Starcare Sunrise Valley Diversion Center and Hospital

Client
Starcare Specialty Health System

Project Number
6P22015.01

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

AMERICAN RESCUE PLAN ACT (ARPA) FUNDING AGREEMENT FOR THE CONSTRUCTION OF INFRASTRUCTURE TO SERVE AS A CENTER FOR BEHAVIORAL HEALTH CRISIS

This ARPA Funding Agreement for Infrastructure Construction (the "Agreement") Contract No. 16598 is entered into this tenth day of May 2022, is by and between the City of Lubbock (the "City"), a Texas home rule municipal corporation, and StarCare Specialty Health System., a Unit of Local Government, as authorized by Chapter 534 of the Texas Health and Safety Code, with a simultaneous Internal Revenue Service designation of a 501(c) 3 not-for profit charitable organization (the "Subrecipient").

WHEREAS, the Coronavirus Disease 2019 ("COVID-19") pandemic caused numerous public health and economic issues throughout the United States, including in the City of Lubbock; and

WHEREAS, on March 27, 2020, the President signed into federal law the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), which established the Coronavirus Relief Fund; and

WHEREAS, on March 11, 2021, the President signed into federal law the American Rescue Plan Act ("ARPA"), which established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Funds ("CLFRF Fund"), which together make up the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program. The SLFRF builds on and expands the support provided to the City, including through the Coronavirus Relief Fund; and

WHEREAS, pursuant to the SLFRF program, the United States Department of Treasury has provided the City with a direct payment from the CLFRF Fund to cover certain costs, which includes the requirement of the obligation of funds by December 31, 2024 for following uses:

(1) To respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

(2) To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the metropolitan city, non-entitlement unit of local government, or county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;

(3) For the provision of government services to the extent of the reduction in revenue of such metropolitan city, non-entitlement unit of local government, or county due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city, non-entitlement unit of local government, or county prior to the emergency; and

(4) To make necessary investments in water, sewer, or broadband infrastructure; and

WHEREAS, the City is a metropolitan city as defined by section 5302(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. § 5302(a)(4)); and

WHEREAS, the City is allocating the costs for the assistance provided under this Agreement prior to December 31, 2024; and

WHEREAS, the COVID-19 pandemic has contributed to a growing number of individuals in Lubbock, and across the nation in need of behavioral health services; and

WHEREAS, the City has determined the funds the City is providing to Subrecipient under this Agreement are reasonable and necessary expenditures to address the COVID-19 public health emergency to respond to and assist those who have experienced a behavioral health crisis; and

WHEREAS, the City recognizes the need for coordination of mental health treatment, substance misuse treatment and other community support services in a centralized location for those who are in crisis; and

WHEREAS, the community also seeks to provide recovery oriented, short-stay alternative to incarceration for non-violent, justice-oriented persons with behavioral health needs; and

WHEREAS, the primary goal of this Agreement is for the City to provide the Subrecipient funds to support the building of a facility to house coordinated efforts for mental health and substance use crisis services; and

WHEREAS, the Subrecipient shall combine funds in the amount of $3,500,000 awarded by Lubbock County to develop and construct the center; and

WHEREAS, the Subrecipient and the City shall work together along with vested community partners to expand services in the community;

NOW THEREFORE, for and in consideration of the terms, covenants and conditions set forth in this Agreement, the City and the Subrecipient hereby agree as follows:

ARTICLE I. TERM

The term of this Agreement commences on the Effective Date and continues without interruption through December 31, 2026. An amendment to this Agreement resulting in an increase in the amount of the consideration must be approved by the City acting through its governing body.

ARTICLE II. SCOPE OF SERVICES

The Subrecipient shall be responsible for the construction of a 10,000 square foot (approximate) service site to be adjoined with the existing service location known as Sunrise Canyon in which behavioral health crisis services will be delivered to help people who are experiencing mental health distress receive appropriate specialty healthcare, thereby avoiding emergency rooms, jails, and inpatient hospitals, as appropriate.

The center will be open to all Lubbock residents regardless of income or insurance status. The center will screen anyone who presents at the center in mental health crisis with the goal of linking the individuals to the most appropriate level of care. Although the goal is to assist everyone, receipt of some services may be limited based on diagnosis and specific program eligibility requirements.

The Subrecipient shall move existing crisis mental health services into the new facility to include:

1) 24/7 walk-in psychiatric crisis services;
2) 24/7 law enforcement/emergency services drop-off;
3) 23-hour Extended Observation Unit;
4) Drop in services for adults with complex mental health challenges;
5) Group therapy;
6) Psychosocial rehabilitation;
7) Targeted case management; and
8) Access to walk-in psychiatric consultation.

The parties will work to establish a steering committee through a separate interlocal agreement by December 1, 2022 to recommend polices, improve coordination of, and support the operation of the center constructed with funds awarded through this contract. The intention of the parties is that the steering committee will make recommendations about the operation and priorities of services to be provided in the center. The intentions of the parties is that the steering committee agreement will be developed by members of the West Texas Mental Health Collaborative (WTMHC). And that each member organization of WTMHC will be offered one (1) position on the steering committee The Subrecipeint shall work with the steering committee and other vested community organizations to braid existing funding, secure additional funding and, to the extent they are willing, coordinate with existing providers to expand services to include:

1) Onsite medical clearance;

2) Onsite primary care;
3) Medication management;
4) An array of Substance Use Disorder services; and
5) Discharge planning to coordinate access to housing, social services, and treatment post-discharge, utilizing case managers and peer support.

The subrecipient shall design the building in a manner that includes space for existing programs as well as allows room for expansion, including flexible space in which to house community partners who serve the same people . The subrecipient will review the final floor plans and receive approval from the City before construction begins. The City agrees to provide such approval in an expeditious manner so as to not impede progress needed for completion within the established timelines referenced herein.

The projected opening date of the facility is September 2023. The Subrecipient shall provide the City with quarterly updates (March, June, September and December of each year) about the project status through completion.

ARTICLE III. CONVEYANCE OF ARPA GRANT FUNDS

The City agrees to convey ARPA grant funds to the Subrecipient in the amount of three million five hundred thousand dollars ($3,500,00.00) which includes the cost of construction of patient care space, office space, lobby space, connection corridors, furniture, fixtures, equipment, parking, signage and landscaping.

ITEM	Estimated Cost
Patient Care Space	$1,750,000
Office Space	$312,500
Lobby Space	$150,000
Connection Corridors	$75,000
Furniture, Fixtures and Equipment	$362,500
Parking/Signage/Landscaping	$350,000
Utility and Road Infrastructure	$500,000
TOTAL	$3,500,000

The transfer of ARPA grant funds to the Subrecipient shall be one lump sum payment within 30 days after contract execution.

ARTICLE IV. TERMINATION

A. General. The City may terminate this Agreement, for cause, upon thirty (30) days written notice to the Subrecipient, and Subrecipient does not cure its default within the time stated in the written notice. In the event this Agreement is so terminated, the City shall only provide ARPA grant funds to the Subrecipient for the infrastructure contemplated here which is constructed up to the date the Subrecipient is deemed to have received notice of termination, as provided herein. Further, any excess ARPA grant funds in the Subrecipient's possession shall be refunded to the City immediately upon termination.

B. Termination and Remedies. In the event either party breaches any term and/or provision of this Agreement, the parties shall be entitled to exercise any right or remedy available to it by this Agreement, at law, equity, or otherwise, including without limitation, termination of this Agreement and assertion of an action for damages and/or injunctive relief. The exercise of any right or remedy shall not preclude the concurrent or subsequent exercise of any right or remedy and all rights and remedies shall be cumulative.

ARTICLE V. NON - ARBITRATION

The parties reserve the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the parties shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this Agreement, this provision shall control.

ARTICLE VI. REPRESENTATIONS AND WARRANTIES

A. Existence. The Subrecipient is a Unit of Local Government, as authorized by Chapter 534 of the Texas Health and Safety Code, with a simultaneous Internal Revenue Service designation of a 501(c) 3 not-for profit charitable organization validly existing, and in good standing under the laws of the State of Texas and is qualified to carry on its business in the State of Texas.

B. Corporate Power. The Subrecipient has the legal authority to enter into and perform this Agreement and all other activities contemplated hereby.

C. Authorization. Execution, delivery, and performance of this Agreement and the activities contemplated hereby have been duly and validly authorized by all the requisite action on the part of the Subrecipient. This Agreement constitutes legal, valid, and binding obligations of the Subrecipient and is enforceable in accordance with the terms thereof.

D. Subrecipient. The Subrecipient maintains a commercially proficient staff and employs, as needed, other qualified specialists experienced in completing the Project, and

is familiar with all laws, rules, and regulations, both state and federal, including, without limitation the applicable laws, regarding the Project contemplated hereby.

E. Performance. The Subrecipient will and shall conduct all activities contemplated by this Agreement in accordance with the standard of care, skill and diligence normally provided by a professional person in performance of similar services, and comply with all applicable laws, rules, and regulations, both state and federal, relating to professional services, as contemplated hereby.

F. Use of Copyrighted Material. The Subrecipient warrants that any materials provided by the Subrecipient for use by City pursuant to this Agreement shall not contain any proprietary material owned by any other party that is protected under the Copyright Act or any other law, statute, rule, order, regulation, ordinance or contractual obligation relating to the use or reproduction of materials. The Subrecipient shall be solely responsible for ensuring that any materials provided by the Subrecipient pursuant to this Agreement satisfy this requirement and the Subrecipient agrees to indemnify and hold City harmless to the extent allowable by law from all liability or loss caused to City or to which City is exposed on account of the Subrecipient's failure to perform this duty.

ARTICLE VII. INDEPENDENT CONTRACTOR STATUS

The Subrecipient and the City agree that the Subrecipient shall perform the duties under this Agreement as an independent contractor and shall be considered as independent contractor under this Agreement and/or in its activities hereunder for all purposes. The Subrecipient has the sole discretion to determine the manner in which the Services are to be performed. During the performance of the Services under this Agreement, the Subrecipient and the Subrecipient's employees and/or sub-consultants, will not be considered, for any purpose, employees or agents of the City within the meaning or the application of any federal, state or local law or regulation, including without limitation, laws, rules or regulations regarding or related to unemployment insurance, old age benefits, workers compensation, labor, personal injury or taxes of any kind.

ARTICLE VIII. PERFORMANCE AND PAYMENT BONDS

Upon execution of this Agreement, and prior to any work on the Project, the Subrecipient shall obtain from the general construction contractor and present to the City performance and payment bonds in compliance with the Texas Government Code § 2253.021.

ARTICLE IX. INSURANCE

The Subrecipient shall procure and carry, at its sole cost and expense through the life of this Agreement, except as otherwise provided herein, insurance protection as hereinafter specified, in form and substance satisfactory to the City, carried with an insurance company authorized to transact business in the state of Texas, covering all aspects and risks of loss of all construction in connection with this Agreement, including without limitation, the indemnity obligations set forth herein. The Subrecipient shall

obtain and maintain in full force and effect during the term of this Agreement, and as applicable, shall cause each approved sub-contractor or sub-consultant of the Subrecipient to obtain and maintain in full force and effect during the term of this Agreement, commercial general liability, professional liability and automobile liability coverage for non-owned and hired vehicles with insurance carriers admitted to do business in the state of Texas. The insurance companies must carry a Best's Rating of A-VII or better. Except for Professional Liability, the policies will be written on an occurrence basis, subject to the following minimum limits of liability:

Commercial General Liability:
Per Occurrence Single Limit: $1,000,000
General Aggregate Limit: $2,000,000
Professional Liability:
Combined Single Limit: $2,000,000
Automobile Liability:
Combined Single Limit for any auto: $1,000,000 Per Occurrence
Employer's Liability:
Per Occurrence Single Limit: $1,000,000
Worker's Compensation
Per Occurrence Single Limit: $500,000

The Subrecipient shall further cause any approved sub-contractor or sub-consultant to procure and carry, during the term of this Agreement, the insurance coverage required of Subrecipient herein, including without limitation, Professional Liability coverage, protecting the City against losses caused by the professional negligence of the approved sub-contractor or sub-consultant. The City shall be listed as a primary and noncontributory additional insured with respect to the Automobile Liability and Commercial General Liability and shall be granted a waiver of subrogation under those policies. The Subrecipient shall provide a Certificate of Insurance to the City as evidence of coverage.

The Certificate shall provide 30 days' notice of cancellation. A copy of the additional insured endorsement and waiver of subrogation attached to the policy shall be included in the Certificate. The Subrecipient shall elect to obtain worker's compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, the Subrecipient shall maintain said coverage throughout the term of this Agreement and shall comply with all provisions of Title 5 of the Texas Labor Code to ensure that the Subrecipient maintains said coverage. The Subrecipient may maintain Occupational Accident and Disability Insurance in lieu of Worker's Compensation. In either event, the policy must be endorsed to include a waiver of subrogation in favor of the City. If at any time during the life of the Agreement or any extension hereof, the Subrecipient fails to maintain the required insurance in full force and effect, the Subrecipient shall be in breach hereof and all work under the Agreement shall be discontinued immediately.

Notwithstanding anything contained herein to the contrary, the professional liability policy shall be maintained at the Subrecipient's sole cost and expense, unless attributable to the work of a subconsultant. The retroactive date shall be no later than the

commencement of the performance of this Agreement and the discovery period (possibly through tail coverage) shall be no less than 10 years after the completion of the Services provided for in this Agreement. The provisions of this Article IX shall survive the termination or expiration of this Agreement.

ARTICLE X. EMPLOYMENT OF AGENTS/RETAINING OF CONSULTANTS

The Subrecipient may employ or retain consultants, sub-contractors, or third parties (any of which are referred to herein as "Sub-consultant"), to perform certain duties of Subrecipient, this Agreement, provided that the City approves the retaining of Sub-consultants. The Subrecipient is at all times responsible to the City to perform the Services as provided in this Agreement and the Subrecipient is in no event relieved of any obligation under this Agreement upon retainage of any approved Sub-consultant. Any agent and/or Sub-consultant retained and/or employed by the Subrecipient shall be required by the Subrecipient to carry, for the protection and benefit of the City and the Subrecipient and naming said third parties as additional insureds, insurance as described above required to be carried by the Subrecipient in this Agreement.

The Subrecipient agrees to follow all applicable notice and/or bid requirements under Texas Law.

ARTICLE XI. CONFIDENTIALITY

The parties shall retain all information received from or concerning the Subrecipient, the Subrecipient's business, the City and the City's business in strictest confidence and shall not reveal such information to third parties without prior written consent of the Subrecipient or City, unless otherwise required by law.

ARTICLE XII. INDEMNITY

TO THE EXTENT ALLOWABLE UNDER THE LAW, THE SUBRECIPIENT SHALL INDEMNIFY AND SAVE HARMLESS THE CITY OF LUBBOCK AND ITS ELECTED OFFICIALS, OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY KIND, CHARACTER, TYPE, OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY OR DEATH TO ANY PERSON, OR INJURY TO ANY PROPERTY, RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, TO THE EXTENT ARISING OUT OF, RELATED TO OR OCCASIONED BY, THE NEGLIGENT ACTS OF THE SUBRECIPIENT, ITS AGENTS, EMPLOYEES, AND/OR SUBCONSULTANTS, RELATED TO THE PERFORMANCE, OPERATIONS OR OMISSIONS UNDER THIS AGREEMENT AND/OR THE USE OR OCCUPATION OF CITY OWNED PROPERTY. THE INDEMNITY OBLIGATION PROVIDED HEREIN SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

ARTICLE XIII. COMPLIANCE WITH APPLICABLE LAWS

The Subrecipient shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations relating, in any way, manner or form, to the activities under this Agreement, and any amendments thereto.

ARTICLE XIV. NOTICE

A. General. Whenever notice from the Subrecipient to the City or the City to the Subrecipient is required or permitted by this Agreement and no other method of notice is provided, such notice shall be given by (1) actual delivery of the written notice to the other party by hand (in which case such notice shall be effective upon delivery); (2) facsimile (in which case such notice shall be effective upon delivery); or (3) by depositing the written notice in the United States mail, properly addressed to the other party at the address provided in this article, registered or certified mail, return receipt requested, in which case such notice shall be effective on the third business day after such notice is so deposited.

B. Subrecipient's Address. The Subrecipient's address and numbers for the purposes of notice are:

Beth Lawson, CEO
StarCare Specialty Health System
P.O. Box 2828
Lubbock, Texas 79401
Telephone: 806-441-1542
Email: StarCare@starcarelubbock.org

C. City's Address. The City's address and numbers for the purposes of notice are:

Bill Howerton, Deputy City Manager
City of Lubbock
P.0. Box 2000
1314 Avenue K
Lubbock, Texas 79457
Email: bhowerton@mylubbock.us
Telephone: 806-775-2300

D. Change of Address. Either party may change its address or numbers for purposes of notice by giving written notice to the other party as provided herein, referring specifically to this Agreement, and setting forth such new address or numbers. The address or numbers shall become effective on the 15th day after such notice is effective.

ARTICLE XV. CITY-PROVIDED DATA AND RESPONSIBILITIES

Provision of Data. The City shall furnish the Subrecipient non-confidential studies, reports and other available data in the possession of the City pertinent to the Agreement. The Subrecipient shall be entitled to use and rely, so long as such reliance Subrecipient's is reasonable, upon all such provided data.

ARTICLE XVI. MISCELLANEOUS

A. Captions. The captions for the articles and sections in this Agreement are inserted in this Agreement strictly for the parties' convenience in identifying the provisions to this Agreement and shall not be given any effect in construing this Agreement.

B. Audit. The Subrecipient shall, upon written request, provide access to its corporate books and records to the City. The City may audit, at its expense and during normal business hours, the Subrecipient's books and records with respect to this Agreement between the Subrecipient and the City.

C. Records. The Subrecipient shall maintain records that are necessary to substantiate the activities contemplated under this agreement.

D. Assignability. The Subrecipient may not assign this Agreement without the prior written approval of the City, which approval shall not be unreasonably withheld. Additionally, if the Subrecipient is unable to complete the project for any reason,

E. Successor and Assigns. This Agreement binds and inures to the benefit of the City and the Subrecipient, and in the case of the City, its respective successors, legal representatives, and assigns, and in the case of the Subrecipient, its permitted successors and assigns.

F. Construction and Venue.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THIS AGREEMENT IS PERFORMABLE IN LUBBOCK COUNTY, TEXAS. THE PARTIES HERETO HEREBY IRREVOCABLY CONSENT TO THE SOLE AND EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF COMPETENT JURISDICTION OF THE STATE OF TEXAS, COUNTY OF LUBBOCK, FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS THAT ARE CONTEMPLATED HEREBY.

G. Severability. If any provision of this Agreement is ever held to be invalid or ineffective by any court of competent jurisdiction with respect to any person or circumstance, the remainder of this Agreement and the application of such provision to persons and/or circumstances other than those with respect to which it is held invalid or ineffective shall not be affected thereby.

H. Amendment. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless such amendment, modification, or alteration is in writing, dated subsequent to this Agreement, and duly authorized and executed by the Subrecipient and the City.

I. Entire Agreement. This Agreement, including Exhibits "A" through "B" attached hereto, contains the entire agreement between the City and the Subrecipient, and there are no other written or oral promises, conditions, warranties, or representations relating to or affecting the matters contemplated herein.

J. No Joint Enterprise. Nothing contained herein shall be construed to imply a joint venture, joint enterprise, partnership or principal – agent relationship between the Subrecipient and the City.

K. Documents Delivered to City. Copies of any and all documents, drawings and specifications prepared by Subrecipient as part of the construction hereunder, shall become the property of the City when the Subrecipient has been compensated as set forth in Article III, above. The Subrecipient, as a governmental entity and owner of the resulting center, will retain originals of any and all work products for its files.

L. Notice of Waiver. A waiver by either the City or the Subrecipient of a breach of this Agreement must be in writing and duly authorized to be effective. In the event either party shall execute and deliver such waiver, such waiver shall not affect the waiving party's rights with respect to any other or subsequent breach.

M. Third Party Activities. Nothing in this Agreement shall be construed to provide any rights or benefits whatsoever to any party other than the City and the Subrecipient.

O. Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, the City is prohibited from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

P. No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

Q. Texas Government Code 2274. By entering into this Agreement, Subrecipient verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas

Government Code does not apply to the contract. If Subrecipient is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Subrecipient verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

R. Subrecipient represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If Subrecipient is a company with 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, Subrecipient verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

S. Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Subrecipient or vendor agrees that the contract can be terminated if the Subrecipient or vendor knowingly or intentionally fails to comply with a requirement of that subchapter.

To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Subrecipient agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

T. Professional Responsibility. All architectural or engineering services to be performed shall be done with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license.

ARTICLE XVII. AGREEMENT WITH SUBRECIPIENT OF FEDERAL RECOVERY FUNDS TERMS AND CONDITIONS

1. Use of Funds.

a. Subrecipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act

(the Act) and Treasury's regulations implementing that section and guidance.

b. Subrecipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such Project.

2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Subrecipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends on December 31, 2024.

3. Reporting. Subrecipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.

4. Maintenance of and Access to Records

a. Subrecipient shall maintain records and financial documents sufficient to evidence compliance with section 603(c), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.

b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Subrecipient in order to conduct audits or other investigations.

c. Records shall be maintained by Subrecipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.

6. Administrative Costs. Subrecipient may use funds provided under this award to cover both direct and indirect costs.

7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Subrecipient.

8. Conflicts of Interest. The City of Lubbock understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Recipients and Subrecipients must disclose in writing to the Office of the State Controller or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112. The Office of the State Controller shall disclose such conflict to Treasury.

9. Compliance with Applicable Law and Regulations.

a. Subrecipient agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Subrecipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Subrecipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.

b. Federal regulations applicable to this award include, without limitation, the following:

i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.

iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.

iv. OMB Guidelines to Agencies on Government Wide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (Agreements and sub-contractors described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.

v. Subrecipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.

vi. Government Wide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.

vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.

viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

ix. Generally applicable federal environmental laws and regulations.

c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:

i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000(d) et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;

ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;

iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and

v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

10. Remedial Actions. In the event of Subrecipient's noncompliance with section 603 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act and any additional payments may be subject to withholding as provided in section 603(e) of the Act, as applicable.

11. Hatch Act. Subrecipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C.§§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

12. Copeland Anti-kickback Act. Subrecipient agrees to comply with the requirements of the Copland Anti-kickback Act (40 U.S.C. § 3145), prohibiting a federal funds grantee engaged in constructing, carrying out, completing, or repairing public buildings, public works, or buildings or works that at least partly are financed by a loan or grant from the Federal Government from inducing an employee into giving up any part of the compensation that he or she is entitled to under the terms of his or her employment contract.

13. Contract Work Hours and Safety Standards Act. Subrecipient agrees to comply, as applicable, with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708), regarding contracts for public works involving the employment of laborers or mechanics.

14. Rights to Inventions Made Under a Contract or Agreement. Subrecipient agrees to comply, as applicable, with the Rights to Inventions Made Under a Contract or Agreement (37 C.F.R. Part 401). For any federally assisted contract, awarded to a small business firm or nonprofit organization as defined in 37 CFR 401.2 for the performance of experimental, developmental, or research work, the Subrecipient. Subrecipient agrees to all of the terms in 37 CFR 401.14(a).

15. Clean Air and Water Pollution Control Acts. Subrecipient agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

16. Byrd Anti-Lobbying Amendment. Subrecipient agrees to comply with the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352), prohibiting the use of funds appropriated by any Act to be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with certain Federal actions.

17. Procurement of Recovered Materials. Subrecipient agrees to comply, as applicable, with 2 C.F.R. § 200.323 pursuant to section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

18. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. Subrecipient agrees to comply with 2 C.F.R. § 200.216 regarding the prohibition of the utilization of grant funds for certain telecommunications and video surveillance services or equipment.

19. Domestic Preferences for Procurements. Subrecipient agrees to comply with 2 C.F.R. § 200.322 to provide a preference for the purchase, acquisition, or use of

goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

20. False Statements. Subrecipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or Agreements, and/or any other remedy available by law.

21. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number SLFRP2653 awarded to the City of Lubbock by the U.S. Department of the Treasury."

22. Debts Owed the Federal Government.

    a. Any funds paid to the Subrecipient:

        i. in excess of the amount to which the Subrecipient is finally determined to be authorized to retain under the terms of this award;

        ii. that are determined by the Treasury Office of Inspector General to have been misused; or

        iii. that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by the Subrecipient shall constitute a debt to the federal government.

    b. Any debts determined to be owed to the federal government must be paid promptly by Subrecipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Subrecipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

23. Disclaimer.

    a. The United States expressly disclaims any and all responsibility or liability to Subrecipient or third persons for the actions of Subrecipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any Agreement, or sub-contractor under this award.

    b. The acceptance of this award by Subrecipient does not in any way establish an

agency relationship between the United States and Subrecipient.

24. Protections for Whistleblowers.

a. In accordance with 41 U.S.C. § 4712, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal Agreement or grant, a gross waste of federal funds, an abuse of authority relating to a federal Agreement or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal Agreement (including the competition for or negotiation of an Agreement) or grant.

b. The list of persons and entities referenced in the paragraph above includes the following:

i. A member of Congress or a representative of a committee of Congress;

ii. An Inspector General;

iii. The Government Accountability Office;

iv. A Treasury employee responsible for Agreement or grant oversight or management;

v. An authorized official of the Department of Justice or other law enforcement agency;

vi. A court or grand jury; or

vii. A management official or other employee of Subrecipient, Subrecipient, or Sub-contractor who has the responsibility to investigate, discover, or address misconduct.

c. Subrecipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

25. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Subrecipient should encourage its Subrecipients to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

26. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subrecipient should encourage its employees and contractors to adopt and enforce policies that ban text messaging while driving, and Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

ARTICLE XVIII. ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS

ASSURANCES OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the Department of the Treasury, the Subrecipient provides the assurances stated herein. The federal financial assistance may include federal grants, loans and Agreements to provide assistance to the Subrecipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass Agreements of guarantee or insurance, regulated programs, licenses, procurement Agreements by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Subrecipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Subrecipient's program(s) and activity(ies), so long as any portion of the Subrecipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Subrecipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.

2. Subrecipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subrecipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title

VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Subrecipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subrecipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subrecipient's programs, services, and activities.

3. Subrecipient agrees to consider the need for language services for LEP persons when Subrecipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit http://www.lep.gov.

4. Subrecipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Subrecipient and Subrecipient's successors, transferees, and assignees for the period in which such assistance is provided.

5. Subrecipient acknowledges and agrees that it must require any sub-grantees, Subrecipients, sub-contractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every Agreement or agreement subject to Title VI and its regulations between the Subrecipient and the Subrecipient's sub-grantees, Subrecipients, sub-contractors, successors, transferees, and assignees:

> *The sub-grantee, Subrecipient, sub-contractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits Subrecipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement or agreement.*

6. Subrecipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Subrecipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial

assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Subrecipient for the period during which it retains ownership or possession of the property.

7. Subrecipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Subrecipient shall comply with information requests, on-site compliance reviews and reporting requirements.

8. Subrecipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Subrecipient also must inform the Department of the Treasury if Subrecipient has received no complaints under Title VI.

9. Subrecipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Subrecipient and the administrative agency that made the finding. If the Subrecipient settles a case or matter alleging such discrimination, the Subrecipient must provide documentation of the settlement. If Subrecipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

10. If the Subrecipient makes sub-awards to other agencies or other entities, the Subrecipient is responsible for ensuring that sub-Subrecipients also comply with Title VI and other applicable authorities covered in this document State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that that they are effectively monitoring the civil rights compliance of sub-contractor.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

EXECUTED as of the Effective Date hereof.

CITY OF LUBBOCK

DANIEL M. POPE, MAYOR

STARCARE SPECIALITY HEALTH SYSTEM

Beth Lawson, CEO

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Bill Howerton, Deputy City Manager

APPROVED AS TO FORM:

Ryan Brooke, Assistant City Attorney

AI# 11819
Regular City Council Meeting
08/22/2023:

7. 1.

Information

Agenda Item

Board Appointments - City Secretary: Consider and take action on the appointments of the Chairperson and Vice-Chairperson for the Lubbock Water Advisory Commission.

Item Summary

Per Resolution No. 2009-R0198, "The City Council of the City of Lubbock shall designate the Chair and Vice-Chairperson from the appointed members of the Lubbock Water Advisory Commission." Melanie Barnes is the current Chair and Celeste Hoehne is the current Vice Chair. Melanie Barnes has served as Chair since 2022 and Celeste Hoehne has served as Vice Chair since 2022. The Staff liaison is recommending Jay House for Chair and Steve Verett for Vice Chair.

Fiscal Impact

None

Staff/Board Recommending

Courtney Paz, City Secretary

Attachments

No file(s) attached.

AI# 11820
Regular City Council Meeting
08/22/2023:

7. 2.

Information

Agenda Item

Board Appointment - City Secretary: Consider and take action on the appointment of the Chairperson for the Veterans Advisory Committee.

Item Summary

Pursuant to Resolution No. 2014-R0053, passed February 27, 2014, the chairperson of the Veterans Advisory Committee is appointed by the City Council as a whole. Benny Guerrero is currently serving as Chairperson, and is eligible for another term. The staff liaison's recommendation is for Benny Guerrero to be reappointed to the Chairperson position.

Fiscal Impact

None

Staff/Board Recommending

Courtney Paz, City Secretary

Attachments

No file(s) attached.

AI# 11779
Regular City Council Meeting 7. 3.
08/22/2023:

Information

Agenda Item

Board Appointments - City Secretary: Consider appointments to the Valencia Public Improvement District (PID) Advisory Board.

Item Summary

The Valencia Public Improvement District (PID) Advisory Board consists of 5 property owners or representatives of property owners within the Valencia PID, and these board members are elected by the Valencia PID property owners. Elections for the 2 eligible seats on the Valencia PID Advisory Board were conducted at the annual Valencia PID Property Owners' meeting held on July 12, 2023. In accordance with the bylaws, each property owner within the Valencia PID was given one vote, per seat, per lot owned. Valencia consists of 105 total lots, and 11 ballots were received. The newly appointed board members will each serve 3-year terms.

The two individuals with the most votes are as follows:
Chrystal Jansz Rieken
James Jordan

Fiscal Impact

None

Staff/Board Recommending

Courtney Paz, City Secretary

Attachments

No file(s) attached.

Information

Agenda Item

Board Appointments - City Secretary: Consider appointments to the North Point Public Improvement District (PID) Advisory Board.

Item Summary

The North Point Public Improvement District (PID) Advisory Board consists of 7 property owners or representatives of property owners within the North Point PID, and these board members are elected by the North Point PID property owners. Elections for the 4 eligible seats on the North Point PID Advisory Board were conducted at the annual North Point PID Property Owners' meeting held on July 26, 2023. In accordance with the bylaws, each property owner within the North Point PID was given one vote, per seat, per lot owned. North Point consists of 738 total lots, and 29 ballots were received. The newly appointed board members will each serve 3-year terms.

The four individuals with the most votes are as follows:
Jonathan Blackwell
David Krause
Eddie Tates
Christopher Berger

Fiscal Impact

None

Staff/Board Recommending

Courtney Paz, City Secretary

Attachments

No file(s) attached.

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Bell Farms Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Bell Farms PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Bell Farms PID to speak in favor of, or in opposition to, the assessment to be levied in the Bell Farms PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.12 per $100 valuation. This is the same rate as 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.12 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The funds raised by the assessment will be used to provide landscape maintenance on the entryways and parks, repair and replace amenities, enhance and maintain amenities at the entry stations, lighting, and any other maintenance needed on projects in the District, as well as cover a portion of the costs of administering the PID. The projected assessment that will be collected for 2023, based on estimated values, is $401,604.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Bell Farms PID Advisory Board

Attachments

Ordinance and Exhibits
Bell Farms PID 2023 Public Hearing Notice

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATION FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE BELL FARMS PUBLIC IMPROVEMENT DISTRICT, APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, through Resolution No. 2018-R0182 the City Council of the City (the "Council") attached hereto as Exhibit A, which made certain findings concerning the advisability of creating the Bell Farms Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and, created the initial advisory board for the PID; and

WHEREAS, On July 12, 2018, the City Council passed Ordinance No. 2018-O0079, approving the Service and Assessment Plan (the "Plan), which will be reviewed and revised each year when necessary. The revised 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll (the "Roll") and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District, and approve, adopt and file with the City Secretary the Roll which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.12 per $100.00 valuation for tax years 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: THAT the City Council hereby approves, adopts, and files with the City Secretary, the Assessment Roll. The Assessment Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Assessment Roll in the official City Records. The Assessment Roll shall be subject to public inspection.

SECTION 4: THAT the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

SECTION 5: THAT the City Council finds that City of Lubbock staff mailed to the owners of property liable for assessment, the notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act.

The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: THAT the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied. The City Council finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District. The City Council further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State. The City Council finds that the proceedings that the City has had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 City net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains

unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

Section 11: THAT the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

Section 12: THAT the City may contract with the Lubbock Central Appraisal District or any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____, 2023.

Passed by the City Council on second reading on _____, 2023.

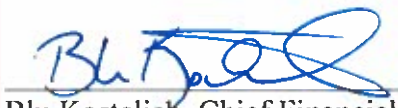
_____

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:



Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/ORD. Economic Development – Bell Farms PID – Service Plan, Assessment Role, and Levy
August 22, 2023

Resolution No. 2018-R0182

Item No. 6.8

May 24, 2018

RESOLUTION

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of not less than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to: the acquisition or construction of drainage facilities or improvements; the design, construction, and maintenance of parks and greenspace together with any ancillary structures, features, or amenities such as playgrounds, splash pads, pools, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, and any similar items located therein, along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greenspace; and, the costs of establishing, administering, and operating the public improvement district; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by 130th Street on the north, Avenue P on the east, 146th Street on the south, and University Avenue on the west, with such property being the residential development known as Bell Farms, and a description and depiction of the property covered by the Petition is attached to and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the twenty-fourth (24th) day of May, 2018, at five thirty (5:30) p.m., in the City Council Chambers at City Hall located at 1625 13th Street, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Bell Farms Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Bell Farms Public Improvement District; and

(b) That authorization of the Bell Farms Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Bell Farms Public Improvement District for the general purpose of financing improvements and services related to: the acquisition or construction of drainage facilities or improvements; the design, construction, and maintenance of parks and greenspace together with any ancillary structures, features, or amenities such as playgrounds, splash pads, pools, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, and any similar items located therein, along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greenspace; and, the costs of establishing, administering, and operating the public improvement district; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Bell Farms Public Improvement District through Fiscal Year 2022-23 is approximately three hundred twenty thousand two hundred sixteen dollars ($320,216) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of twelve cents ($0.12) per one hundred dollars ($100) of valuation of property within the Bell Farms Public Improvement District through Fiscal Year 2022-23, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Bell Farms Public Improvement District and the City, all the Costs will be paid by the Bell Farms Public Improvement District through assessments on the property within the boundaries of the Bell Farms Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Bell Farms Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council hereby creates the initial governing board for the Bell Farms Public Improvement District. The initial governing board shall act as an advisory board of the City of Lubbock, and shall be composed of three (3) members, each of whom will represent a developer of the property within the Bell Farms Public Improvement District. The initial governing board shall follow any and all rules, regulations, policies, and procedures related to City of Lubbock advisory boards. The initial governing board for the Bell Farms Public Improvement District shall serve a one (1) year term. The City Council may extended the term of the initial governing board beyond one (1) year. The initial governing board of the Bell Farms Public Improvement District will provide recommendations to the City Council on all matters related to the initial development of the Bell Farms Public Improvement District, including matters related to the Costs and to the assessments on properties located within the Bell Farms Public Improvement District. Upon the end of the term of the initial governing board of the Bell Farms Public Improvement District, the initial governing board will automatically dissolve and the Bell Farms Public Improvement District Advisory Board (the "PID Board") shall be created in its place. The PID Board shall adopt and be governed by a set of bylaws that, among other things, direct the PID Board as to its membership, its purpose, and its procedure for conducting business related to the Bell Farms Public Improvement District.

SECTION 5: THAT the notice of this authorization for the Bell Farms Public Improvement District shall be published in a newspaper of general circulation within the City of Lubbock, Texas and Lubbock County, Texas.

SECTION 6: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or

unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council on May 24, 2018.

JEFF GRIFFITH, MAYOR PRO TEM

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Justin Pruitt, Assistant City Attorney

EXHIBIT A

EXHIBIT 1

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATE TO COPY OF PUBLIC RECORD

I hereby certify, in the performance of the functions of my office, that all signatures on the attached document have been verified and that the same constitutes record owners of taxable real property representing more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment under the proposal (as determined by the current roll of the Appraisal District, March 29, 2018) in the area known as Bell Farms, as shown on the attached map, petitioners own 52.87 percent of the value, AND that the petition must be signed by the record owners of property that constitute more than fifty percent (50%) of the number of record owners or the record owners of more than fifty percent (50%) of the area within the PID; the petitioners own 97.44 percent of the total area within the proposed Bell Farms PID; said documents appear of record in my office and that said documents are an official record from the public office of the City Secretary of the City of Lubbock, Lubbock County, State of Texas, and is kept in said office.

I further certify that I am the City Secretary of the City of Lubbock, that I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office the 18th day of April, 2018.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

EXHIBIT A

EXHIBIT 1

City of Lubbock TEXAS

April 17, 2018

To: Becky Garza, City Secretary

From: Cheryl Brock, Executive Director of Financial Planning and Analysis CB
Sally Still Abbe, Director of GIS and Data Services SA

CC: Blu Kostelich, Chief Financial Officer

Re: Bell Farms Public Improvement District Petition

Recently, the City of Lubbock received petitions from Property Owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Bell Farms development shown on the attached map. PID establishment can only be initiated by a petition of property owners who meet two tests outlined in the state statute.

The first test is that the petition is sufficient if signed by the owners of taxable real property representing more than 50% of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (March 29, 2018). Since the petitioners own 52.87% percent of the taxable real property value within the boundary, the petition passes the value test.

The second test is that the petition must be signed by the record owners of property that constitute more than 50% of the number of record owners or the record owners of more than 50% of the area within the PID. The petitioners own 97.44 percent of the total area within the proposed Bell Farms PID area so they pass the area test.

The notarized signature on the Bell Farms petitions were validated by a visual review and owners on the petitions were verified against the current tax roll received from Lubbock Central Appraisal District by the Financial Planning and Analysis Department and reviewed by Sally Abbe, Director of GIS and Data Services.

EXHIBIT A

EXHIBIT 1

Proposed Bell Farms PID

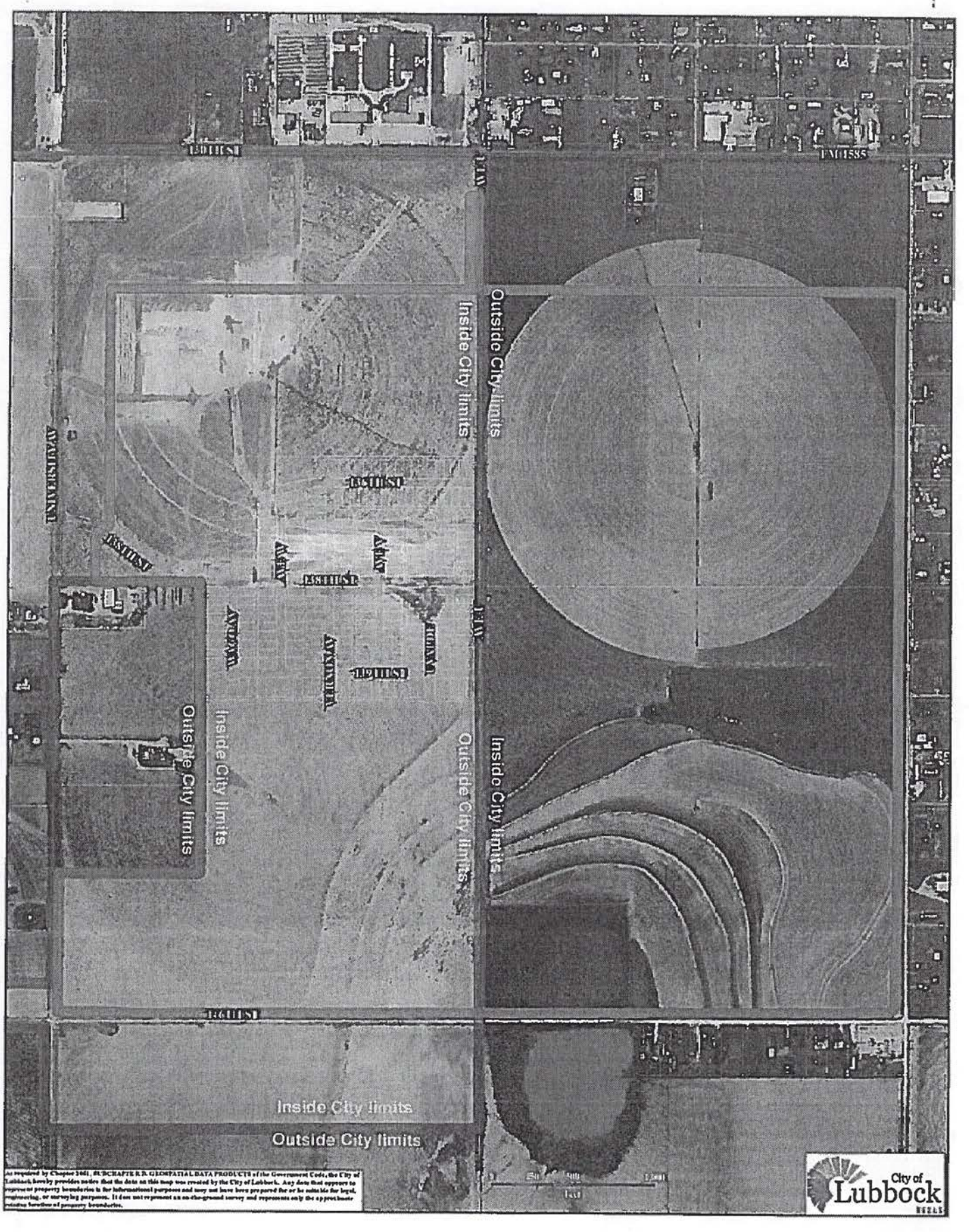


EXHIBIT A

EXHIBIT 1

Proposed Bell Farms PID
2018 Preliminary Roll

QuickRef	AdHocTaxYe	Owner Name	Situs	Legal Description	FSftLandSize	Acres	Taxable	Petition Received
R329160	2018	JONES, JACQUENETTE	13618 AVE U, LUBBOCK, TX 79423	BELL FARMS L 1	4880	0.112029	69,256.00	Y
R329162	2018	LOWE MICHAEL & KRISTI L	13614 AVE U, LUBBOCK, TX 79423	BELL FARMS L 3	5055	0.116047	67,621.00	Y
R329164	2018	LOPEZ MYKELLEE SHELBIE &	13610 AVE U, LUBBOCK, TX 79423	BELL FARMS L 5	5069	0.116368	133,688.00	Y
R329165	2018	BETENBOUGH HOMES INC	13608 AVE U, LUBBOCK, TX 79423	BELL FARMS L 6	5076	0.116529	67,093.00	Y
R329166	2018	SOLIZ JONATHAN &	13606 AVE U, LUBBOCK, TX 79423	BELL FARMS L 7	5082	0.116667	65,212.00	Y
R329167	2018	BEARDEN STEPHEN & HOLLY	13604 AVE U, LUBBOCK, TX 79423	BELL FARMS L 8	5089	0.116827	128,762.00	Y
R329168	2018	RCJC PROPERTIES LLC	13602 AVE U, LUBBOCK, TX 79423	BELL FARMS L 9	4963	0.113935	124,824.00	Y
R329172	2018	BROWN WILLIAM WALTON &	13607 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 13	5426	0.124564	126,444.00	Y
R329182	2018	SMITH LOGAN & JESSICA	13606 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 23	5426	0.124564	129,941.00	Y
R329183	2018	SANDERS, LARRY	13604 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 24	5627	0.129178	171,668.00	Y
R329184	2018	BETENBOUGH HOMES INC	13602 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 25	8192	0.188062	28,672.00	Y
R329185	2018	BETENBOUGH HOMES INC	13601 AVE V, LUBBOCK, TX 79423	BELL FARMS L 26	8192	0.188062	28,672.00	Y
R329187	2018	CLAUNCH, SHAWN	13605 AVE V, LUBBOCK, TX 79423	BELL FARMS L 28	5426	0.124564	129,941.00	Y
R329189	2018	QUATTLEBAUM, DENNIS	13609 AVE V, LUBBOCK, TX 79423	BELL FARMS L 30	5426	0.124564	129,941.00	Y
R329190	2018	DAVIS, CAYCE B	13611 AVE V, LUBBOCK, TX 79423	BELL FARMS L 31	5426	0.124564	126,444.00	Y
R329191	2018	SOLIS JOSEFINA P & MICHAEL R	13613 AVE V, LUBBOCK, TX 79423	BELL FARMS L 32	6029	0.138407	167,708.00	Y
R329202	2018	LACY ROBERT L SR & MARGARET	13609 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 43	5040	0.115702	111,890.00	Y
R329204	2018	WALKING C HOLDINGS LLC	13613 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 45	5040	0.115702	125,093.00	Y
R329207	2018	ALVAREZ, JUAN FRANCISCO	13619 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 48	5600	0.128558	149,170.00	Y
R329209	2018	BLANCO, PERLA MARIE	2135 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 50	5839	0.134045	74,610.00	Y
R329213	2018	JIN XIAOGUANG MICHAEL &	2127 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 54	5175	0.118802	135,963.00	Y
R329214	2018	ARIAS ISAAC & LORENA	2125 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 55	5750	0.132002	74,535.00	Y
R329215	2018	JIN XIAOGUANG MICHAEL &	2123 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 56	5175	0.118802	129,063.00	Y
R329218	2018	WALKING C HOLDINGS LLC	2117 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 59	5175	0.118802	121,814.00	Y
R329219	2018	BETENBOUGH HOMES INC	2115 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 60	5750	0.132002	164,572.00	Y
R329220	2018	BETENBOUGH HOMES INC	2113 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 61	5750	0.132002	130,284.00	Y
R329221	2018	STONE, DESTINIE SHANE	2111 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 62	5175	0.118802	151,744.00	Y
R329224	2018	CONTRERAS MARCO & HILDA	2105 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 65	5175	0.118802	144,912.00	Y
R329225	2018	JAMES ROSS & ANDI	2103 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 66	5750	0.132002	169,515.00	Y
R329226	2018	INDOMITABLE DOZEN LLC	2101 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 67	5574	0.127961	126,962.00	Y
R329235	2018	GONZALES, JESSE J	2118 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 76	5750	0.132002	168,123.00	Y
R329236	2018	SMITH OTIS KEITH & KATRINA M	2120 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 77	5750	0.132002	155,169.00	Y
R329238	2018	WALKING C HOLDINGS LLC	2124 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 79	5175	0.118802	125,566.00	Y
R329239	2018	PYRON, CHARITY	2126 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 80	5750	0.132002	163,994.00	Y
R329242	2018	LLOYD, ABIGAIL	2132 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 83	5175	0.118802	142,158.00	Y
R329244	2018	BETENBOUGH HOMES INC	2136 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 85	7930	0.182048	58,015.00	Y
R329247	2018	DRAKE PHILIP L & VICKI L	13606 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 88	5600	0.128558	167,598.00	Y
R329249	2018	COOPER, LINDSEY	13610 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 90	5600	0.128558	149,170.00	Y
R329250	2018	GUAJARDO FAMILY HOLDINGS	13612 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 91	5040	0.115702	128,590.00	Y
R329257	2018	FRIEVALT RONALD J & MAXINE	13617 AVE W, LUBBOCK, TX 79423	BELL FARMS L 98	5600	0.128558	171,573.00	Y
R329260	2018	WALKING C HOLDINGS LLC	13611 AVE W, LUBBOCK, TX 79423	BELL FARMS L 101	5040	0.115702	140,443.00	Y
R329270	2018	FERGUSON REAL ESTATE LLC	13610 AVE W, LUBBOCK, TX 79423	BELL FARMS L 111	5989	0.137489	150,436.00	Y
R329276	2018	VILASECA, WILLIAM	13622 AVE W, LUBBOCK, TX 79423	BELL FARMS L 117	6481	0.148783	152,254.00	Y

EXHIBIT A

Proposed Bell Farms PID
2018 Preliminary Roll

QuickRef	AdHocTaxYe	Owner Name	Situs	Legal Description	SftLandSize	Acres	Taxable	Petition Received
R329277	2018	BETENBOUGH HOMES INC	13619 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 118	6687	0.153512	80,953.00	Y
R329278	2018	BURKE, NATHAN R	13617 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 119	5600	0.128558	149,170.00	Y
R329284	2018	PERKINS, SHIRLEY	13605 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 125	5527	0.126882	126,798.00	Y
R329285	2018	PARRISH, WESTON ROBERT	13603 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 126	5912	0.135721	150,166.00	Y
R329287	2018	BETENBOUGH HOMES INC	13606 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 128	7178	0.164784	160,555.00	Y
R329289	2018	NAVIA, KAREN V	13610 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 130	6191	0.142126	132,808.00	Y
R329290	2018	GUITRONBACA, JAIME OBED	13612 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 131	6810	0.156336	176,537.00	Y
R329292	2018	DAWSON KEVIN & SHELBY	13616 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 133	9298	0.213453	208,252.00	Y
R330500	2018	BETENBOUGH HOMES INC	13802 AVE U, LUBBOCK, TX 79423	BELL FARMS L 134	5434	0.124747	19,019.00	Y
R330501	2018	BETENBOUGH HOMES INC	13804 AVE U, LUBBOCK, TX 79423	BELL FARMS L 135	5598	0.128512	19,593.00	Y
R330502	2018	BETENBOUGH HOMES INC	13806 AVE U, LUBBOCK, TX 79423	BELL FARMS L 136	5597	0.128489	19,590.00	Y
R330503	2018	BETENBOUGH HOMES INC	13808 AVE U, LUBBOCK, TX 79423	BELL FARMS L 137	5041	0.115725	17,644.00	Y
R330504	2018	BETENBOUGH HOMES INC	13810 AVE U, LUBBOCK, TX 79423	BELL FARMS L 138	5604	0.12865	19,614.00	Y
R330505	2018	BETENBOUGH HOMES INC	13812 AVE U, LUBBOCK, TX 79423	BELL FARMS L 139	5608	0.128742	19,628.00	Y
R330506	2018	BETENBOUGH HOMES INC	13814 AVE U, LUBBOCK, TX 79423	BELL FARMS L 140	5529	0.126928	19,352.00	Y
R330507	2018	BETENBOUGH HOMES INC	2102 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 141	7005	0.160813	24,518.00	Y
R330508	2018	BETENBOUGH HOMES INC	2104 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 142	6944	0.159412	24,304.00	Y
R330509	2018	BETENBOUGH HOMES INC	2106 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 143	6944	0.159412	24,304.00	Y
R330510	2018	BETENBOUGH HOMES INC	2108 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 144	6944	0.159412	24,304.00	Y
R330511	2018	BETENBOUGH HOMES INC	2110 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 145	6975	0.160124	24,413.00	Y
R330512	2018	BETENBOUGH HOMES INC	13813 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 146	5871	0.13478	20,549.00	Y
R330513	2018	BETENBOUGH HOMES INC	13811 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 147	6030	0.13843	21,105.00	Y
R330514	2018	BETENBOUGH HOMES INC	13809 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 148	6030	0.13843	21,105.00	Y
R330515	2018	BETENBOUGH HOMES INC	13807 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 149	5427	0.124587	18,995.00	Y
R330516	2018	BETENBOUGH HOMES INC	13805 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 150	6008	0.137925	21,028.00	Y
R330517	2018	BETENBOUGH HOMES INC	13803 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 151	6392	0.14674	22,372.00	Y
R330518	2018	BETENBOUGH HOMES INC	13801 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 152	6321	0.14511	22,124.00	Y
R330519	2018	BETENBOUGH HOMES INC	13802 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 153	6113	0.140335	21,396.00	Y
R330520	2018	BETENBOUGH HOMES INC	13804 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 154	4713	0.108196	16,496.00	Y
R330521	2018	BETENBOUGH HOMES INC	13806 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 155	5371	0.123301	18,799.00	Y
R330522	2018	BETENBOUGH HOMES INC	13808 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 156	5425	0.124541	18,988.00	Y
R330523	2018	BETENBOUGH HOMES INC	13810 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 157	5425	0.124541	18,988.00	Y
R330524	2018	BETENBOUGH HOMES INC	13812 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 158	5425	0.124541	18,988.00	Y
R330525	2018	BETENBOUGH HOMES INC	13814 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 159	5425	0.124541	18,988.00	Y
R330526	2018	BETENBOUGH HOMES INC	13816 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 160	5425	0.124541	18,988.00	Y
R330527	2018	BETENBOUGH HOMES INC	13818 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 161	5425	0.124541	18,988.00	Y
R330528	2018	BETENBOUGH HOMES INC	13820 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 162	5425	0.124541	18,988.00	Y
R330529	2018	BETENBOUGH HOMES INC	13822 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 163	5861	0.13455	20,514.00	Y
R330530	2018	BETENBOUGH HOMES INC	13819 AVE V, LUBBOCK, TX 79423	BELL FARMS L 164	6295	0.144513	22,033.00	Y
R330531	2018	BETENBOUGH HOMES INC	13817 AVE V, LUBBOCK, TX 79423	BELL FARMS L 165	5217	0.119766	18,260.00	Y
R330532	2018	BETENBOUGH HOMES INC	13815 AVE V, LUBBOCK, TX 79423	BELL FARMS L 166	5910	0.135675	20,685.00	Y
R330533	2018	BETENBOUGH HOMES INC	13813 AVE V, LUBBOCK, TX 79423	BELL FARMS L 167	5929	0.136111	20,752.00	Y
R330534	2018	BETENBOUGH HOMES INC	13811 AVE V, LUBBOCK, TX 79423	BELL FARMS L 168	5929	0.136111	20,752.00	Y
R330535	2018	BETENBOUGH HOMES INC	13809 AVE V, LUBBOCK, TX 79423	BELL FARMS L 169	5929	0.136111	20,752.00	Y
R330536	2018	BETENBOUGH HOMES INC	13807 AVE V, LUBBOCK, TX 79423	BELL FARMS L 170	5929	0.136111	20,752.00	Y

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Proposed Bell Farms PID
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QuickRef	dHocTaxYe	Owner Name	Situs	Legal Description	SftLandSize	Acres	Taxable	Petition Received
R330537	2018	BETENBOUGH HOMES INC	13805 AVE V, LUBBOCK, TX 79423	BELL FARMS L 171	5929	0.136111	20,752.00	Y
R330538	2018	BETENBOUGH HOMES INC	13803 AVE V, LUBBOCK, TX 79423	BELL FARMS L 172	5929	0.136111	20,752.00	Y
R330539	2018	BETENBOUGH HOMES INC	13801 AVE V, LUBBOCK, TX 79423	BELL FARMS L 173	5929	0.136111	20,752.00	Y
R330540	2018	BETENBOUGH HOMES INC	13802 AVE V, LUBBOCK, TX 79423	BELL FARMS L 174	6098	0.139991	21,343.00	Y
R330541	2018	BETENBOUGH HOMES INC	13804 AVE V, LUBBOCK, TX 79423	BELL FARMS L 175	6129	0.140702	21,452.00	Y
R330542	2018	BETENBOUGH HOMES INC	13806 AVE V, LUBBOCK, TX 79423	BELL FARMS L 176	6129	0.140702	21,452.00	Y
R330543	2018	BETENBOUGH HOMES INC	13808 AVE V, LUBBOCK, TX 79423	BELL FARMS L 177	6129	0.140702	21,452.00	Y
R330544	2018	BETENBOUGH HOMES INC	13810 AVE V, LUBBOCK, TX 79423	BELL FARMS L 178	6129	0.140702	21,452.00	Y
R330545	2018	BETENBOUGH HOMES INC	13812 AVE V, LUBBOCK, TX 79423	BELL FARMS L 179	6129	0.140702	21,452.00	Y
R330546	2018	BETENBOUGH HOMES INC	13814 AVE V, LUBBOCK, TX 79423	BELL FARMS L 180	6129	0.140702	21,452.00	Y
R330547	2018	BETENBOUGH HOMES INC	13816 AVE V, LUBBOCK, TX 79423	BELL FARMS L 181	6110	0.140266	21,385.00	Y
R330548	2018	BETENBOUGH HOMES INC	13818 AVE V, LUBBOCK, TX 79423	BELL FARMS L 182	5417	0.124357	18,960.00	Y
R330549	2018	BETENBOUGH HOMES INC	13820 AVE V, LUBBOCK, TX 79423	BELL FARMS L 183	6481	0.148783	22,684.00	Y
R330550	2018	BETENBOUGH HOMES INC	13819 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 184	5506	0.1264	19,271.00	Y
R330551	2018	BETENBOUGH HOMES INC	13817 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 185	5600	0.128558	19,600.00	Y
R330552	2018	BETENBOUGH HOMES INC	13815 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 186	5600	0.128558	35,299.00	Y
R330553	2018	BETENBOUGH HOMES INC	13813 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 187	5600	0.128558	19,600.00	Y
R330554	2018	BETENBOUGH HOMES INC	13811 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 188	5600	0.128558	19,600.00	Y
R330555	2018	BETENBOUGH HOMES INC	13809 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 189	5600	0.128558	19,600.00	Y
R330556	2018	BETENBOUGH HOMES INC	13807 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 190	5600	0.128558	19,600.00	Y
R330557	2018	REIGH, LAURA E	13805 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 191	5600	0.128558	86,312.00	Y
R330558	2018	BETENBOUGH HOMES INC	13803 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 192	5600	0.128558	100,573.00	Y
R330559	2018	BETENBOUGH HOMES INC	13801 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 193	5514	0.126584	19,299.00	Y
R330560	2018	BETENBOUGH HOMES INC	13802 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 194	5900	0.135445	20,650.00	Y
R330561	2018	BETENBOUGH HOMES INC	13804 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 195	5600	0.128558	19,600.00	Y
R330562	2018	BETENBOUGH HOMES INC	13806 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 196	5600	0.128558	19,600.00	Y
R330563	2018	BETENBOUGH HOMES INC	13808 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 197	5600	0.128558	19,600.00	Y
R330564	2018	BETENBOUGH HOMES INC	13810 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 198	5600	0.128558	19,600.00	Y
R330565	2018	BETENBOUGH HOMES INC	13812 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 199	5040	0.115702	17,640.00	Y
R330566	2018	BETENBOUGH HOMES INC	13814 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 200	5600	0.128558	19,600.00	Y
R330567	2018	BETENBOUGH HOMES INC	13816 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 201	5600	0.128558	19,600.00	Y
R330568	2018	BETENBOUGH HOMES INC	13818 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 202	5599	0.128535	19,597.00	Y
R330569	2018	BETENBOUGH HOMES INC	13820 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 203	5590	0.128329	19,565.00	Y
R330570	2018	BETENBOUGH HOMES INC	13817 AVE W, LUBBOCK, TX 79423	BELL FARMS L 204	7656	0.175758	26,796.00	Y
R330571	2018	BETENBOUGH HOMES INC	13815 AVE W, LUBBOCK, TX 79423	BELL FARMS L 205	6160	0.141414	21,560.00	Y
R330572	2018	RANDALL, JODY COFER	13813 AVE W, LUBBOCK, TX 79423	BELL FARMS L 206	5600	0.128558	114,403.00	Y
R330573	2018	BETENBOUGH HOMES INC	13811 AVE W, LUBBOCK, TX 79423	BELL FARMS L 207	6160	0.141414	21,560.00	Y
R330574	2018	BETENBOUGH HOMES INC	13809 AVE W, LUBBOCK, TX 79423	BELL FARMS L 208	6160	0.141414	21,560.00	Y
R330575	2018	BETENBOUGH HOMES INC	13807 AVE W, LUBBOCK, TX 79423	BELL FARMS L 209	6160	0.141414	21,560.00	Y
R330576	2018	BETENBOUGH HOMES INC	13805 AVE W, LUBBOCK, TX 79423	BELL FARMS L 210	5600	0.128558	19,600.00	Y
R330577	2018	BETENBOUGH HOMES INC	13803 AVE W, LUBBOCK, TX 79423	BELL FARMS L 211	6160	0.141414	21,560.00	Y
R330578	2018	BETENBOUGH HOMES INC	13801 AVE W, LUBBOCK, TX 79423	BELL FARMS L 212	6010	0.137971	21,035.00	Y
R330579	2018	BETENBOUGH HOMES INC	13802 AVE W, LUBBOCK, TX 79423	BELL FARMS L 213	6012	0.138017	21,042.00	Y
R330580	2018	BETENBOUGH HOMES INC	13804 AVE W, LUBBOCK, TX 79423	BELL FARMS L 214	6160	0.141414	21,560.00	Y
R330581	2018	BETENBOUGH HOMES INC	13806 AVE W, LUBBOCK, TX 79423	BELL FARMS L 215	5600	0.128558	19,600.00	Y
R330582	2018	BETENBOUGH HOMES INC	13808 AVE W, LUBBOCK, TX 79423	BELL FARMS L 216	6160	0.141414	21,560.00	Y
R330583	2018	BETENBOUGH HOMES INC	13810 AVE W, LUBBOCK, TX 79423	BELL FARMS L 217	6160	0.141414	21,560.00	Y

EXHIBIT 1

EXHIBIT A

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Proposed Bell Farms PID
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QuickRef	dHocTaxYe	Owner Name	Situs	Legal Description	fSftLandSize	Acres	Taxable	Petition Received
R330584	2018	BETENBOUGH HOMES INC	13812 AVE W, LUBBOCK, TX 79423	BELL FARMS L 218	6160	0.141414	21,560.00	Y
R330585	2018	BETENBOUGH HOMES INC	13814 AVE W, LUBBOCK, TX 79423	BELL FARMS L 219	5600	0.128558	19,600.00	Y
R330586	2018	BETENBOUGH HOMES INC	13816 AVE W, LUBBOCK, TX 79423	BELL FARMS L 220	6160	0.141414	21,560.00	Y
R330587	2018	BETENBOUGH HOMES INC	13818 AVE W, LUBBOCK, TX 79423	BELL FARMS L 221	7572	0.173829	26,502.00	Y
R330588	2018	BETENBOUGH HOMES INC	13817 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 222	7506	0.172314	26,271.00	Y
R330589	2018	SCHOLTEN CALVIN DON &	13815 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 223	6160	0.141414	92,205.00	Y
R330590	2018	BETENBOUGH HOMES INC	13813 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 224	6160	0.141414	21,560.00	Y
R330591	2018	BETENBOUGH HOMES INC	13811 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 225	5600	0.128558	19,600.00	Y
R330592	2018	BETENBOUGH HOMES INC	13809 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 226	6160	0.141414	21,560.00	Y
R330593	2018	BETENBOUGH HOMES INC	13807 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 227	6160	0.141414	21,560.00	Y
R330594	2018	BETENBOUGH HOMES INC	13805 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 228	5600	0.128558	87,958.00	Y
R330595	2018	BETENBOUGH HOMES INC	13803 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 229	6160	0.141414	21,560.00	Y
R330596	2018	BETENBOUGH HOMES INC	13801 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 230	6013	0.138039	21,046.00	Y
R330597	2018	BETENBOUGH HOMES INC	13802 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 231	8245	0.189279	112,593.00	Y
R330598	2018	BETENBOUGH HOMES INC	13804 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 232	8389	0.192585	114,560.00	Y
R330599	2018	MUNOZ MARCO & VERONICA	13806 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 233	8392	0.192654	119,443.00	Y
R330600	2018	BETENBOUGH HOMES INC	13808 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 234	8394	0.1927	121,437.00	Y
R330601	2018	BETENBOUGH HOMES INC	13810 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 235	7633	0.17523	26,716.00	Y
R330602	2018	BETENBOUGH HOMES INC	13812 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 236	8399	0.192815	29,397.00	Y
R330603	2018	BETENBOUGH HOMES INC	13814 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 237	8401	0.19286	29,404.00	Y
R330604	2018	BETENBOUGH HOMES INC	13816 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 238	8403	0.192906	29,411.00	Y
R330605	2018	BETENBOUGH HOMES INC	13818 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 239	14107	0.323852	49,375.00	Y
R330606	2018	BETENBOUGH HOMES INC	13820 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 240	19461	0.446763	68,114.00	Y
R330607	2018	BETENBOUGH HOMES INC	2311 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 241	7961	0.182759	27,864.00	Y
R330608	2018	SIMMONS KEVIN & HALEIGH	2309 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 242	6413	0.147222	129,291.00	Y
R330609	2018	RIVAS MEGHANN & KIMBERLY P	2307 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 243	6417	0.147314	104,291.00	Y
R330610	2018	BETENBOUGH HOMES INC	2305 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 244	6417	0.147314	22,460.00	Y
R330611	2018	BETENBOUGH HOMES INC	2303 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 245	6417	0.147314	22,460.00	Y
R330612	2018	BETENBOUGH HOMES INC	2301 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 246	6417	0.147314	22,460.00	Y
R330613	2018	BETENBOUGH HOMES INC	2207 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 247	6417	0.147314	22,460.00	Y
R330614	2018	BETENBOUGH HOMES INC	2205 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 248	6417	0.147314	22,460.00	Y
R330615	2018	BETENBOUGH HOMES INC	2203 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 249	6417	0.147314	22,460.00	Y
R330616	2018	BETENBOUGH HOMES INC	2201 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 250	8174	0.187649	28,609.00	Y
R330619	2018	REYES ANA & THOMAS ALLAN	2129 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 253	5250	0.120523	66,729.00	Y
R330620	2018	LOPEZ SAMUEL J & SHANEL	2127 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 254	5250	0.120523	105,229.00	Y
R330623	2018	SISSON HOLDINGS LLC	2121 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 257	5250	0.120523	68,351.00	Y
R330624	2018	MYFATDOG HOLDINGS LLC	2119 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 258	5250	0.120523	74,476.00	Y
R330625	2018	HENSLEY JEFFREY & CASSANDRA	2117 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 259	5834	0.13393	65,735.00	Y
R330628	2018	COX GUTHRIE & ADDIE	2111 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 262	5715	0.131198	78,310.00	Y
R330629	2018	BETENBOUGH HOMES INC	2109 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 263	5738	0.131726	20,083.00	Y
R330630	2018	BETENBOUGH HOMES INC	2107 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 264	5834	0.13393	20,419.00	Y
R330631	2018	BETENBOUGH HOMES INC	2105 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 265	5834	0.13393	20,419.00	Y
R330632	2018	BETENBOUGH HOMES INC	2103 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 266	5834	0.13393	20,419.00	Y
R330633	2018	BETENBOUGH HOMES INC	2101 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 267	5753	0.132071	20,136.00	Y
R331034	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH	53045	1.217746	26,523.00	Y
R331035	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH	3091	0.07096	1,546.00	Y
R331292	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH	370	0.008494	185.00	Y

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R331293	2018	STOREHOUSE LAND COMPANY		BLK E SEC 16 AB 1178 TR A2		106.397	1,063,970.00	Y
R331294	2018	BETENBOUGH HOMES INC	79423	BLK E SEC 16 AB 664 TR B2A		0.658	658.00	Y
R331295	2018	BETENBOUGH HOMES INC	79423	BLK E SEC 16 AB 664 TR B2B		64.699	646,990.00	Y
R331296	2018	BETENBOUGH HOMES INC		BLK E SEC 16 AB 1000 TR C3A		91.327	913,270.00	Y
R331297	2018	STOREHOUSE LAND COMPANY	79423	BLK E SEC 16 AB 1179 TR D1		152.031	631,175.00	Y
R329200	2018	BETENBOUGH HOMES INC	13602 AVE V, LUBBOCK, TX 79423	BELL FARMS L 41	8192	0.188062	28,672.00	Y
R329201	2018	GOODNIGHT ADAM &	13607 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 42	6814	0.156428	175,148.00	
R329161	2018	KRUSE, DONALD	13616 AVE U, LUBBOCK, TX 79423	BELL FARMS L 2	5049	0.115909	95,337.00	
R329163	2018	MCBRAYER OTIS L & TOMMIE S	13612 AVE U, LUBBOCK, TX 79423	BELL FARMS L 4	5062	0.116208	108,470.00	
R329169	2018	VILLARREAL JOSHUA JOSE &	13601 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 10	8192	0.188062	204,437.00	
R329170	2018	HUDDLESTON LAWRENCE A &	13603 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 11	5627	0.129178	156,697.00	
R329171	2018	MEDINA STEVEN JUAN &	13605 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 12	5426	0.124564	139,645.00	
R329173	2018	BRYANT, BRENT	13609 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 14	5426	0.124564	135,492.00	
R329174	2018	BLEDSOE, SHELBY	13611 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 15	5426	0.124564	129,941.00	
R329175	2018	WIGGINS, BRITTANY	13613 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 16	6029	0.138407	150,672.00	
R329176	2018	RODRIGUEZ-LOPEZ JOSE &	13615 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 17	6645	0.152548	175,098.00	
R329177	2018	SCHRECKER, JESSICA B	13616 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 18	6721	0.154293	152,998.00	
R329178	2018	BENTANCOURT JESUS & BOBBIE	13614 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 19	6029	0.138407	160,535.00	
R329179	2018	PARK DAVID & SHERYL	13612 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 20	5426	0.124564	112,787.00	
R329180	2018	ESTRADA REY H & AIDE	13610 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 21	5426	0.124564	122,692.00	
R329181	2018	SCHAEFER HARRISON & KINARD MACKENZI & EMILY	13608 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 22	5426	0.124564	129,941.00	
R329186	2018	BROWN	13603 AVE V, LUBBOCK, TX 79423	BELL FARMS L 27	5627	0.129178	163,564.00	
R329188	2018	JOHNSON, SIERRA	13607 AVE V, LUBBOCK, TX 79423	BELL FARMS L 29	5426	0.124564	135,492.00	
R329192	2018	POLUHOWICH JOHN & ROBERTA	13615 AVE V, LUBBOCK, TX 79423	BELL FARMS L 33	6785	0.155762	136,522.00	
R329193	2018	VEGA SERENA LEE & DANIEL	13616 AVE V, LUBBOCK, TX 79423	BELL FARMS L 34	6862	0.15753	167,886.00	
R329194	2018	DEHOOG, LEANN	13614 AVE V, LUBBOCK, TX 79423	BELL FARMS L 35	6029	0.138407	150,672.00	
R329195	2018	BURGESS TINA & ROBERT N II	13612 AVE V, LUBBOCK, TX 79423	BELL FARMS L 36	5426	0.124564	129,941.00	
R329196	2018	STITH MICHAEL SHANE &	13610 AVE V, LUBBOCK, TX 79423	BELL FARMS L 37	5426	0.124564	122,692.00	
R329197	2018	BRONSON JACK BERNARD &	13608 AVE V, LUBBOCK, TX 79423	BELL FARMS L 38	5426	0.124564	130,047.00	
R329198	2018	REGALADO GERARDO &	13606 AVE V, LUBBOCK, TX 79423	BELL FARMS L 39	5426	0.124564	128,606.00	
R329199	2018	GALYEAN, MELISSA	13604 AVE V, LUBBOCK, TX 79423	BELL FARMS L 40	5627	0.129178	166,574.00	
R329203	2018	SLAY, JEROD LANCE	13611 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 44	5600	0.128558	159,033.00	
R329205	2018	FOLSOM DAKOTA CHASE &	13615 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 46	5600	0.128558	149,074.00	
R329206	2018	CHESTNUT MICHAEL R & JANICE	13617 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 47	5040	0.115702	121,341.00	
R329208	2018	MURPHY STEVEN J & SHAREKA L	13621 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 49	6647	0.152594	167,134.00	
R329210	2018	WELCH, TINA RAE	2133 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 51	5750	0.132002	149,599.00	
R329211	2018	SIMEK MARK JOSEPH & ERIKA	2131 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 52	5750	0.132002	79,324.00	
R329212	2018	WEATHERFORD BRANDON	2129 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 53	5175	0.118802	125,566.00	
R329216	2018	HERNANDEZ MICHAEL &	2121 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 57	5750	0.132002	166,731.00	
R329217	2018	RAINWATER TYRON & ERICA	2119 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 58	5750	0.132002	138,916.00	
R329222	2018	CASTILLO, MARY LUPE	2109 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 63	5175	0.118802	140,916.00	
R329223	2018	CARPENTER, CANDY	2107 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 64	5750	0.132002	181,739.00	
R329227	2018	MARTINEZ-MANZANARES	2102 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 68	6176	0.141781	173,258.00	

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QuickRef	AdHocTaxYe	Owner Name	Situs	Legal Description	FSftLandSize	Acres	Taxable	Petition Received
R329228	2018	GONZALEZ JESUS & AMY	2104 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 69	5750	0.132002	164,572.00	
R329229	2018	FORTENBERRY LEE & SHEILA	2106 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 70	5750	0.132002	158,321.00	
R329230	2018	BARTHOLOMEW ELEANOR &	2108 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 71	5175	0.118802	129,063.00	
R329231	2018	SIMPSON MACIE D & NICHOLAS	2110 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 72	5750	0.132002	173,363.00	
R329232	2018	MARTIN BRIAN ANTHONY &	2112 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 73	5750	0.132002	173,268.00	
R329233	2018	COTE THOMAS & DEBBIE	2114 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 74	5750	0.132002	155,886.00	
R329234	2018	HUEY KATHERINE T & LON J	2116 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 75	5175	0.118802	144,912.00	
R329237	2018	SMITH, LISA	2122 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 78	5750	0.132002	170,243.00	
R329240	2018	POOLE BRETT ALLAN & JESSICA	2128 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 81	5750	0.132002	149,695.00	
R329241	2018	PERKINS BRENT & KAMMI	2130 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 82	5750	0.132002	159,558.00	
R329243	2018	BREAKFIELD JASON LEE &	2134 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 84	5750	0.132002	157,127.00	
R329245	2018	WHITE JOHN C & NITA D	13602 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 86	6367	0.146166	166,154.00	
R329246	2018	JLS ENDEAVORS LLC	13604 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 87	5601	0.128581	123,305.00	
R329248	2018	HAYES AMANDA S & COLBY	13608 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 89	5040	0.115702	125,093.00	
R329251	2018	SUBEDI SUDAN & BINDYA &	13614 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 92	5600	0.128558	156,602.00	
R329252	2018	CHERIAN, HOLLY	13616 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 93	5040	0.115702	134,235.00	
R329253	2018	HERNANDEZ, LAWRENCE	13618 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 94	5040	0.115702	125,093.00	
R329254	2018	JOHNSON ALLEN P & KAYLA N	13620 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 95	5600	0.128558	173,704.00	
R329255	2018	SOTO JUAN F & JOSIE M	13622 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 96	6012	0.138017	99,145.00	
R329256	2018	ZANT SCOTT & MICHELLE	13619 AVE W, LUBBOCK, TX 79423	BELL FARMS L 97	6015	0.138085	158,055.00	
R329258	2018	GIESBRECHT STEVEN D & HELEN	13615 AVE W, LUBBOCK, TX 79423	BELL FARMS L 99	5600	0.128558	138,391.00	
R329259	2018	FORD, SHANIQUA L	13613 AVE W, LUBBOCK, TX 79423	BELL FARMS L 100	5600	0.128558	155,032.00	
R329261	2018	FRANCE GARY WILSON & PAULA	13609 AVE W, LUBBOCK, TX 79423	BELL FARMS L 102	5660	0.129936	177,334.00	
R329262	2018	WATSON CARLTON O &	13607 AVE W, LUBBOCK, TX 79423	BELL FARMS L 103	5931	0.136157	177,202.00	
R329263	2018	BRUCCOLIERE DANIEL C &	13605 AVE W, LUBBOCK, TX 79423	BELL FARMS L 104	6136	0.140863	149,983.00	
R329264	2018	REESE TYLER WAYNE &	13603 AVE W, LUBBOCK, TX 79423	BELL FARMS L 105	6474	0.148623	156,659.00	
R329265	2018	GAONA RICKY JR & JACQUELINE	13601 AVE W, LUBBOCK, TX 79423	BELL FARMS L 106	7099	0.162971	191,454.00	
R329266	2018	BRITO EVELIO & ROSAISELA	13602 AVE W, LUBBOCK, TX 79423	BELL FARMS L 107	7370	0.169192	129,452.00	
R329267	2018	MORALEZ GEORGE & SHERI	13604 AVE W, LUBBOCK, TX 79423	BELL FARMS L 108	7168	0.164555	169,535.00	
R329268	2018	TOVAR MANUEL & MICHELE M	13606 AVE W, LUBBOCK, TX 79423	BELL FARMS L 109	6644	0.152525	175,227.00	
R329269	2018	JLS ENDEAVORS LLC	13608 AVE W, LUBBOCK, TX 79423	BELL FARMS L 110	5593	0.128398	142,379.00	
R329271	2018	JAHN, GARRETT DOUGLAS	13612 AVE W, LUBBOCK, TX 79423	BELL FARMS L 112	5722	0.131359	154,027.00	
R329272	2018	JOHNSON MICHAEL B & ALYSSA B DAVIS	13614 AVE W, LUBBOCK, TX 79423	BELL FARMS L 113	5040	0.115702	144,439.00	
R329273	2018	CHAVEZ, BRANDON	13616 AVE W, LUBBOCK, TX 79423	BELL FARMS L 114	5600	0.128558	163,536.00	
R329274	2018	SHEN HUI & LIQIN	13618 AVE W, LUBBOCK, TX 79423	BELL FARMS L 115	5040	0.115702	121,341.00	
R329275	2018	BROOME JORDAN G & LINDSAY	13620 AVE W, LUBBOCK, TX 79423	BELL FARMS L 116	5600	0.128558	157,784.00	
R329279	2018	PAYNE, KARISA	13615 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 120	5040	0.115702	121,903.00	
R329280	2018	ROGERS SPENCER & SAMANTHA	13613 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 121	5122	0.117585	134,428.00	
R329281	2018	MARTINEZ ROGER P & SELINA M	13611 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 122	5977	0.137213	150,394.00	
R329282	2018	ELSEY JEREMIE & ILEANA &	13609 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 123	6515	0.149564	150,007.00	
R329283	2018	HAYES, MARILYN K	13607 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 124	6342	0.145592	123,480.00	
R329286	2018	WOODARD, MICHAEL	13601 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 127	5600	0.128558	149,170.00	
R329288	2018	THOMPSON, AMY A	13608 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 129	6549	0.150344	130,122.00	

EXHIBIT 1

Proposed Bell Farms PID
2018 Preliminary Roll

QuickRef	dHocTaxYe	Owner Name	Situs	Legal Description	SftLandSize	Acres	Taxable	Petition Received
R329291	2018	MBENKUM SIMEON G & ARIANE E KOUASSI	13614 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 132	6929	0.159068	181,240.00	
R330617	2018	PYRON KAYLA MARIE & BRANDON GLENN	2133 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 251	6392	0.14674	83,316.00	
R330618	2018	CHOWNING LUKE & ABIGAIL	2131 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 252	5834	0.13393	78,683.00	
R330621	2018	AFH PROPERTIES LLC	2125 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 255	5250	0.120523	65,800.00	
R330622	2018	FOSTER, MEREDITH	2123 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 256	5834	0.13393	111,118.00	
R330626	2018	JAD SA INVESTMENTS LLC	2115 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 260	5250	0.120523	67,702.00	
R330627	2018	RCJC PROPERTIES LLC	2113 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 261	5250	0.120523	68,303.00	
						453.3798	$ 26,418,566.00	
		Petitions Received			97.44%	441.77	13,967,214.00	52.87%
		No Petitions			2.56%	11.61	12,451,352.00	47.13%

EXHIBIT 1

EXHIBIT A

EXHIBIT 1

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO BELL FARMS

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. Petitioners affirm that they are the record owners as shown in exhibit "B". In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed public improvements and annual maintenance: $500,000 estimated for proposed public improvements as mentioned in section 2. Annual maintenance costs - $185,629.65 for proposed improvements made by developer (Betenbough Homes, LLC).

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit "C".

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or a partnership between the municipality or county and the private sector, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONER(S):

Cal Zant, President, Betenbough Homes

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

JOSHUA WELDY
Notary Public, State of Texas
Notary ID# 13127095-2
My Commission Expires 09-07-2021

On this, the 27 day of March 2018, before me, the undersigned Notary Public, personally appeared Cal Zant who acknowledged that he/she is the landowner and that he/she, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public Signature

EXHIBIT A

EXHIBIT 1

Proposed Bell Farms PID

Outside City limits
Inside City limits
Inside City limits
Outside City limits
Inside City limits
Outside City limits
Inside City limits
Outside City limits
INTERSTATE 27
19TH ST
AVENUE A
AVENUE B
AVENUE C
AVENUE D
AVENUE E
AVENUE F
AVENUE G
AVENUE H
AVENUE J
AVENUE K
AVENUE L
AVENUE M
AVENUE N
AVENUE P
AVENUE Q
AVENUE R
AVENUE S
AVENUE T
AVENUE U
AVENUE V
AVENUE W
AVENUE X
AVENUE Y
AVENUE Z
AVENUE A
AVENUE B
AVENUE C
AVENUE D
AVENUE E
AVENUE F
AVENUE G
AVENUE H
AVENUE J
AVENUE K
AVENUE L
AVENUE M
AVENUE N
AVENUE P
AVENUE Q
AVENUE R
AVENUE S
AVENUE T
AVENUE U
AVENUE V
AVENUE W
AVENUE X
AVENUE Y
AVENUE Z
19TH ST
18TH ST
19TH ST
19TH ST
19

Exhibit "C"

**A PUBLIC IMPROVEMENT DISTRICT TRACT IN
TRACT A,
BELL FARMS LUBBOCK SOUTH OFFICE,
AN ADDITION TO THE CITY OF LUBBOCK,
LUBBOCK COUNTY, TEXAS**

(PLAT RECORDED IN PLAT & DEDICATION NO. 2017036298 OF
THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, TEXAS)

(Sheet 1 of 2, Sketch attached as Sheet 2)

A tract of land located in Tract A, Bell Farms Lubbock South Office, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Plat and Dedication No. 2017036298 of the Official Public Records of Lubbock County, Texas, and situated within the northwest quarter of Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstract No. 664, Lubbock County, Texas, said tract contains 370 square feet (0.0085 acres) of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at the most northerly northwest corner of said Tract A and this tract, whence the southwest corner of said northwest quarter of Section 16 bears N. 88° 11' 22" W. a distance of 84.98 feet and S. 01° 48' 38" W. a distance of 361.98 feet, said quarter section corner having coordinates of Northing: 7,233,859.58 and Easting: 940,936.22, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE southeasterly, along a curve to the right and the south right-of-way line of 138th Street, as dedicated by said plat, an arc distance of 20.98 feet, said curve having a radius of 495.50 feet, a delta angle of 02° 25' 32", a chord distance of 20.98 feet and a chord bearing of S. 83° 00' 46" E., to a point for the northeast corner of this tract;

THENCE S. 03° 27' 34" W. a distance of 12.85 feet to a point for the southeast corner of this tract;

THENCE N. 86° 45' 59" W. a distance of 29.70 feet to a point for the southwest corner of this tract;

THENCE N. 03° 27' 34" E. a distance of 5.32 feet to a point in the southeast right-of-way chamfer of said 138th Street and South University Avenue, as dedicated by said plat, for the most westerly northwest corner of this tract, whence a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at the southwest corner of said right-of-way chamfer bears S. 47° 55' 30" W. a distance of 29.09 feet;

THENCE N. 47° 55' 30" E. a distance of 12.51 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

Exhibit "C"

A PUBLIC IMPROVEMENT DISTRICT IN
SECTION 16, BLOCK E,
G.C. & S.F. RR. CO. SURVEY,
ABSTRACTS NO. 664, 1000, 1178 AND 1179,
LUBBOCK COUNTY, TEXAS

A tract of land located in Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstracts No. 664, 1000, 1178 and 1179, Lubbock County, Texas, said tract contains 472.11 acres of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a point for the most southerly southeast corner of this tract, whence the southeast corner of said Section 16 bears S. 01° 32' 10" W. a distance of 55.00 feet and S. 88° 27' 50" E. a distance of 94.66 feet, said section corner having coordinates of Northing: 7,231,077.46 and Easting: 946,079.73, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 27' 50" W., parallel with and 55.00 feet north of the south line of said Section 16, a distance of 4632.26 feet to a point of intersection and a corner of this tract;

THENCE N. 85° 36' 05" W. a distance of 200.25 feet to a point of intersection and a corner of this tract;

THENCE N. 88° 27' 50" W. a distance of 265.00 feet to a point for the southwest corner of this tract, whence the southwest corner of said Section 16 bears S. 01° 32' 10" W. a distance of 65.00 feet and N. 88° 27' 50" W. a distance of 40.00 feet, said section corner having coordinates of Northing: 7,231,217.68 and Easting: 940,850.64, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 51' 20" E. a distance of 845.29 feet to a point for a corner of this tract;

THENCE S. 88° 08' 40" E. a distance of 859.55 feet to a point for an ell corner of this tract;

THENCE N. 01° 51' 20" E. a distance of 1769.53 feet to a point for an ell corner of this tract;

THENCE N. 88° 24' 19" W. a distance of 644.59 feet to a point for a corner of this tract;

THENCE N. 01° 35' 41" E. a distance of 272.86 feet to a point for a corner of this tract;

THENCE N. 26° 41' 44" E. a distance of 82.00 feet to a point for a corner of this tract;

THENCE southeasterly, along a curve to the right, an arc distance of 33.15 feet, said curve having a radius of 565.00 feet, a delta angle of 03° 21' 43", a chord distance of 33.15 feet and a chord bearing of S. 61° 37' 25" E., to a point of intersection and a corner of this tract;

THENCE N. 76° 19' 31" E. a distance of 14.33 feet to a point of intersection and a corner of this tract;

THENCE N. 32° 05' 09" E. a distance of 9.00 feet to a point of intersection and a corner of this tract;

THENCE N. 01° 48' 38" E. a distance of 1443.88 feet to a point for the northwest corner of this tract, whence the northwest corner of said Section 16 bears N. 88° 11' 22" W. a distance of 336.47 feet and N. 01° 48' 38" E. a distance of 842.41 feet, said section corner having coordinates of Northing: 7,236,520.86 and Easting: 941,020.34, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 88° 11' 22" E. a distance of 2279.69 feet to a point of intersection in the centerline of Avenue U and a corner of this tract;

THENCE S. 88° 08' 40" E. a distance of 2565.54 feet to a point for the northeast corner of this tract, whence the northeast corner of said Section 16 bears S. 88° 06' 18" E. a distance of 55.00 feet and N. 01° 53' 42" E. a distance of 839.68 feet, said section corner having coordinates of Northing: 7,236,350.58 and Easting: 946,254.20, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 53' 42" W., parallel with and 55.00 feet west of the east line of said Section 16, a distance of 3933.06 feet to a point or intersection and a corner of this tract;

THENCE S. 04° 45' 27" W. a distance of 200.25 feet to a point or intersection and a corner of this tract;

THENCE S. 01° 53' 42" W., parallel with and 65.00 feet west of the east line of said Section 16, a distance of 220.00 feet to a point or intersection and a corner of this tract;

THENCE S. 46° 42' 56" W. a distance of 42.56 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

Exhibit "C"

A PUBLIC IMPROVEMENT DISTRICT IN
IN THE NORTHWEST QUARTER OF
SECTION 16, BLOCK E,
G.C. & S.F. RR. CO. SURVEY,ABSTRACT NO. 664,
LUBBOCK COUNTY, TEXAS

A tract of land located in the northwest quarter of Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstract No. 664, Lubbock County, Texas, said tract contains 0.6589 acres (28,703 square feet) of land, more or less, being further described by metes and bounds as follows:

BEGINNING at the intersection of the west right-of-way line of Avenue U, as dedicated by the plat of Bell Farms, Lots 1 through 133, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in County Clerk's Plat and Dedication No. 2016044295 of the Official Public Records of Lubbock County, Texas, and the proposed south right-of-way line of (proposed) Loop 88 (F.M. 1585), as described and shown as Parcel 252A Part 2 in a right-of-way document prepared by SAM, Inc., dated October 27, 2017, for the northeast corner of this tract, whence a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at a point of intersection being the south corner of a 45° chamfer in the west right-of-way line of Avenue U, bears N. 02° 00' 08" E. a distance of 175.98 feet, and the northeast corner of said northwest quarter of Section 16 bears S. 87° 59' 52" E. a distance of 32.00 feet and N. 02° 00' 08" E. a distance of 266.05 feet, said quarter section corner having coordinates of Northing: 7,236,435.72 and Easting: 943,637.27, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 02° 00' 08" W., along the west right-of-way line of Avenue U, a distance of 574.05 feet to a point for the southeast corner of this tract;

THENCE N. 88° 11' 22" W. a distance of 50.00 feet to a point for the southwest corner of this tract;

THENCE N. 02° 00' 08" E. a distance of 574.08 feet to a point for the northwest corner of this tract;

THENCE S. 88° 08' 57" E. a distance of 50.00 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

Exhibit "B"

Quick Reference	Tax Year	Owner	Address	Legal Description	sc
R329277	2018	BETENBOUGH HOMES INC	13619 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 118	
R329287	2018	BETENBOUGH HOMES INC	13606 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 128	
R330500	2018	BETENBOUGH HOMES INC	13802 AVE U, LUBBOCK, TX 79423	BELL FARMS L 134	
R330501	2018	BETENBOUGH HOMES INC	13804 AVE U, LUBBOCK, TX 79423	BELL FARMS L 135	
R330502	2018	BETENBOUGH HOMES INC	13806 AVE U, LUBBOCK, TX 79423	BELL FARMS L 136	
R330503	2018	BETENBOUGH HOMES INC	13808 AVE U, LUBBOCK, TX 79423	BELL FARMS L 137	
R330504	2018	BETENBOUGH HOMES INC	13810 AVE U, LUBBOCK, TX 79423	BELL FARMS L 138	
R330505	2018	BETENBOUGH HOMES INC	13812 AVE U, LUBBOCK, TX 79423	BELL FARMS L 139	
R330506	2018	BETENBOUGH HOMES INC	13814 AVE U, LUBBOCK, TX 79423	BELL FARMS L 140	
R330507	2018	BETENBOUGH HOMES INC	2102 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 141	
R330508	2018	BETENBOUGH HOMES INC	2104 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 142	
R330509	2018	BETENBOUGH HOMES INC	2106 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 143	
R330510	2018	BETENBOUGH HOMES INC	2108 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 144	
R330511	2018	BETENBOUGH HOMES INC	2110 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 145	
R330512	2018	BETENBOUGH HOMES INC	13813 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 146	
R330513	2018	BETENBOUGH HOMES INC	13811 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 147	
R330514	2018	BETENBOUGH HOMES INC	13809 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 148	
R330515	2018	BETENBOUGH HOMES INC	13807 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 149	
R330516	2018	BETENBOUGH HOMES INC	13805 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 150	
R330517	2018	BETENBOUGH HOMES INC	13803 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 151	
R330518	2018	BETENBOUGH HOMES INC	13801 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 152	
R330519	2018	BETENBOUGH HOMES INC	13802 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 153	
R330520	2018	BETENBOUGH HOMES INC	13804 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 154	
R330521	2018	BETENBOUGH HOMES INC	13806 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 155	
R330522	2018	BETENBOUGH HOMES INC	13808 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 156	
R330523	2018	BETENBOUGH HOMES INC	13810 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 157	
R330524	2018	BETENBOUGH HOMES INC	13812 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 158	
R330525	2018	BETENBOUGH HOMES INC	13814 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 159	
R330526	2018	BETENBOUGH HOMES INC	13816 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 160	
R330527	2018	BETENBOUGH HOMES INC	13818 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 161	
R330528	2018	BETENBOUGH HOMES INC	13820 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 162	
R330529	2018	BETENBOUGH HOMES INC	13822 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 163	

EXHIBIT 1

EXHIBIT 1

R330530	2018	BETENBOUGH HOMES INC	13819 AVE V, LUBBOCK, TX 79423	BELL FARMS L 164
R330531	2018	BETENBOUGH HOMES INC	13817 AVE V, LUBBOCK, TX 79423	BELL FARMS L 165
R330532	2018	BETENBOUGH HOMES INC	13815 AVE V, LUBBOCK, TX 79423	BELL FARMS L 166
R330533	2018	BETENBOUGH HOMES INC	13813 AVE V, LUBBOCK, TX 79423	BELL FARMS L 167
R330534	2018	BETENBOUGH HOMES INC	13811 AVE V, LUBBOCK, TX 79423	BELL FARMS L 168
R330535	2018	BETENBOUGH HOMES INC	13809 AVE V, LUBBOCK, TX 79423	BELL FARMS L 169
R330536	2018	BETENBOUGH HOMES INC	13807 AVE V, LUBBOCK, TX 79423	BELL FARMS L 170
R330537	2018	BETENBOUGH HOMES INC	13805 AVE V, LUBBOCK, TX 79423	BELL FARMS L 171
R330538	2018	BETENBOUGH HOMES INC	13803 AVE V, LUBBOCK, TX 79423	BELL FARMS L 172
R330539	2018	BETENBOUGH HOMES INC	13801 AVE V, LUBBOCK, TX 79423	BELL FARMS L 173
R330540	2018	BETENBOUGH HOMES INC	13802 AVE V, LUBBOCK, TX 79423	BELL FARMS L 174
R330541	2018	BETENBOUGH HOMES INC	13804 AVE V, LUBBOCK, TX 79423	BELL FARMS L 175
R330542	2018	BETENBOUGH HOMES INC	13806 AVE V, LUBBOCK, TX 79423	BELL FARMS L 176
R330543	2018	BETENBOUGH HOMES INC	13808 AVE V, LUBBOCK, TX 79423	BELL FARMS L 177
R330544	2018	BETENBOUGH HOMES INC	13810 AVE V, LUBBOCK, TX 79423	BELL FARMS L 178
R330545	2018	BETENBOUGH HOMES INC	13812 AVE V, LUBBOCK, TX 79423	BELL FARMS L 179
R330546	2018	BETENBOUGH HOMES INC	13814 AVE V, LUBBOCK, TX 79423	BELL FARMS L 180
R330547	2018	BETENBOUGH HOMES INC	13816 AVE V, LUBBOCK, TX 79423	BELL FARMS L 181
R330548	2018	BETENBOUGH HOMES INC	13818 AVE V, LUBBOCK, TX 79423	BELL FARMS L 182
R330549	2018	BETENBOUGH HOMES INC	13820 AVE V, LUBBOCK, TX 79423	BELL FARMS L 183
R330550	2018	BETENBOUGH HOMES INC	13819 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 184
R330551	2018	BETENBOUGH HOMES INC	13817 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 185
R330552	2018	BETENBOUGH HOMES INC	13815 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 186
R330553	2018	BETENBOUGH HOMES INC	13813 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 187
R330554	2018	BETENBOUGH HOMES INC	13811 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 188
R330555	2018	BETENBOUGH HOMES INC	13809 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 189
R330556	2018	BETENBOUGH HOMES INC	13807 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 190
R330558	2018	BETENBOUGH HOMES INC	13803 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 192
R330559	2018	BETENBOUGH HOMES INC	13801 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 193
R330560	2018	BETENBOUGH HOMES INC	13802 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 194
R330561	2018	BETENBOUGH HOMES INC	13804 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 195
R330562	2018	BETENBOUGH HOMES INC	13806 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 196
R330563	2018	BETENBOUGH HOMES INC	13808 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 197

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R330564	2018	BETENBOUGH HOMES INC	13810 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 198
R330565	2018	BETENBOUGH HOMES INC	13812 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 199
R330566	2018	BETENBOUGH HOMES INC	13814 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 200
R330567	2018	BETENBOUGH HOMES INC	13816 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 201
R330568	2018	BETENBOUGH HOMES INC	13818 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 202
R330569	2018	BETENBOUGH HOMES INC	13820 VERNON AVE, LUBBOCK, TX 79423	BELL FARMS L 203
R330570	2018	BETENBOUGH HOMES INC	13817 AVE W, LUBBOCK, TX 79423	BELL FARMS L 204
R330571	2018	BETENBOUGH HOMES INC	13815 AVE W, LUBBOCK, TX 79423	BELL FARMS L 205
R330573	2018	BETENBOUGH HOMES INC	13811 AVE W, LUBBOCK, TX 79423	BELL FARMS L 207
R330574	2018	BETENBOUGH HOMES INC	13809 AVE W, LUBBOCK, TX 79423	BELL FARMS L 208
R330575	2018	BETENBOUGH HOMES INC	13807 AVE W, LUBBOCK, TX 79423	BELL FARMS L 209
R330576	2018	BETENBOUGH HOMES INC	13805 AVE W, LUBBOCK, TX 79423	BELL FARMS L 210
R330577	2018	BETENBOUGH HOMES INC	13803 AVE W, LUBBOCK, TX 79423	BELL FARMS L 211
R330578	2018	BETENBOUGH HOMES INC	13801 AVE W, LUBBOCK, TX 79423	BELL FARMS L 212
R330579	2018	BETENBOUGH HOMES INC	13802 AVE W, LUBBOCK, TX 79423	BELL FARMS L 213
R330580	2018	BETENBOUGH HOMES INC	13804 AVE W, LUBBOCK, TX 79423	BELL FARMS L 214
R330581	2018	BETENBOUGH HOMES INC	13806 AVE W, LUBBOCK, TX 79423	BELL FARMS L 215
R330582	2018	BETENBOUGH HOMES INC	13808 AVE W, LUBBOCK, TX 79423	BELL FARMS L 216
R330583	2018	BETENBOUGH HOMES INC	13810 AVE W, LUBBOCK, TX 79423	BELL FARMS L 217
R330584	2018	BETENBOUGH HOMES INC	13812 AVE W, LUBBOCK, TX 79423	BELL FARMS L 218
R330585	2018	BETENBOUGH HOMES INC	13814 AVE W, LUBBOCK, TX 79423	BELL FARMS L 219
R330586	2018	BETENBOUGH HOMES INC	13816 AVE W, LUBBOCK, TX 79423	BELL FARMS L 220
R330587	2018	BETENBOUGH HOMES INC	13818 AVE W, LUBBOCK, TX 79423	BELL FARMS L 221
R330588	2018	BETENBOUGH HOMES INC	13817 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 222
R330590	2018	BETENBOUGH HOMES INC	13813 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 224
R330591	2018	BETENBOUGH HOMES INC	13811 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 225
R330592	2018	BETENBOUGH HOMES INC	13809 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 226
R330593	2018	BETENBOUGH HOMES INC	13807 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 227
R330594	2018	BETENBOUGH HOMES INC	13805 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 228
R330595	2018	BETENBOUGH HOMES INC	13803 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 229
R330596	2018	BETENBOUGH HOMES INC	13801 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 230
R330597	2018	BETENBOUGH HOMES INC	13802 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 231
R330598	2018	BETENBOUGH HOMES INC	13804 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 232

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R330600	2018	BETENBOUGH HOMES INC	13808 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 234
R330601	2018	BETENBOUGH HOMES INC	13810 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 235
R330602	2018	BETENBOUGH HOMES INC	13812 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 236
R330603	2018	BETENBOUGH HOMES INC	13814 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 237
R330604	2018	BETENBOUGH HOMES INC	13816 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 238
R330605	2018	BETENBOUGH HOMES INC	13818 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 239
R330606	2018	BETENBOUGH HOMES INC	13820 WACO AVE, LUBBOCK, TX 79423	BELL FARMS L 240
R330607	2018	BETENBOUGH HOMES INC	2311 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 241
R330610	2018	BETENBOUGH HOMES INC	2305 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 244
R330611	2018	BETENBOUGH HOMES INC	2303 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 245
R330612	2018	BETENBOUGH HOMES INC	2301 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 246
R330613	2018	BETENBOUGH HOMES INC	2207 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 247
R330614	2018	BETENBOUGH HOMES INC	2205 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 248
R330615	2018	BETENBOUGH HOMES INC	2203 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 249
R329184	2018	BETENBOUGH HOMES INC	13602 UVALDE AVE, LUBBOCK, TX 79423	BELL FARMS L 25
R330616	2018	BETENBOUGH HOMES INC	2201 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 250
R329185	2018	BETENBOUGH HOMES INC	13601 AVE V, LUBBOCK, TX 79423	BELL FARMS L 26
R330629	2018	BETENBOUGH HOMES INC	2109 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 263
R330630	2018	BETENBOUGH HOMES INC	2107 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 264
R330631	2018	BETENBOUGH HOMES INC	2105 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 265
R330632	2018	BETENBOUGH HOMES INC	2103 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 266
R330633	2018	BETENBOUGH HOMES INC	2101 139TH ST, LUBBOCK, TX 79423	BELL FARMS L 267
R329200	2018	BETENBOUGH HOMES INC	13602 AVE V, LUBBOCK, TX 79423	BELL FARMS L 41
R329165	2018	BETENBOUGH HOMES INC	13608 AVE U, LUBBOCK, TX 79423	BELL FARMS L 6
R329219	2018	BETENBOUGH HOMES INC	2115 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 60
R329220	2018	BETENBOUGH HOMES INC	2113 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 61
R329244	2018	BETENBOUGH HOMES INC	2136 136TH ST, LUBBOCK, TX 79423	BELL FARMS L 85
R331292	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH OFFICE 370 SQFT OUT OF TR A
R331034	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH OFFICE TR B
R331035	2018	BETENBOUGH HOMES INC		BELL FARMS LUBBOCK SOUTH OFFICE TR C
R331296	2018	BETENBOUGH HOMES INC		BLK E SEC 16 AB 1000 TR C3A OF SW/4 ACS: 91.327
R331293	2018	STOREHOUSE LAND COMPANY LLC		BLK E SEC 16 AB 1178 TR A2 OF NE/4 ACS: 106.397
R331297	2018	STOREHOUSE LAND COMPANY LLC	79423	BLK E SEC 16 AB 1179 TR D1 OF SE/4 ACS: 152.031

R331294	2018	BETENBOUGH HOMES INC	79423	BLK E SEC 16 AB 664 TR B2A OF NW/4 ACS: .658
R331295	2018	BETENBOUGH HOMES INC	79423	BLK E SEC 16 AB 664 TR B2B OF NW/4 ACS: 64.699

EXHIBIT 1

EXHIBIT A

EXHIBIT 1

BETENBOUGH HOMES

April 5, 2018

Cheryl Brock

City of Lubbock, Tx

1625 13th Street

Lubbock, Tx 79457

RE: Bell Farms, Public Improvement District

Dear Honorable Mayor and City Council;

Bell Farms is a residential development within the city limits of the City of Lubbock bound on the West by University Ave, the East by Ave P, the North by 130th St (Future Loop 88), and the South by 146th Street. We are proposing to create a Public Improvement District, "PID", to maintain the public improvements for Bell Farms.

In order to comply with the "Public Improvements District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements". We are providing information regarding items 1, 5-16, as follow:

1. Betenbough has purchased/optioned almost 640 acres. We have currently, to date, closed 100 homes. Betenbough plans to invest 1.25 million in improvements for this park system before it would be deeded over to the City and the PID. We will be here to help keep the PID healthy and thriving. We have employees that are home owners in this community currently. We have a heavily vested interest in making this PID healthy and self-sufficient.

5. If there is sufficient support to petition to dissolvee the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the Advisory Board and with funds available to the Advisory Board. Betenbough will have been responsible for some maintenance before the park system would be deeded over. With having supported some maintenance, we feel we will have

BETENBOUGH
HOMES®

an accurate representation of cost to propose for the service plan. So far, all of our proposed service plans, does get reviewed by city staff, and approved by city council.

6. Map of the area is attached to this email and is to be added to the petition.

7. In regards to the procedure for the nomination of the PID Advisory Board, the process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock.

8. Addressed in Section 2 of the petition. We feel that the "park system" creates a quality of life for the homeowners. Each park will be uniquely different and interconnected through city ROW.

9. Each parcel of City-owned land will be identified as a "Tract" at time of platting. Currently, only Tract B of Bell Farms Lubbock South Office is platted.

10. General description of proposed improvements in Section 2 of the petition.

11. The estimated total cost of the improvements is approximately $1,250,000 and will be paid and constructed by the developer, Betenbough Homes, with no desire for any reimbursement. The estimated cost of the maintenance is approximately $185,629.65 per year and is to be paid for by the PID as soon as the funds are available. This is the estimated cost for the entirety of the "park system".

12. Budget is attached in the service plan.

13. Method of assessment will be based on the net taxable value of the affected properties and will be assessed at $.123 per $100.00 valuation.

14. Documentation of liability insurance will be attached to this letter.

15. Addressed in Section 6 of the petition.

16. Addressed in Section 5 of the petition.

EXHIBIT A

EXHIBIT 1

BETENBOUGH HOMES

Our goal is to provide all of the information requested to continue with the creation of the PID. Please let us know if you have any questions or require any additional information.

Chris Berry

Development

Betenbough Homes

Bell Farms PID Service Plan

Proposed Revenue/Expense Worksheet

		Proposed											
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Totals
REVENUE	est # Homes closed		100	225	225	200	225	200	200	193.3	180	200	1948.3
Property Values*		-	15,000,000	49,050,000	83,781,000	115,456,620	151,315,752	#########	218,236,989	251,026,729	283,659,263	319,352,448	1,672,204,869
Discounted Property Values		-	13,500,000	44,145,000	75,402,900	103,910,958	136,364,177	#########	196,413,290	226,064,056	255,293,337	287,399,204	1,504,994,382
Interest		-	-	687	2,246	3,536	5,287	6,938	8,451	6,662	7,682	8,660	50,149
@ 12 Assessment @ $0.12		-	-	16,200	52,974	90,183	124,693	163,637	199,310	-	-	-	647,297
@ 08 Assessment @ $0.08		-	-	-	-	-	-	-	-	157,131	181,171	204,235	542,537
Total		-	-	16,887	55,220	94,328	129,980	170,575	207,760	163,793	188,853	212,894	1,240,283
	Improvement est cost												
EXPENSE													
Park 1	$55,000.00												
Park on 137th/138th by lift station 1 acre				$ 9,020.00	$ 9,792.00	$ 9,987.84	$ 10,187.60	$ 10,391.35	$ 10,599.18	$ 10,811.16	$ 11,027.38	$ 82,396.50	
Park 2	$75,000.00												
pocket park SW/4				$ 2,400.00	$ 2,448.00	$ 2,496.96	$ 2,546.90	$ 2,597.84	$ 2,649.79	$ 2,702.79	$ 2,756.85	$ 20,599.13	
Park 3	$50,000.00												
park located at NW/4				$	$ 2,400.00	$ 2,448.00	$ 2,496.96	$ 2,546.90	$ 2,597.84	$ 2,649.79	$ 2,702.79	$ 17,842.28	
Park 4	$340,000.00												
Plays lake park (9 acres approx)				$	$ -	$ 61,200.00	$ 66,585.60	$ 67,917.31	$ 69,275.66	$ 70,663.17	$ 72,074.39	$ 411,791.14	
Park 5	$80,000.00												
appx 1/2 acre park in NE/4							$ 4,800.00	$ 4,896.00	$ 4,993.92	$ 5,093.80	$ 5,195.67	$ 24,979.39	
Park 6	$75,000.00												
appx 1/2 acre park in SE/4								$	$ 4,800.00	$ 4,896.00	$ 4,993.92	$ 5,093.80	$ 19,783.72
Signage	$75,000.00												
Neighborhood Entry Signs				$	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 8,000.00	
Common Green Spaces	$300,000.00												
walking paths to connect parks (path and landscape)							$ 45,000.00	$ 45,900.00	$ 46,818.00	$ 47,754.36	$ 48,709.45	$ 234,181.81	
Electric Cost for park Subtotal													
Proposed parks 1,4				$ 1,800.00	$ 1,836.00	$ 1,872.72	$ 1,910.17	$ 1,948.38	$ 1,987.35	$ 2,027.09	$ 2,067.63	$ 15,449.34	
Electric Cost for irrigation													
Proposed Parks 1 4				$ 1,380.00	$ 1,407.60	$ 1,435.75	$ 1,464.47	$ 1,493.76	$ 1,523.63	$ 1,554.10	$ 1,585.19	$ 11,844.50	
LPL irrigation													
Proposed Parks 2,3,5,6				$ 14,400.00	$ 14,688.00	$ 14,981.76	$ 15,281.40	$ 15,587.02	$ 15,898.76	$ 16,216.74	$ 16,541.07	$ 123,594.75	
Administrative Costs													
	$1,250,000.00			$ 3,854.00	$ 3,357.16	$ 9,950.30	$ 15,127.31	$ 15,907.86	$ 16,224.01	$ 16,546.89	$ 16,875.42	$ 97,046.56	
Debt Service													
Capital Outlay (Developer)												$	
Total		-	$ -	$ -	$ 33,838.80	$ 36,928.74	$ 189,453.34	#########	$ 174,960.47	$ 178,464.14	$ 182,033.42	$ 185,629.85	$ 2,047,312.33
Cash Reserves		-	$ -	$ 16,886.80	$ 38,368.96	$ 95,868.28	$ 116,387.80	#########	$ 153,335.90	$ 138,664.73	$ 145,506.21	$ 172,770.78	$ 990,442.50

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

ASSESSMENT INFORMATION		
2017-2023		
Assessment per $100,000	$120.00	$ 120.00
2024-Future		
Assessment per $100,000	$80.00	$ 80.00

AVG maintenance cost (landscaping)

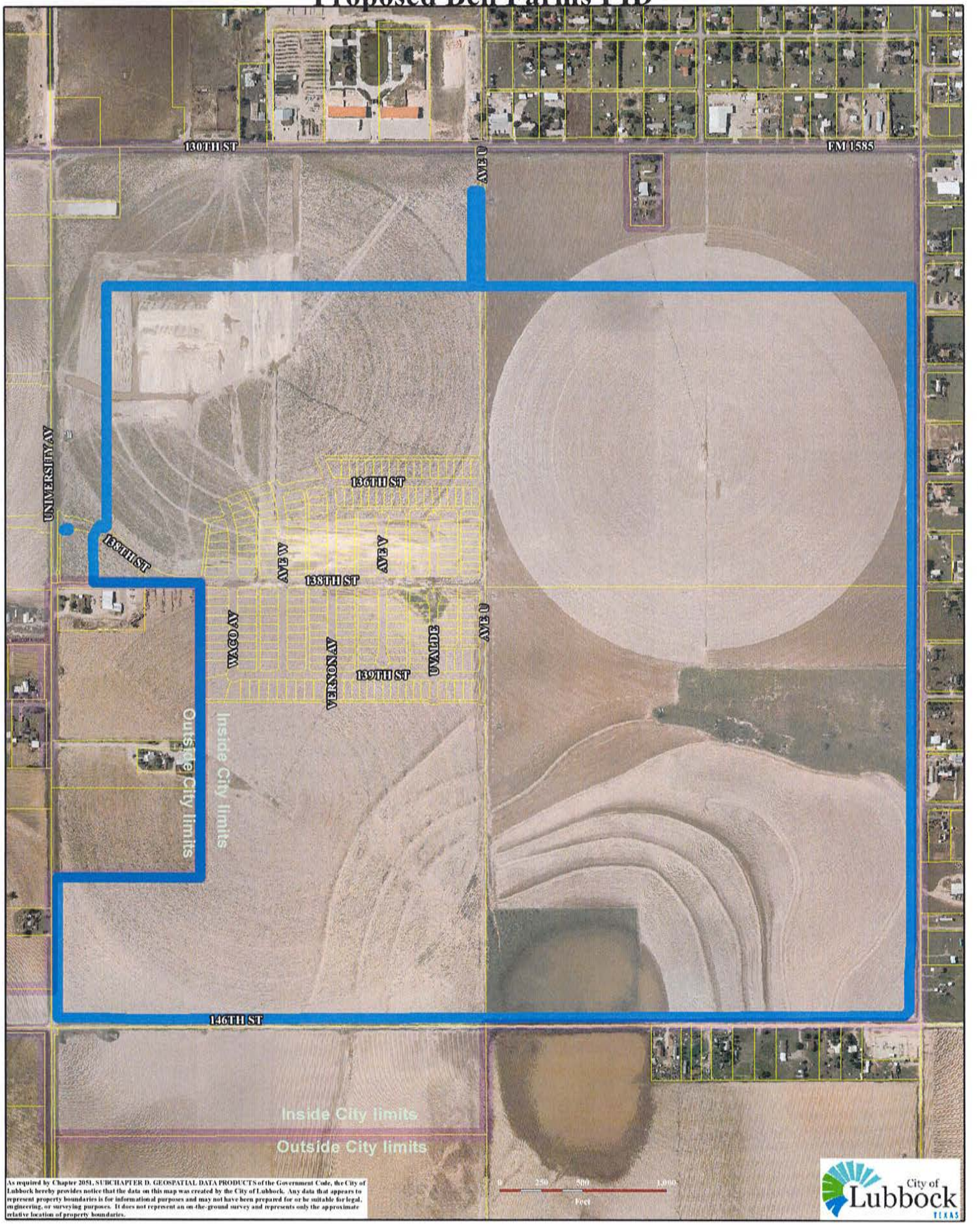
	Monthly	Yearly
1/4 acre	$200.00	$2,400.00
1/2 Acre	$400.00	$4,800.00
1 acre	$800.00	$9,600.00
3 acres	$1,600.00	$19,200.00
6 acres	$3,200.00	$38,400.00
9 acres	$6,400.00	$76,800.00

SPEC

Monthly Well cost	$50.00	$600.00
Monthly lighting cost	$75.00	$900.00
LPL		
Monthly irrigation (lola)	$300.00	$3,600.00
Monthly irrigation (Lonestar) drip	75	

EXHIBIT A
EXHIBIT 1

EXHIBIT 2
Proposed Bell Farms PID



As required by Chapter 2051, SUBCHAPTER D. GEOSPATIAL DATA PRODUCTS of the Government Code, the City of Lubbock hereby provides notice that the data on this map was created by the City of Lubbock. Any data that appears to represent property boundaries is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

EXHIBIT A

EXHIBIT 2

A PUBLIC IMPROVEMENT DISTRICT IN
SECTION 16, BLOCK E,
G.C. & S.F. RR. CO. SURVEY,
ABSTRACTS NO. 664, 1000, 1178 AND 1179,
LUBBOCK COUNTY, TEXAS

A tract of land located in Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstracts No. 664, 1000, 1178 and 1179, Lubbock County, Texas, said tract contains 472.11 acres of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a point for the most southerly southeast corner of this tract, whence the southeast corner of said Section 16 bears S. 01° 32' 10" W. a distance of 55.00 feet and S. 88° 27' 50" E. a distance of 94.66 feet, said section corner having coordinates of Northing: 7,231,077.46 and Easting: 946,079.73, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 27' 50" W., parallel with and 55.00 feet north of the south line of said Section 16, a distance of 4632.26 feet to a point of intersection and a corner of this tract;

THENCE N. 85° 36' 05" W. a distance of 200.25 feet to a point of intersection and a corner of this tract;

THENCE N. 88° 27' 50" W. a distance of 265.00 feet to a point for the southwest corner of this tract, whence the southwest corner of said Section 16 bears S. 01° 32' 10" W. a distance of 65.00 feet and N. 88° 27' 50" W. a distance of 40.00 feet, said section corner having coordinates of Northing: 7,231,217.68 and Easting: 940,850.64, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 01° 51' 20" E. a distance of 845.29 feet to a point for a corner of this tract;

THENCE S. 88° 08' 40" E. a distance of 859.55 feet to a point for an ell corner of this tract;

THENCE N. 01° 51' 20" E. a distance of 1769.53 feet to a point for an ell corner of this tract;

THENCE N. 88° 24' 19" W. a distance of 644.59 feet to a point for a corner of this tract;

THENCE N. 01° 35' 41" E. a distance of 272.86 feet to a point for a corner of this tract;

THENCE N. 26° 41' 44" E. a distance of 82.00 feet to a point for a corner of this tract;

THENCE southeasterly, along a curve to the right, an arc distance of 33.15 feet, said curve having a radius of 565.00 feet, a delta angle of 03° 21' 43", a chord distance of 33.15 feet and a chord bearing of S. 61° 37' 25" E., to a point of intersection and a corner of this tract;

THENCE N. 76° 19' 31" E. a distance of 14.33 feet to a point of intersection and a corner of this tract;

EXHIBIT 2

THENCE N. 32° 05' 09" E. a distance of 9.00 feet to a point of intersection and a corner of this tract;

THENCE N. 01° 48' 38" E. a distance of 1443.88 feet to a point for the northwest corner of this tract, whence the northwest corner of said Section 16 bears N. 88° 11' 22" W. a distance of 336.47 feet and N. 01° 48' 38" E. a distance of 842.41 feet, said section corner having coordinates of Northing: 7,236,520.86 and Easting: 941,020.34, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 88° 11' 22" E. a distance of 2279.69 feet to a point of intersection in the centerline of Avenue U and a corner of this tract;

THENCE S. 88° 08' 40" E. a distance of 2565.54 feet to a point for the northeast corner of this tract, whence the northeast corner of said Section 16 bears S. 88° 06' 18" E. a distance of 55.00 feet and N. 01° 53' 42" E. a distance of 839.68 feet, said section corner having coordinates of Northing: 7,236,350.58 and Easting: 946,254.20, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 53' 42" W., parallel with and 55.00 feet west of the east line of said Section 16, a distance of 3933.06 feet to a point or intersection and a corner of this tract;

THENCE S. 04° 45' 27" W. a distance of 200.25 feet to a point or intersection and a corner of this tract;

THENCE S. 01° 53' 42" W., parallel with and 65.00 feet west of the east line of said Section 16, a distance of 220.00 feet to a point or intersection and a corner of this tract;

THENCE S. 46° 42' 56" W. a distance of 42.56 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

EXHIBIT A

EXHIBIT 2

A PUBLIC IMPROVEMENT DISTRICT IN
IN THE NORTHWEST QUARTER OF
SECTION 16, BLOCK E,
G.C. & S.F. RR. CO. SURVEY,ABSTRACT NO. 664,
LUBBOCK COUNTY, TEXAS

A tract of land located in the northwest quarter of Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstract No. 664, Lubbock County, Texas, said tract contains 0.6589 acres (28,703 square feet) of land, more or less, being further described by metes and bounds as follows:

BEGINNING at the intersection of the west right-of-way line of Avenue U, as dedicated by the plat of Bell Farms, Lots 1 through 133, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in County Clerk's Plat and Dedication No. 2016044295 of the Official Public Records of Lubbock County, Texas, and the proposed south right-of-way line of (proposed) Loop 88 (F.M. 1585), as described and shown as Parcel 252A Part 2 in a right-of-way document prepared by SAM, Inc., dated October 27, 2017, for the northeast corner of this tract, whence a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at a point of intersection being the south corner of a 45° chamfer in the west right-of-way line of Avenue U, bears N. 02° 00' 08" E. a distance of 175.98 feet, and the northeast corner of said northwest quarter of Section 16 bears S. 87° 59' 52" E. a distance of 32.00 feet and N. 02° 00' 08" E. a distance of 266.05 feet, said quarter section corner having coordinates of Northing: 7,236,435.72 and Easting: 943,637.27, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 02° 00' 08" W., along the west right-of-way line of Avenue U, a distance of 574.05 feet to a point for the southeast corner of this tract;

THENCE N. 88° 11' 22" W. a distance of 50.00 feet to a point for the southwest corner of this tract;

THENCE N. 02° 00' 08" E. a distance of 574.08 feet to a point for the northwest corner of this tract;

THENCE S. 88° 08' 57" E. a distance of 50.00 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

EXHIBIT A

EXHIBIT 2

A PUBLIC IMPROVEMENT DISTRICT TRACT IN
TRACT A,
BELL FARMS LUBBOCK SOUTH OFFICE,
AN ADDITION TO THE CITY OF LUBBOCK,
LUBBOCK COUNTY, TEXAS

(PLAT RECORDED IN PLAT & DEDICATION NO. 2017036298 OF
THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, TEXAS)

(Sheet 1 of 2, Sketch attached as Sheet 2)

A tract of land located in Tract A, Bell Farms Lubbock South Office, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Plat and Dedication No. 2017036298 of the Official Public Records of Lubbock County, Texas, and situated within the northwest quarter of Section 16, Block E, G.C. & S.F. RR. Co. Survey, Abstract No. 664, Lubbock County, Texas, said tract contains 370 square feet (0.0085 acres) of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at the most northerly northwest corner of said Tract A and this tract, whence the southwest corner of said northwest quarter of Section 16 bears N. 88° 11' 22" W. a distance of 84.98 feet and S. 01° 48' 38" W. a distance of 361.98 feet, said quarter section corner having coordinates of Northing: 7,233,859.58 and Easting: 940,936.22, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE southeasterly, along a curve to the right and the south right-of-way line of 138th Street, as dedicated by said plat, an arc distance of 20.98 feet, said curve having a radius of 495.50 feet, a delta angle of 02° 25' 32", a chord distance of 20.98 feet and a chord bearing of S. 83° 00' 46" E., to a point for the northeast corner of this tract;

THENCE S. 03° 27' 34" W. a distance of 12.85 feet to a point for the southeast corner of this tract;

THENCE N. 86° 45' 59" W. a distance of 29.70 feet to a point for the southwest corner of this tract;

THENCE N. 03° 27' 34" E. a distance of 5.32 feet to a point in the southeast right-of-way chamfer of said 138th Street and South University Avenue, as dedicated by said plat, for the most westerly northwest corner of this tract, whence a 1/2" iron rod with a cap marked "Stevens RPLS 4339" found at the southwest corner of said right-of-way chamfer bears S. 47° 55' 30" W. a distance of 29.09 feet;

THENCE N. 47° 55' 30" E. a distance of 12.51 feet to the POINT OF BEGINNING. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 16 and encompassing this tract.

EXHIBIT A

EXHIBIT 3

Bell Farms PID Method of Assessment

* Properties will be assessed based on the City's 2018 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.12/$100 valuation
* All property will be assessed based on the final 2018 "net taxable value".

Bell Farms PID Proposed Service Plan

		PROPOSED					
	TAX YEAR	2018	2019	2020	2021	2022	Totals
PROPERTY VALUES	Estimated No. of Homes Closed	100	225	225	200	225	975
	Property Values*	26,418,566	60,696,937	95,660,876	127,574,094	163,875,575	-
	Discounted Property Values	23,776,709	54,627,244	86,094,788	114,816,684	147,488,018	-
FISCAL YEAR REVENUES		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
	Interest	$ -	713	2,145	3,786	6,283	12,928
0.12	Assessment @ $0.12	28,532	65,553	103,314	137,780	176,986	512,164
	Total Revenue	**$ 28,532**	**66,266**	**105,459**	**141,566**	**183,269**	**525,092**
EXPENSES							
Park 1 Maintenance							
Park on 137th/138th by Lift Station (1 acre)		$ -	-	9,600	9,792	9,988	29,380
Park 2 Maintenance							
Pocket Park SW/4		-	-	2,400	2,448	2,497	7,345
Park 3 Maintenance							
Park Located in NW/4		-	-	-	2,400	2,448	4,848
Park 4 Maintenance							
Playa Lake Park (9 acres approx)		-	-	-	-	65,280	65,280
Park 5 Maintenance							
Apprx 1/2 Acre Park in NE/4		-	-	-	-	-	-
Park 6 Maintenance							
Apprx 1/2 Acre Park in SE/4		-	-	-	-	-	-
Signage							
Neighborhood Entry Signs		-	-	1,000	1,000	1,000	3,000
Common Green Space Maintenance							
Walking Paths to Connect Parks (Path and Landscape)		-	-	-	-	-	-
Electric Cost for Park Lighting							
Proposed parks 1,4		-	-	1,800	1,836	1,873	5,509
Electric Cost for Irrigation							
Proposed Parks 1,4		-	-	1,380	1,408	1,436	4,223
Electric Cost for Irrigation							
Proposed Parks 2,3,5,6		-	-	14,400	14,688	14,982	44,070
Administrative Costs							
		-	4,500	4,587	3,357	9,950	22,394
Annual Operation Costs							
		-	4,500	4,635	4,774	4,917	18,826
Capital Outlay (Developer)							-
	Total Expenditures	**$ -**	**9,000**	**39,802**	**41,703**	**114,371**	**204,875**
Cash Reserves		**$ 28,532**	**85,798**	**151,455**	**251,318**	**320,216**	**320,216**

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

ASSESSMENT INFORMATION		
2018-2022		
Assessment per $100,000	**$**	**120.00**

Exhibit B

City of Lubbock, TX
Finance Department
Bell Farms Public Improvement District
Proposed 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.12/$100 valuation
* All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
TAX YEAR	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values* (Taxable Values)	267,018,867	352,284,009	389,329,689	426,141,283	461,664,109	500,897,391	500,897,391
Discounted Property Values (95%)	240,316,980	334,669,809	369,863,205	404,834,219	438,580,903	475,852,521	475,852,521
FISCAL YEAR REVENUES	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals**
Interest	3,627	11,831	15,539	20,640	27,169	35,119	$ 113,926
Assessment @ $0.12	288,380	401,604	443,836	485,801	526,297	571,023	2,716,941
Total Revenue	**292,007**	**413,435**	**459,375**	**506,441**	**553,466**	**606,142**	**$ 2,830,867**
EXPENSES							
1-Acre Park - 2355 138th Street	31,050	20,000	20,400	20,808	21,224	21,649	$ 135,131
Pocket Park 1 - 14001 Avenue W	6,975	12,500	12,750	13,005	13,265	13,530	72,026
Pocket Park 2 - 2124 135th Street	6,975	12,500	12,750	13,005	13,265	13,530	72,026
Playa Lake Park - 1912 146th St. / 14307 Avenue U	82,500	85,000	86,700	88,434	90,203	92,007	524,843
Basin Park Maintenance- 13525 Sherman Avenue	-	24,000	24,480	24,970	25,469	25,978	124,897
Walking Trail - Avenue U	-	15,000	15,300	15,606	15,918	16,236	78,061
Entry Sign - Loop 88 & Avenue U	5,000	5,000	5,100	5,202	5,306	5,412	31,020
Entry Sign - University Ave & 138th St	-	5,000	5,100	5,202	5,306	5,412	26,020
Public Fencing	5,000	6,000	6,120	6,242	6,367	6,495	36,224
Repairs	15,000	30,000	30,600	31,212	31,836	32,473	171,121
Public Improvement Projects	25,000	25,000	25,500	26,010	26,530	27,061	155,101
Park Equipment Maintenance	15,000	15,000	15,300	15,606	15,918	16,236	93,061
Electric Cost	10,000	15,000	15,300	15,606	15,918	16,236	88,061
Water Cost	10,000	12,000	12,240	12,485	12,734	12,989	72,448
Administrative Cost	14,821	15,335	15,642	15,955	16,274	16,599	94,625
Annual Operation Cost	6,457	10,153	10,356	10,563	10,774	10,990	59,294
Total Expenditures	**233,778**	**307,488**	**313,638**	**319,911**	**326,309**	**332,835**	**$ 1,833,958**
Cash Reserves	**$ 338,036**	**443,983**	**589,721**	**776,252**	**1,003,409**	**1,276,716**	**$ 1,276,716**

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually

Assessment Information for $100,000 home = $120

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Bell Farms Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, Texas 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Bell Farms Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (The "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment Roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the proposed public improvements is: (i) acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision (iv) including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is approximately $1,600,180 over the next five (5) years. The estimated annual cost rises from $307,488 in FY 2023-24 to $332,835 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.12 per $100.00 of valuation through tax year 2027.

Boundaries. The District is located within the City of Lubbock, Texas. The proposed Bell Farms Public Improvement District (PID) generally covers a portion of an area in the City of Lubbock, Lubbock County, Texas, generally bounded by 133rd Street on the north, 146th Street on the south, Avenue P on the east, and University Avenue on the west. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the North Overton Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the North Overton PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing, and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the North Overton PID to speak in favor of, or in opposition to, the assessment to be levied in the North Overton PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objection to the proposed assessment.

The proposed assessment rate for 2023 is $0.18 per $100 valuation. This is the same rate as 2022. All property zoned commercial and high-density residential under the City of Lubbock Zoning Ordinance, will be assessed for 2023. All property zoned single-family and two-family, will be assessed on a block-by-block basis as public improvements that will be maintained by PID funds are completed in that block.

The City Council is required to review the Service Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.18 per $100 valuation. The revised service plan is included in the backup. Exhibit C is available for viewing in the Office of the City Secretary.

Fiscal Impact

The assessments are deposited into a separate North Overton PID fund. The funds raised by the assessment will be used to provide landscape maintenance, street and pedestrian lighting, and any other maintenance needed on projects in the District, as well as cover a portion of the costs of administering the PID. The projected assessment that will be collected for 2023, based on preliminary values, is $959,076.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Ordinance and Exhibits
North Overton PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATIONS FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE NORTH OVERTON PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, On October 9, 2003 the City Council passed Resolution No.2003-R0468, attached hereto as Exhibit A, which made certain findings concerning the advisability of creating the North Overton Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, and designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and

WHEREAS, On October 23, 2003, the City Council passed Resolution No. 2003-R0492, approving the Service and Assessment Plan (the "Plan"), which has been reviewed and revised each year when necessary. Exhibit B, attached hereto, contains a revised 2023 Plan for the District; and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll (the "Roll") and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District,

and approve, adopt and file with the City Secretary the Roll which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.18 per $100.00 valuation for year 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council after review of the Plan approves the method of assessing special benefits of services and improvements as set forth in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment. All property zoned commercial and high-density residential under the City of Lubbock Zoning Ordinance have been assessed on an annual basis beginning January 1, 2004. All single-family and duplex-zoned property are assessed on a block-by-block basis determined by the public improvements to be maintained by the District's funds which are completed and existing in that block on January 1 of each year.

SECTION 3: The City Council hereby approves, adopts and files with the City Secretary the Roll. The Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Roll in the official City records. The Roll shall be subject to public inspection.

SECTION 4: That the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and, (5) that written or oral objections will be considered at the hearing.

SECTION 5: That the City Council finds that City staff mailed to the owners of property liable for assessment, notice of the hearing as the ownership appears on the City tax roll.

The notice contained the information required by the Act. The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: That the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State and in the proceedings of the City heretofore had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: That there shall be and is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 city net taxable value in the manner described in the assessment attached hereto in Exhibits B and C, shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established in Section 9 together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien shall attach on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid. The lien is perfected on attachment and perfection requires no further action by the governing body.

SECTION 9: That the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent of the amount of the assessment for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent assessment has been

rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: That all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

SECTION 11: That the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Act, as amended.

SECTION 12: That the City may contract with the Lubbock Central Appraisal District and any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on_____, 2023.

Passed by the City Council on second reading on_____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Ord. North Overton PID Assessment Ordinance 2023
August 22, 2023

EXHIBIT A

Resolution No. 2003-R0468
October 9, 2003
Item No. 75

RESOLUTION

WHEREAS, a petition has been received from the record owners of taxable real property representing more than 50 percent of the appraised value (as determined by the most recent certified appraisal roll for Lubbock County) of an area within the City of Lubbock, in North Overton generally bounded by the Marsha Sharp Freeway on the north, University Avenue on the west, Broadway on the south and the alley between Avenue R and Avenue Q on the east, AND owners of not less than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal; requesting establishment of a North Overton Public Improvement District under Section 372.005 of the Public Improvement District Assessment Act for the purpose of enhancing security and public safety, providing maintenance of landscaping in the public rights-of-way, and providing public trolley service, all in accordance with the Act; and

WHEREAS, the petition, a copy of which has been attached as Exhibit "A," was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council of the City of Lubbock, Texas, (the "City"); and

WHEREAS, the boundaries of the proposed North Overton Public Improvement District within the city limits of the City of Lubbock are described in the attachment designated as Exhibit "B" and shown on the map attached hereto as Exhibit "C" ; and

WHEREAS, the City has called a public hearing to hear public comments on the advisability of the proposed public improvement district and its benefits to the City and the property in the proposed Tax Increment Financing Reinvestment Zone; and

WHEREAS, notice of such public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the 15th day before the date of the public hearing stating the time and place of the hearing, the general nature of the proposed improvement, the estimated cost of the improvements, the boundaries of the proposed assessment district, the proposed method of assessment, and the proposed apportionment of cost between the improvement district and the city as a whole; and

WHEREAS, written notice containing the information in the published notice was mailed before the 15th day before the date of the hearing to the current addresses of

the owners, as reflected on the tax rolls, of property subject to assessment under the proposed public improvement district; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, on the 9th day of October, 2003, at 11:15 o'clock a.m., in the Council Chamber of the City of Lubbock, Texas; and

WHEREAS, the City, at such hearing, invited any interested person, or his/her representative, to appear and speak for or against the authorization of the North Overton Public Improvement District, the boundaries of the proposed Public Improvement District, whether all or part of the territory which is described in Exhibit "B" attached hereto and depicted on the map attached hereto as Exhibit "C" should be included in such proposed North Overton Public Improvement District, the advisability of the proposed improvements, the nature of the improvements, the estimated costs of the improvements; the method of assessment, and the apportionment of the costs between the district and the city as a whole; and

WHEREAS, all owners of property located within the proposed Tax Increment Financing Reinvestment Zone and all other taxing units and other interested persons were given a reasonable opportunity at such public hearing to protest the authorization of the proposed North Overton Public Improvement District and/or the inclusion of their property in such Tax Increment Financing Reinvestment Zone; and

WHEREAS, the proponents of the North Overton Public Improvement District offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the North Overton Public Improvement District, and opponents of the North Overton Public Improvement District were given the opportunity to appear to contest authorization of the district, after which the hearing was closed; NOW THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

a) That the public hearing on the advisability of authorizing the North Overton Public Improvement District has been properly called, held and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the proposed public improvement district.

b) That authorization of the proposed North Overton Public Improvement District with boundaries as described in Exhibits "B" and "C" for the purpose of enhancing security and public safety, providing maintenance of landscaping in the public rights-of-way, and providing public trolley service is advisable and will result in benefits to the City, its residents, and property owners, in general, and to the property, residents and property owners in the North Overton Public Improvement District.

c) That the total estimated cost of services and improvements proposed to be provided by the District is approximately $852,000 over the next five (5) years, and that the estimated annual cost rises from $86,100 in the first year to $254,700 in year five (5).

d) That the costs are based on a proposed assessment rate of $.15 per $100.00 of valuation through year 2010, decreasing to $0.10 per $100.00 of valuation in year 2011. Assessments to cover estimated costs of enhanced services and improvements are proposed to be applied to newly developed areas during the early years and during the later years will be applied to currently existing properties as enhanced services and improvements are completed in the blocks containing those properties.

e) That as to apportionment of cost between the proposed District and the city, all costs for proposed improvements will be paid by the District through assessments.

SECTION 3. That the City hereby authorizes, under Sections 372.006, 372.010, and 372.041 of the Act, a public improvement district over the area described in Exhibit "B" attached hereto and depicted in the map attached hereto as Exhibit "C" and such public improvement district shall hereafter be identified as the North Overton Public Improvement District, City of Lubbock, Texas.

SECTION 4: That the City Council shall be the governing board for the North Overton Public Improvement District.

SECTION 5: That notice of this authorization for the North Overton Public Improvement District shall be published in a newspaper of general circulation in the city.

SECTION 6: That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

PASSED by the City Council this 9th day of October, 2003.

T.J. PATTERSON,
SENIOR COUNCIL MEMBER

ATTEST:

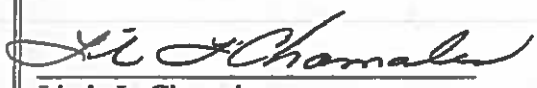
Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Craig Farmer, Managing Director
of Planning and Transportation

EXHIBIT A

APPROVED AS TO FORM:



Linda L. Chamales
Supervising Attorney, Office Practice

LC:/Cityatt/Linda/NO PID findingz
October 9, 2003

Exhibit "A"

PETITION TO CREATE THE NORTH OVERTON PUBLIC IMPROVEMENT DISTRICT

TO THE HONORABLE MAYOR AND MEMBERS OF THE LUBBOCK CITY COUNCIL:

The undersigned ("Petitioners") who are the owners of real property in the hereinafter described District respectfully file this petition (the "Petition") requesting the City Council of Lubbock, Texas to find that the following District is advisable and necessary and would promote the interests of the City and to establish the public improvement district in accordance with Chapter 372 of the Texas Local Government Code (the "Act").

_____ _____
Signature of person signing for owner Date

Printed name of owner _____

Owner's printed name, if different from signer _____

Signer's relation to owner, if not owner _____

Signers mailing address _____

_____

Signer's day time phone number (____) _____

By executing this petition, the foregoing person represents and warrants that he or she is authorized to execute the Petition on behalf of the property owner named above. The property(-ies) of the owner are located at the following address(es) within the District or at the addresses within the District listed on the attached sheet.

_____
Property Address(es)

STATE OF TEXAS (SPECIFIY IF OTHER) §
§
COUNTY OF LUBBOCK (SPECIFY IF OTHER) §

This instrument was ACKNOWLEDGED before me this ___ day of _____, 2002 by _____.

_____
Notary Pubic, State of Texas [Seal]

Printed name of Notary Public _____
My Commission expires _____

Please return the signed, notarized petition to:
Rob Allison, Business and Neighborhood Development Manager,
City of Lubbock, P O Box 2000, Lubbock, TX 79457.

EXHIBIT A

NORTH OVERTON PUBLIC IMPROVEMENT DISTRICT (PID)

The proposed North Overton Public Improvement District (PID) generally covers the same boundary as the Tax Increment Financing District, but is slightly smaller as shown on the attached map. The purpose of the PID is to enhance and maintain landscaping and public improvements within the street rights-of-way, provide increased security within the PID area, and also potentially provide for a trolley shuttle service.

A PID is funded by a small assessment based on the value of each property within the PID. This assessment will generate sufficient funds to pay the projected expenses of the PID. As an example, with an assessment of $0.10 per $100 valuation, an owner with a property valued at $100,000 would pay an assessment of only $100 per year for the increased landscaping and public improvement maintenance, enhanced security, and trolley service. It is expected that the assessment rate would be no more than $0.10 per $100 valuation, and maybe less.

A PID is initiated by property owners within the proposed PID boundary, indicated by their signing a petition requesting that the City create the PID. The petition is sufficient if it is signed by the owners of at least 50% of the appraised value of property within the PID boundary, and owners of either of the following: at least 50% of the area of all property within the proposed PID boundary, or, at least 50% of the number of properties within the proposed PID boundary. An advisory body may be established to develop and recommend an improvement plan to the City Council.

In addition to a petition signed by the sufficient number of owners, a five-year initial Service Plan must be prepared which outlines (among other things) the proposed services to be provided, management of the district, and the proposed method of assessment and apportionment of costs required to fund those services. Following submission of the petition and Five-year Service Plan, the City Council then holds a public hearing to discuss and receive comments regarding establishment of the PID. Each property owner within the proposed PID will receive written notification of this public hearing.

At a subsequent meeting, the City Council then approves a Resolution which establishes the PID, the proposed services and costs, and the method of assessment. Normally, a majority vote of Council is satisfactory.

The PID approval process normally takes about 4-5 months after submission of the petition to the City. Based on this time requirement, it is expected that if approved, the North Overton PID would take effect July 1, 2003.

North Overton Public Improvement District
Proposed Boundary Description
Exhibit B

Beginning at the northwest corner of the intersection of 10th Street and University Avenue;

Then north along the western right-of-way of University Avenue to the southern right-o-way of the alley between 4th Street and 5th Streets;

Then east along the southern boundary of the alley between 4th and 5th Streets approximately 350 feet then north approximately 100 feet, then east approximately 150 feet, then south approximately 31 feet, then east approximately 100 feet to the western right-of-way of Avenue X (the western and northern boundaries of a parcel currently described as Overton, Block 133, the south 50'of Lot 1 and 2 and the south 81' of Lot 3 through 5);

Then south along the western right-of-way of Avenue X approximately to the southwest corner of the intersection of the alley between 4th and 5th Streets and Avenue X;

Then east along the southern boundary of the alley between 4th & 5th Streets to the southeast corner of the alley intersection at Avenue W;

Then north approximately 100 feet then east approximately 600 feet to the western right-of-way of Avenue V (the western and north boundaries of two parcels currently described as Overton, Block 64, south 78.8' of Lots 1-6 and Block 64, south 78.8' of Lots 7-12);

Then south along the western right-of-way of Avenue V to the southwest corner of the intersection of Avenue U and 5th Street;

Then east along the southern right-of-way of 5th Street to the southeast corner of the intersection of Avenue U and 5th Street;

Then north along the eastern right-of-way of Avenue U to the southeast corner of the intersection of the alley between 4th and 5th Streets;

Then east along the southern boundary of the alley to the southwest corner of the intersection of the alley and Avenue R;

Then south along the west right-of-way of Avenue R to the southwest corner of the intersection of 5th Street and Avenue R;

Then east along the southern right-of-way of 5th Street to the southwest corner of the right-of-way of the alley between Avenue R and Avenue Q;

Then south along the western right-of-way of the alley between Avenue R and Avenue Q to the northern right-of-way of 6th Street;

Then west to the northwest corner of the intersection of 6th Street and Avenue R;

Then south along the west right-of-way of Avenue R to the southwest corner of the intersection of 7th Street and Avenue R;

Then east to the western right-of-way of the alley between Avenue R and Avenue Q;

Then south along the western right-of-way of the alley between Avenue R and Avenue Q to the southwest corner of the intersection of the alley and 10th Street;

Then south approximately 150 feet (along the eastern boundary of a parcel currently described as Overton, Block 118, Lots 10 thru 12)

Then west approximately 1,200 feet to the northwest corner of the alley between 10th and Main Streets at Avenue T;

Then south to the northwest corner of the intersection of Avenue T and Main Street;

Then west to the northwest corner of the intersection of Avenue U and Main Street;

Then south to the northwest corner of the intersection of the alley between Main Street and Broadway and Avenue U;

Then west along the northern right-of-way of the alley between Main Street and Broadway to the eastern right-of-way of Avenue W;

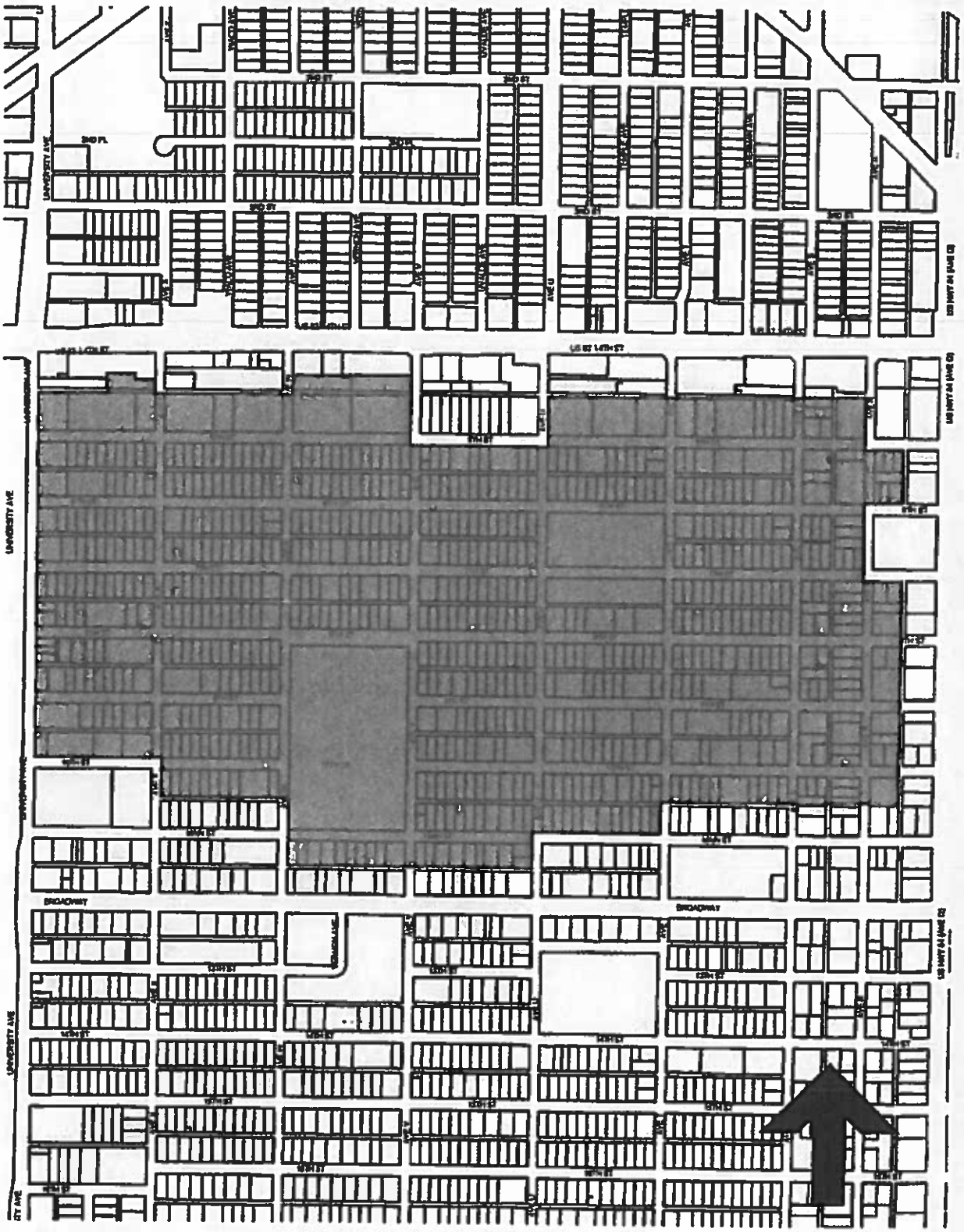
Then north to a point parallel to the northern right-of-way of the alley between Main Street and 10th Street,

Then west along the northern boundary of the alley to the eastern right-of-way of Avenue X,

Then north to the northeast corner of Avenue X and 10th Street;

Then west to the point of beginning.

EXHIBIT A Resolution No. 2003-R0468



Public Improvement District Boundary

North Overton Public Improvement District
June 2003 Exhibit C

Exhibit B

City of Lubbock, TX
Finance Department
North Overton Public Improvement District
Proposed 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04. Exhibit D reflects an estimation of assessments based on the preliminary 2023 values, however, the actual assessment will be based on the final 2023 net taxable values.

* Assessment will be $0.18/$100.00 valuation.

* All property zoned commercial and high - density residential under the City of Lubbock's Zoning Ordinance were assessed beginning January 1, 2004.

* All single-family and duplex-zoned property will be assessed on a block-by-block basis. Assessment will begin for property in a single-family or duplex-zoned block, at the time public improvements to be maintained by PID funds are completed in that block, as of January 1 of the assessed year.

Service Plan

	Adopted Budget	Proposed Budget	Projected				
Tax Year	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable Values)	552,574,252	560,862,866	566,471,494	572,136,209	572,136,209	577,857,571	577,857,571
Discounted Property Values (95%)	524,945,539	532,819,722	538,147,920	543,529,399	543,529,399	548,964,693	548,964,693
Fiscal Year Revenues	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Totals***
Interest Earnings	34,557	55,838	38,734	29,716	21,023	19,300	$ 199,168
Assessment @ $0.18	944,902	959,076	968,666	978,353	978,353	988,136	5,817,486
Total	**979,459**	**1,014,914**	**1,007,400**	**1,008,069**	**999,376**	**1,007,436**	**$ 6,016,654**
Expenses							
Maintenance	567,600	500,000	510,000	520,200	530,604	541,216	3,169,620
Pioneer Park Maintenance	-	100,000	102,000	104,040	106,121	108,243	520,404
Repair	610,984	250,000	255,000	260,100	265,302	270,608	1,911,994
Public Improvement Projects	20,000	45,000	45,900	46,818	47,754	48,709	254,182
Park Equipment Maintenance	1,500	3,200	3,264	3,329	3,396	3,464	18,153
Electric Cost	20,000	28,000	28,560	29,131	29,714	30,308	165,713
Water Cost	64,000	70,400	71,808	73,244	74,709	76,203	430,364
Security	50,000	25,000	25,500	26,010	26,530	27,061	180,101
Administrative Cost	22,257	20,159	20,562	20,973	21,393	21,821	127,165
Annual Operating Cost	14,517	8,191	8,355	8,522	8,692	8,866	57,143
Total	**1,370,858**	**1,049,950**	**1,070,949**	**1,092,368**	**1,114,215**	**1,136,500**	**$ 6,834,840**
Cash Reserve	**1,584,394**	**1,549,357**	**1,485,809**	**1,401,510**	**1,286,670**	**1,157,607**	**$ 1,157,607**

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually
Assessment Information for $100,000 Home = $180

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the North Overton Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, Texas 79401. The purpose of this hearing is to review the 2023 assessment rate for property owners in the North Overton Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (the "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment Roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the services and improvements to be performed by the District are to enhance security and public safety, and provide maintenance of landscaping and other public amenities in the public rights-of-way. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services and improvements provided by the District is approximately $5,463,982 over the next five (5) years. The estimated annual cost rises from $1,049,950 in FY 2023-24 to $1,136,500 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on an assessment rate of $0.18 per $100.00 of valuation through tax year 2027. Assessments to cover estimated costs of enhanced services and improvements will be applied only to newly developed areas during the early years, and during the later years will be applied to currently existing properties as enhanced services and improvements are completed in those blocks.

Boundaries. The District is located wholly within the City of Lubbock, Texas. The boundary includes a portion of the area between Fourth Street on the north, Avenue Q to the east, 1/2 block past Main Street on the south, and University Avenue to the west. A detailed map of the District and the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the North Point Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the North Point PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the North Point PID to speak in favor of, or in opposition to, the assessment to be levied in the North Point PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.14 per $100 valuation. This is the same rate as 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.14 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The funds raised by the assessment will be used to provide landscape maintenance on the common areas on North Slide and adjacent right-of-way, maintain a walking trail, repair and replace amenities, enhance and maintain amenities at the entry stations, lighting, and any other maintenance needed in the District, as well as cover a portion of the costs of administering the PID. The projected assessment that will be collected for 2023, based on estimated values, is $308,330.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
North Point PID Advisory Board

Attachments

Ordinance and Exhibits
North Point PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATIONS FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE NORTH POINT PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, On October 28, 2004 the City Council passed Resolution No.2004-R0543, attached hereto as "Exhibit A," which made certain findings concerning the advisability of creating the North Point Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, and designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and

WHEREAS, On November 18, 2004 the Lubbock City Council passed Resolution 2004-R0564, approving the Service and Assessment Plan (the "Plan") for the District, which has been reviewed and revised each year when necessary. Exhibit B, attached hereto, contains an updated Plan for the District; and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll and file it with the City Secretary; and, schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired by the calling and holding of such public hearing to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for services and improvements of the property in the District,

and approve, adopt and file with the City Secretary an updated Assessment Roll (the "Roll" which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the Plan and Roll are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $.14 per $100.00 of net taxable value through year 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements set forth in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: The City Council hereby approves, adopts and files with the City Secretary the Roll. The Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Roll in the official City records. The Roll shall be subject to public inspection.

SECTION 4: That the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and, (5) that written or oral objections will be considered at the hearing.

SECTION 5: That the City Council finds that City staff mailed to the owners of property liable for assessment notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act. The notice was mailed before the 10th day before the date of the hearing to the last known

address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: That the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State and in the proceedings of the city heretofore had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: That there shall be and is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 city net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established in Section 9 together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien shall attach on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid. The lien is perfected on attachment and perfection requires no further action by the governing body.

SECTION 9: That the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent of the amount of the assessment for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this

section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32, and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: That all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

SECTION 11: That the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Act, as amended.

SECTION 12: That the City may contract with the Lubbock Central Appraisal District and any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on_____, 2023.

Passed by the City Council on second reading on_____, 2023.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

EXHIBIT A

Resolution No. 2004-R0543
October 28, 2004
Item No. 52

RESOLUTION

WHEREAS, a petition has been received from the record owners of taxable real property representing more than 50 percent of the appraised value (as determined by the most recent certified appraisal roll for Lubbock County) of an area within the City of Lubbock, generally covering the area between Erskine and Ursuline, and between North Quaker to a line east of Frankford and containing approximately 543 acres, AND owners of not less than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal; requesting establishment of a North Point Public Improvement District under Section 372.005 of the Public Improvement District Assessment Act for the purpose of maintaining the common areas on North Slide and adjacent right of way, creating and maintaining the common areas on North Slide and adjacent right of way, creating and maintaining a green space located under a utility easement, and enhancing and maintaining amenities in the entry stations on North Slide Road , all in accordance with the Act; and

WHEREAS, the petition, a copy of which has been attached as Exhibit "A," was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council of the City of Lubbock, Texas, (the "City"); and

WHEREAS, the boundaries of the proposed North Point Public Improvement District within the city limits of the City of Lubbock are described in the attachment designated as Exhibit "B" and shown on the map attached hereto as Exhibit "C"; and

WHEREAS, the City has called a public hearing to hear public comments on the advisability of the proposed public improvement district and its benefits to the City and the property in the proposed Tax Increment Financing Reinvestment Zone; and

WHEREAS, notice of such public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the 15th day before the date of the public hearing stating the time and place of the hearing, the general nature of the proposed improvement, the estimated cost of the improvements, the boundaries of the proposed assessment district, the proposed method of assessment, and the proposed apportionment of cost between the improvement district and the city as a whole; and

WHEREAS, written notice containing the information in the published notice was mailed before the 15th day before the date of the hearing to the current addresses of the owners, as reflected on the tax rolls, of property subject to assessment under the proposed public improvement district; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, on the 28th day of October, 2004, at 10:45 o'clock a.m., in the Council Chamber of the City of Lubbock, Texas; and

WHEREAS, the City, at such hearing, invited any interested person, or his/her representative, to appear and speak for or against the authorization of the North Point Public Improvement District, the boundaries of the proposed Public Improvement District, whether all or part of the territory which is described in Exhibit "B" attached hereto and depicted on the map attached hereto as Exhibit "C" should be included in such proposed North Point Public Improvement District, the advisability of the proposed improvements, the nature of the improvements, the estimated costs of the improvements; the method of assessment, and the apportionment of the costs between the district and the city as a whole; and

WHEREAS, all owners of property located within the proposed Public Improvement District and all other taxing units and other interested persons were given a reasonable opportunity at such public hearing to protest the authorization of the proposed North Point Public Improvement District and/or the inclusion of their property in such Public Improvement District; and

WHEREAS, the proponents of the North Point Public Improvement District offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the North Point Public Improvement District, and opponents of the North Point Public Improvement District were given the opportunity to appear to contest authorization of the district, after which the hearing was closed; NOW THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

a) That the public hearing on the advisability of authorizing the North Point Public Improvement District has been properly called, held and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the proposed public improvement district.

b) That authorization of the proposed North Point Public Improvement District with boundaries as described in Exhibits "B" and "C" for the purpose of maintaining the common areas on North Slide and adjacent right of way, creating and maintaining a green space located under a utility easement, and enhancing and maintaining amenities in the entry stations of North Slide Road is advisable and will result in benefits to the City, its residents, and property owners, in general, and to the property, residents and property owners in the North Point Public Improvement District.

c) That the total estimated cost of services and improvements proposed to be provided by the District is approximately $430,352.00 over the next five (5) years, and that the estimated annual cost rises from $15,456.00 in the second year to $209,489.00 in year five (5).

d) That the costs are based on a proposed assessment rate of $0.14 per $100.00 of valuation through year 2010, decreasing to $0.04 per $100.00 of valuation in year 2011. Assessments to cover estimated costs of enhanced services and improvements are proposed to be applied to newly developed areas during the early years and during the later years will be applied to currently existing properties as enhanced services and improvements are completed in the blocks containing those properties.

e) That as to apportionment of cost between the proposed District and the city, all costs for proposed improvements will be paid by the District through assessments.

SECTION 3. That the City hereby authorizes, under Sections 372.006, 372.010, and 372.041 of the Act, a public improvement district over the area described in Exhibit "B" attached hereto and depicted in the map attached hereto as Exhibit "C" and such public improvement district shall hereafter be identified as the North Point Public Improvement District, City of Lubbock, Texas.

SECTION 4: That the City Council shall be the governing board for the North Point Public Improvement District.

SECTION 5: That notice of this authorization for the North Point Public Improvement District shall be published in a newspaper of general circulation in the city.

SECTION 6: That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

PASSED by the City Council this **28th** day of October, 2004.

TOM MARTIN, MAYOR PRO TEM

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Craig Farmer, Managing Director
of Planning and Transportation

APPROVED AS TO FORM:

for John M. Knight
Assistant City Attorney

JK:/Cityatt/John/PID findings.resolution-north point
October 19, 2004

EXHIBIT A

SAMPLE

Resolution No. 2004-R0543
October 28, 2004
Item No. 52

PETITION TO CREATE THE NORTH POINT PUBLIC IMPROVEMENT DISTRICT

TO THE HONORABLE MAYOR AND MEMBERS OF THE LUBBOCK CITY COUNCIL:

The undersigned ("Petitioners") who are the owners of real property in the hereinafter described District respectfully file this petition (the "Petition") requesting the City Council of Lubbock, Texas to find that the following District is advisable and necessary and would promote the interests of the City and to establish the public improvement district in accordance with Chapter 372 of the Texas Local Government Code (the "Act").

Signature of person signing for owner	Date
Printed name of owner	SIERRA PLATEAU LTD
Owner's printed name, if different from signer	
Signer's relation to owner, if not owner	
Signers mailing address	
Signer's day time phone number	( )

By executing this petition, the foregoing person represents and warrants that he or she is authorized to execute the Petition on behalf of the property owner named above. The property(-ies) of the owner are located at the following address(es) within the District or at the addresses within the District listed on the attached sheet.

5240 ITASCA ST,
LUBBOCK, TX 79416

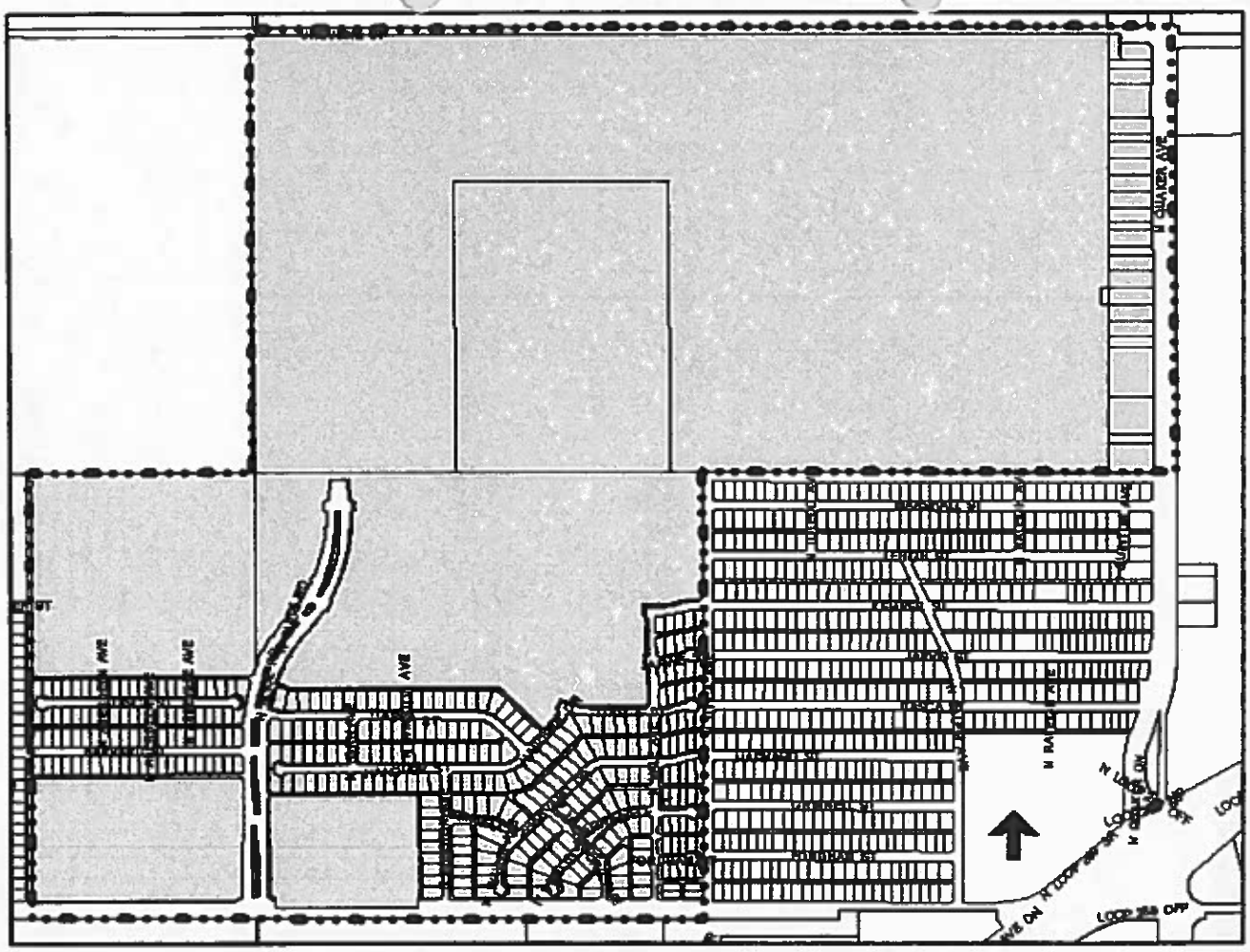
Property Address(es)

Please return the signed petition by August 9, 2004 to:
Rob Allison, Business and Neighborhood Development Manager,
City of Lubbock, P O Box 2000, Lubbock, TX 79457.

R301711
Located at: 5240 ITASCA ST, LUBBOCK, TX 79416
SIERRA PLATEAU LTD
7170 W WIND DR STE 101, EL PASO, TX 79912-1744

Exhibit "A"

EXHIBIT A Resolution No. 2004-R0543



Proposed North Pointe Public Improvement District
October 2004

EXHIBIT A Resolution No. 2004-R0543

NORTH POINT PUBLIC IMPROVEMENT DISTRICT (PID)

The proposed North Point Public Improvement District (PID) generally covers the area between Erskine and Ursuline, and between North Quaker to a line east of Frankford. This area is approximately 543 acres. The proposed boundaries are shown on the attached map. The purpose of the PID is to maintain the common areas on North Slide and adjacent right of way; creating and maintaining a green space located under a utility easement; and enhancing and maintaining amenities in the entry stations on Slide Road.

A PID is funded by a small assessment based on the value of each property within the PID. This assessment will generate sufficient funds to pay the projected expenses of the PID. As an example, with an **assessment of $0.14 per $100 valuation,** an owner with a property valued at $100,000 would pay an assessment of **only $140 per year** for maintaining the public improvement areas. It is expected that the assessment rate would be no more than $0.14 per $100 valuation, and may be less.

A PID is initiated by property owners within the proposed PID boundary, indicated by their signing a petition requesting that the City create the PID. The petition is sufficient if it is signed by the owners of at least 50% of the appraised value of property within the PID boundary, and owners of either of the following: at least 50% of the area of all property within the proposed PID boundary, or, at least 50% of the number of properties within the proposed PID boundary.

In addition to a petition signed by the sufficient number of owners, a five-year initial Service Plan must be prepared which outlines (among other things) the proposed services to be provided and the proposed method of assessment required to fund those services. Following submission of the petition and Five-year Service Plan, the City Council holds a public hearing to discuss and receive comments regarding establishment of the PID. Each property owner within the proposed PID will receive written notification of this public hearing.

At a subsequent meeting, the City Council then approves a Resolution which establishes the PID, the proposed services and costs, and the method of assessment. Normally, a majority vote of Council is satisfactory. However, if there is a written protest signed by 20% of the owners, approval will require a 2/3 vote of the Council.

The PID approval process normally takes about 4-5 months after submission of the petition to the City. Based on this time requirement, it is expected that if approved, the North Point PID would take effect **January 1, 2005. The assessment would be available for review on October 1, 2004.**

EXHIBIT A

Resolution No. 2004-R0543
October 28, 2004
Item No. 52

NORTH POINTE PID

Proposed Revenue/Expense Worksheet

	2004	2006	2006	2007	2008	2009	2010	2011	2012	2013	Totals
REVENUE											
Property Values*	13,800,000	57,376,000	128,023,520	187,043,990	249,284,870	297,770,568	303,725,979	309,800,499	315,996,509	322,316,439	322,316,439
Discounted Property Values	11,040,000	45,900,800	100,818,816	149,635,192	199,427,896	238,216,454	242,980,783	247,840,399	252,797,207	257,853,151	257,853,151
Assessment @ $0.14	-	-	15,456	64,291	141,146	209,489	279,199	-	-	-	709,552
Assessment @ $0.04	-	-	-	-	-	-	-	95,297	97,192	99,136	291,615
Total	-	-	15,456	64,291	141,146	209,489	279,199	95,297	97,192	99,136	1,001,167
Expense--SK											
Slide Road - right of way & median maintenance											
South of power lines, 5.75 acres @ $2,356	-	-	13,572	14,149	14,432	14,721	15,015	15,316	15,622	15,935	118,063
South of power lines (developer)	-	13,800	-	-	-	-	-	-	-	-	13,800
North of power lines, 1.50 acres @ $2,356	-	-	1,584	3,714	3,788	3,864	3,941	4,020	4,100	4,182	29,193
North of power lines (developer)	-	3,800	2,088	-	-	-	-	-	-	-	5,888
Rotation of color (3 rotations)	-	-	-	12,485	12,734	12,989	13,248	13,514	13,784	14,060	92,815
Rotation of color (developer)		12,000	12,240	-	-	-	-	-	-	-	24,240
Neighborhood Entry Stations (2)											
General Maintenance (3 rotations of color)	-	-	-	6,242	6,367	6,495	6,624	6,757	6,892	7,030	46,408
General Maintenance (developer)	-	6,000	6,120	-	-	-	-	-	-	-	12,120
Hike & Bike Trails under utility easement											
50 ft. wide linear track, 17.5 acres @ $2,356	-	-	-	27,071	43,139	44,001	44,881	45,779	46,694	47,628	299,791
50 ft. wide linear track (developer)	-	40,850	41,483	14,821	-	-	-	-	-	-	98,734
Capital Outlay											
Constr. of trail, 63,360 sq. ft. @ $3.50 = $221,760	-	221,760	-	-	-	-	-	-	-	-	221,760
Reimbursement from developer	-	(287,810)	(61,911)	(14,821)	-	-	-	-	-	-	(374,142)
Reimburse developer for expenses					80,896	127,419	186,037				374,142
Total	-	-	15,456	64,291	141,146	209,489	289,749	85,385	87,993	88,835	991,413
Cash Reserves	-	-	0	(0)	(0)	0	9,452	19,363	28,453	39,754	39,754

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually

ASSESSMENT INFORMATION		
2004-2010		
Assessment per $100,000	$	140.00
2011-2013		
Assessment per $100,000	$	40.00

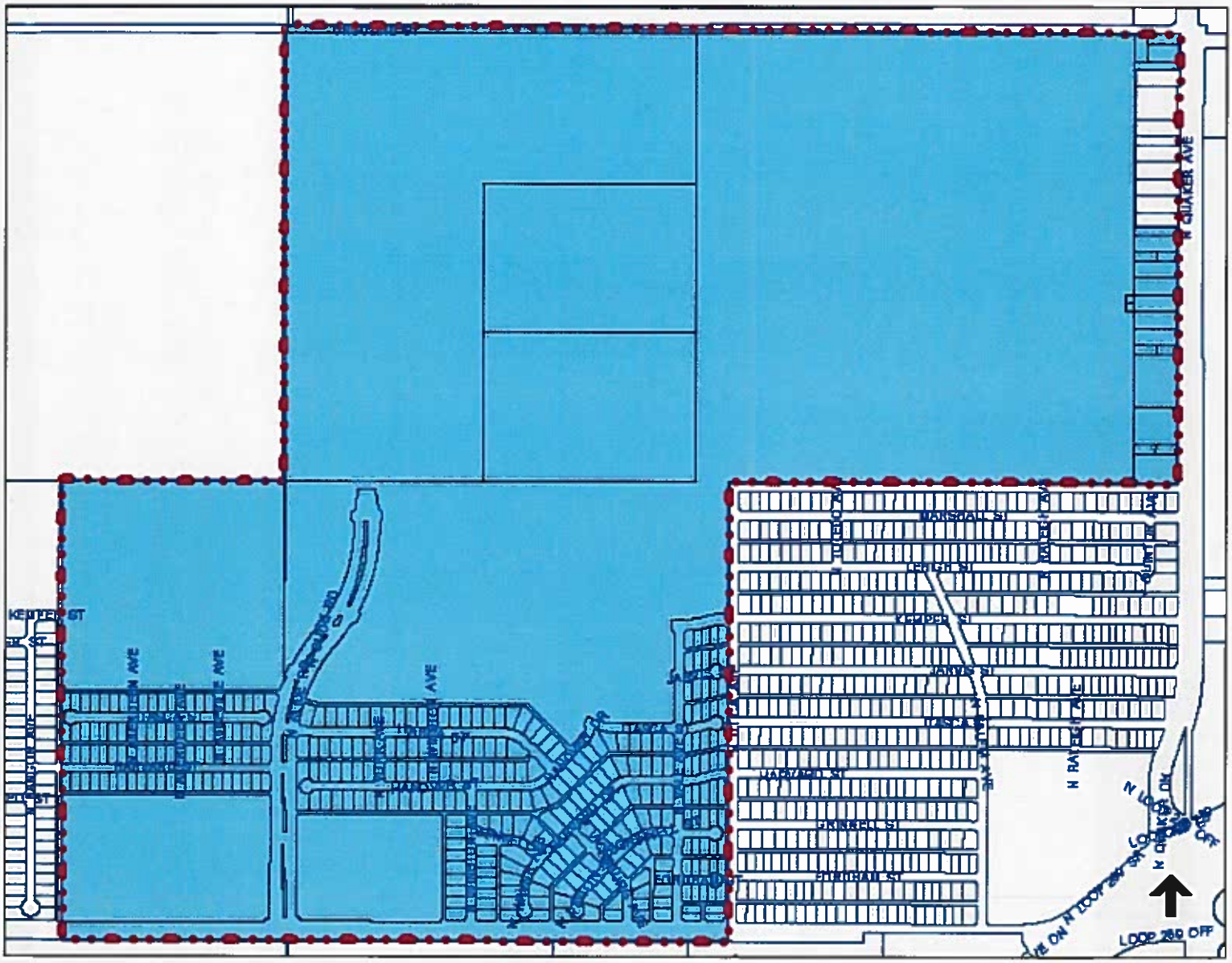
EXHIBIT A

Exhibit "B"

Resolution No. 2004-R0543
October 28, 2004
Item No. 52

An area within the City of Lubbock, generally covering the area between Erskine and Ursuline, and between North Quaker to a line east of Frankford and containing approximately 543 acres, as shown in Exhibit C.

EXHIBIT A
Exhibit "C"



Proposed North Pointe Public Improvement District
October 2004 (Revised Boundary)

Exhibit B

City of Lubbock, TX
Finance Department
North Point Public Improvement District
Proposed 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessme Assessment rate will be $0.14/$100 valuation
* All prope All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
Tax Year	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values* (Taxable Values)	209,995,191	231,827,390	236,463,938	241,193,217	246,017,081	250,937,423	250,937,423
Discounted Property Values (95%)	199,495,431	220,236,021	224,640,741	229,133,556	233,716,227	238,390,551	238,390,551
Fiscal Year Revenues	**2022-23**	**2023-24**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**Totals**
Interest	12,529	20,899	13,009	15,416	17,947	20,606	$ 100,406
Assessment @ $0.14	279,294	308,330	314,497	320,787	327,203	333,747	1,883,858
Total	**291,823**	**329,229**	**327,506**	**336,203**	**345,150**	**354,352**	**$ 1,984,263**
Expense							
Median & Walking Track Maintenance	125,000	150,000	153,000	156,060	159,181	162,365	$ 905,606
Repairs	10,000	20,000	20,400	20,808	21,224	21,649	114,081
Public Improvement Projects	407,280	350,000	50,000	51,000	52,020	53,060	963,360
Electric Cost	8,000	10,000	10,200	10,404	10,612	10,824	60,040
Administrative Cost	14,821	15,335	15,642	15,955	16,274	16,599	94,625
Annual Operating Cost	7,557	9,303	9,489	9,679	9,872	10,070	55,970
Total	**572,658**	**554,638**	**258,731**	**263,905**	**269,183**	**274,567**	**$ 2,193,683**
Cash Reserve	**597,101**	**371,692**	**440,467**	**512,765**	**588,731**	**668,517**	**$ 668,517**

*Property Value growth rate = 2% annually .
**Expense growth rate = 2% annually
Assessment Information for 100,000 home = $140

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the North Point Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, Texas 79401. The purpose of this hearing is to review the 2023 assessment rate for property owners in the North Point Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (the "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment Roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the services and improvements to be performed by the District are to maintain the common areas on North Slide and adjacent right of way, building and maintaining a hike and bike trail located under a utility easement, repair and replacement of amenities, electric costs for entryway lighting, and enhancing and maintaining amenities in the entry stations on North Slide Road, all in accordance with the Act. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services and improvements provided by the District is approximately $1,621,025 over the next five (5) years. The estimated annual cost decreases from $554,638 in FY 2023-24 to $274,567 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.14 per $100.00 of valuation through tax year 2027.

Boundaries. The District is located wholly within the City of Lubbock, Texas. The North Point Public Improvement District (PID) generally covers the area between Erskine and Ursuline, and between North Quaker to a line east of Frankford. This area is approximately 543 acres. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Northwest Passage Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Northwest Passage PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Northwest Passage PID to speak in favor of, or in opposition to, the assessment to be levied in the Northwest Passage PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.15 per $100 valuation, and does not change from 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.15 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The assessments will go into a separate Northwest Passage PID fund. The funds raised by the assessment will be used to provide maintenance for the public improvements in the District, including design, construction, and maintenance of parks and greens, together with structures, features or amenities, drainage improvements, acquisition and installation of art work, improvement of telecommunication and special supplemental services with related permits and licenses, as well as cover payment of cost of establishing, administering, and operating the PID. The District shall incur bonded indebtedness. The projected assessment that will be collected for 2023 is $3,080.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Ordinance and Exhibits

Northwest Passage PID PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATION FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE NORTHWEST PASSAGE PUBLIC IMPROVEMENT DISTRICT, APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, through Resolution No. 2021-R0363 the City Council of the City (the "Council") attached hereto as Exhibit A, which made certain findings concerning the advisability of creating the Northwest Passage Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and, created the initial advisory board for the PID; and

WHEREAS, On November 1, 2021, the City Council passed Ordinance No. 2021-O0152, approving the Service and Assessment Plan (the "Plan), which will be reviewed and revised each year when necessary. The amended 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll (the "Roll") and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District, and approve, adopt and file with the City Secretary the Roll which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the amended service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.15 per $100.00 valuation for tax years 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: THAT the City Council hereby approves, adopts, and files with the City Secretary, the Assessment Roll. The Assessment Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Assessment Roll in the official City Records. The Assessment Roll shall be subject to public inspection.

SECTION 4: THAT the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

SECTION 5: THAT the City Council finds that City of Lubbock staff mailed to the owners of property liable for assessment, the notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act.

The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: THAT the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied. The City Council finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District. The City Council further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State. The City Council finds that the proceedings that the City has had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 City net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains

unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

Section 11: THAT the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

Section 12: THAT the City may contract with the Lubbock Central Appraisal District or any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____, 2023.

Passed by the City Council on second reading on _____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/ORD. Economic Development – Northwest Passage PID – Service Plan, Assessment Role, and Levy
August 22, 2023

Exhibit A

Resolution No. 2021-R0363

Item No. 8.8

September 14, 2021

RESOLUTION

A RESOLUTION OF THE CITY OF LUBBOCK, TEXAS, APPROVING AND AUTHORIZING THE CREATION OF THE NORTHWEST PASSAGE PUBLIC IMPROVEMENT DISTRICT

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to:

(a) The design, construction and maintenance of parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, bridges, walkways, lighting, benches, trash receptacles and similar items located therein along with all necessary grading, drainage and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; the design, construction and maintenance of water features such as lakes, ponds and fountains; distinctive lighting and signs; construction and improvement of pedestrian malls, passages or pathways including pedestrian bridges; design, construction and improvement of vehicular bridges and low water crossings; design, construction and improvement of community meeting halls or similar buildings; design, construction and improvement of community monuments, towers, and other amenity-type structures; acquisition and installation of art work; design, acquisition, installation, and improvement of telecommunication and similar technology systems; and special supplemental services defined in the Act, together with related permits and licenses; and

(b) Payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

(c) The District shall prioritize its expenditures as follows: (i) design, construction, maintenance, and financing for drainage improvements; then (ii) design, construction, maintenance, and financing for park improvements; then (iii) selection, acquisition, and maintenance for public art; then (iv) all other allowable improvements and related expenditures; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by Frankford Avenue on the west, Quaker Avenue on the east, Kent Avenue and Highway 84 on the north, and Marshall Avenue on the south, with such property being the development known as Northwest Passage, and a description and depiction of the property covered by the Petition is attached hereto and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the fourteenth (14th) day of September, 2021, at five (5:00) p.m., at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Northwest Passage Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Northwest Passage Public Improvement District; and

(b) That authorization of the Northwest Passage Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Northwest Passage Public Improvement District for the general purpose of financing improvements and services related to:

(a) The design, construction and maintenance of parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, bridges, walkways, lighting, benches, trash receptacles and similar items located therein along with all necessary grading, drainage and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; the design, construction and maintenance of water features such as lakes, ponds and fountains; distinctive lighting and signs; construction and improvement of pedestrian malls, passages or pathways including pedestrian bridges; design, construction and improvement of vehicular bridges and low water crossings; design, construction and improvement of community meeting halls or similar buildings; design, construction and improvement of community monuments, towers, and other amenity-type structures; acquisition and installation of art work; design, acquisition, installation, and improvement of telecommunication and similar technology systems; and special supplemental services defined in the Act, together with related permits and licenses; and

(b) Payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

(c) The District shall prioritize its expenditures as follows: (i) design, construction, maintenance, and financing for drainage improvements; then (ii) design, construction, maintenance, and financing for park improvements; then (iii) selection, acquisition, and maintenance for public art; then (iv) all other allowable improvements and related expenditures; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Northwest Passage Public Improvement District through Fiscal Year 2025-26 is approximately five hundred sixteen thousand eight hundred thirty six dollars ($516,836) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of fifteen cents ($0.15) per one hundred dollars ($100) of valuation of property within the Northwest Passage Public Improvement District through Fiscal Year 2025-26, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Northwest Passage Public Improvement District and the City, all the Costs will be paid by the Northwest Passage Public Improvement District through assessments on the property within the boundaries of the Northwest Passage Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Northwest Passage Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council hereby creates the Northwest Passage Public Improvement District Advisory Board for the Northwest Passage Public Improvement District. The Northwest Passage Public Improvement District Advisory Board shall act as an advisory board of the City of Lubbock, and shall initially be composed of five (5) members, each of whom will represent a developer of the property within the Northwest Passage Public Improvement District. The Northwest Passage Public Improvement District Advisory Board shall follow any and all rules, regulations, policies, and procedures related to City of Lubbock advisory boards and the Criteria and Guidelines for Public Improvement Districts. The initial members of the Advisory Board for the Northwest Passage Public Improvement District shall serve a two (2) year term. The City Council may extend the term of the initial governing board beyond two (2) years. The initial Advisory Board of the Northwest Passage Public Improvement District will provide recommendations to the City Council on all matters related to the initial development of the Northwest Passage Public Improvement District, including matters related to the Costs and to the assessments on properties located within the Northwest Passage Public Improvement District. Upon the end of the term of the initial Advisory Board members of the Northwest Passage Public Improvement District, an election will be held for the Northwest Passage property owners to vote on each of the five seats. Once an election has taken place, the City Council will appoint the members of the Northwest Passage Public Improvement District Advisory Board. The PID Board shall adopt and be governed by a set of bylaws that, among other things, direct the PID Board as to its membership, its purpose, and its procedure for conducting business related to the Northwest Passage Public Improvement District.

SECTION 5: THAT the notice of this authorization for the Northwest Passage Public Improvement District shall be published in a newspaper of general circulation within the City of Lubbock, Texas and Lubbock County, Texas.

SECTION 6: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 14th **day of** September**, 2021.**

STEVE MASSENGALE, MAYOR PRO TEM

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Brianna Gerardi, Director of Business Development

APPROVED AS TO FORM:

Kelli Leisure, Assistant City Attorney

EXHIBIT 1

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATION OF SUFFICIENT PETITION

I hereby certify, in the performance of the functions of my office, that the attached petition, from property owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Northwest Passage development, has been verified and is sufficient. And, that Public Improvement Districts can only be initiated by a petition of property owners who meet a value test and an area test, pursuant to Texas Local Government Code, Sec. 372.005 (b). And, the statutory two test requirement was met: (1) petition is signed by the owners of taxable real property representing more than 50% of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (August 11, 2021), in the area known as Northwest Passage, as shown on the attached map; the petitioners own 100% of the area within the proposed Northwest Passage PID; (2) petition must be signed by the record owners of property that constitute more than 50% of the number of record owners or the record owners of more than 50% of the area within the PID; the petitioners own 100% of the total area within the proposed Northwest Passage PID area.

I further certify that I am the City Secretary of the City of Lubbock, that said documents appear of record in my office, I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office the 13th day of August, 2021.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

City of Lubbock TEXAS

Date: August 12, 2021

To: Becky Garza, City Secretary

From: Cheryl Brock, Director of Financial Planning and Analysis

CC: Blu Kostelich, Chief Financial Officer

Re: Northwest Passage Public Improvement District Petition

Recently, the City of Lubbock received petitions from Property Owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Northwest Passage development shown on the attached map. PID establishment can only be initiated by a petition of property owners who meet two tests outlined in the state statute.

The first test is that the petition is sufficient if signed by the owners of taxable real property representing more than 50 percent of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (August 11, 2021). Since the petitioners, own 100 percent of the taxable real property value within the boundary, the petition passes the value test.

The second test is that the petition must be signed by the record owners of property that constitute more than 50 percent of the number of record owners or the record owners of more than 50 percent of the area within the PID. The petitioners own 100 percent of the total area within the proposed Northwest Passage PID area so they pass the area test.

The notarized signature on the Northwest Passage petitions were validated by a visual review and owners on the petitions were verified against the current tax roll received from Lubbock Central Appraisal District by the Financial Planning and Analysis Department and reviewed by GIS and Data Services.

EXHIBIT 1

Northwest Passage PID Projected Assessment Roll

LCAD Roll 8-11-21

R63039	NWP EB-5 PROJECT LLC	1500 BROADWAY ST STE 1500 LUBBOCK,TX 79401		BLK JS SEC 11 AB 943 TR A AC: 233.7	233.70	1,168,500	1,168,500
R66307	NWP EB-5 PROJECT LLC	1500 BROADWAY ST STE 1500 LUBBOCK,TX 79401		BLK A SEC 14 AB 881 TR A OF S/ 2 ACS: 206.14	206.14	1,030,700	1,030,700
R82421	NWP EB-5 PROJECT LLC	1500 BROADWAY ST STE 1500 LUBBOCK,TX 79401	5801 URSULINE ST, LUBBOCK, TX 79416	BLK JS SEC 6 AB 1492 TR A & A1OF NW/4 AC: 152.606	152.61	757,939	757,939
R82485	NWP EB-5 PROJECT LLC	1500 BROADWAY ST STE 1500 LUBBOCK,TX 79401	5201 URSULINE ST, LUBBOCK, TX 79416	BLK JS SEC 6 AB 1516 TR B ACS: 154.12	154.12	770,600	770,600
R83214	NWP EB-5 PROJECT LLC	1500 BROADWAY ST STE 1500 LUBBOCK,TX 79401	5521 N CR 2000	BLK JS SEC 11 AB 943 TR B AC:245.49	245.49	1,273,930	1,273,930
					992.05	5,001,669	5,001,669

EXHIBIT 1

Northwest Passage Public Improvement District

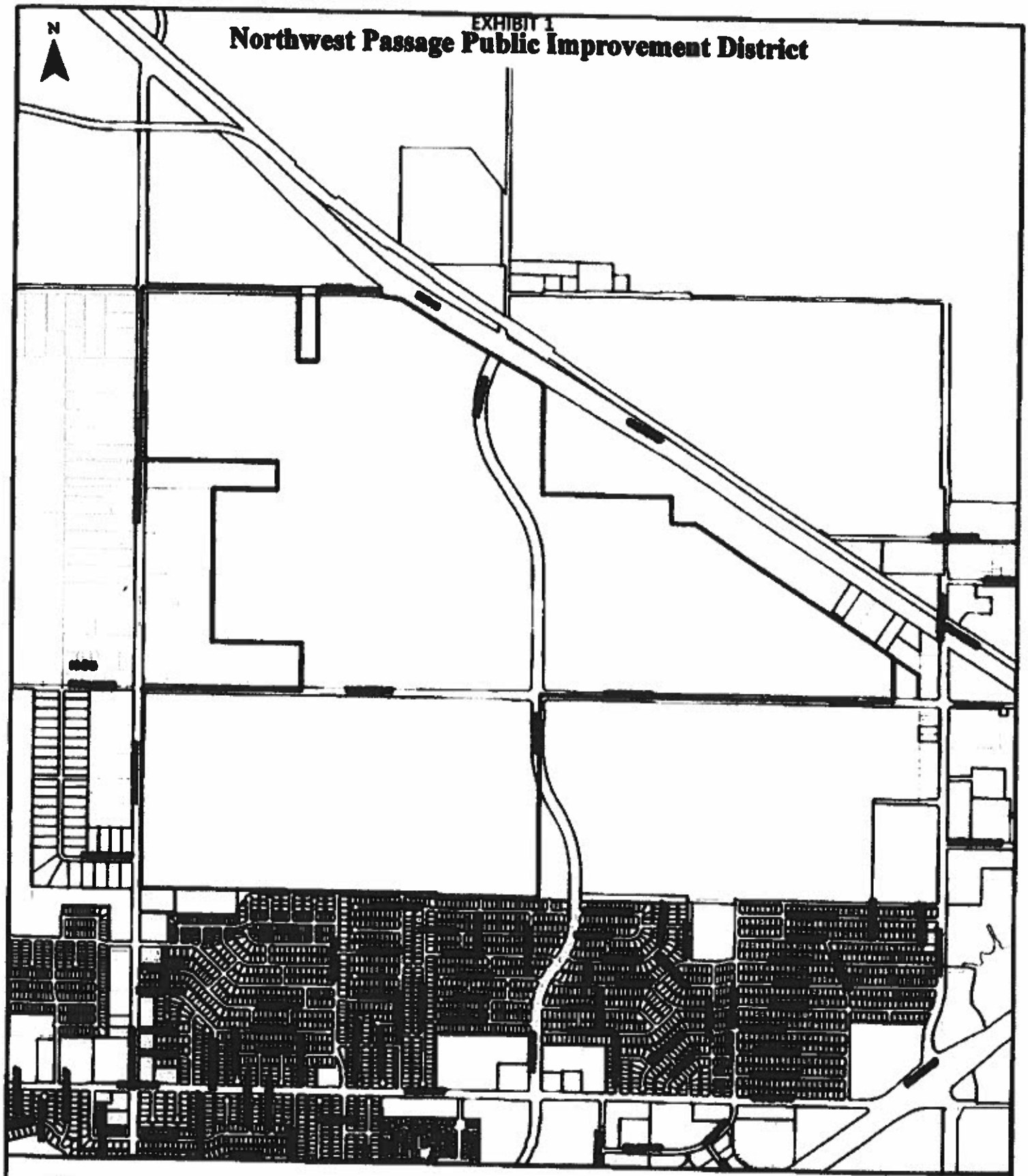


EXHIBIT 1

McDougal
COMPANIES

June 28, 2021

Cheryl Brock
City of Lubbock, TX
PO Box 2000
Lubbock, TX 79457

RE: Northwest Passage Public Improvement District

Dear Mrs. Brock:

Northwest Passage is a commercial development within the city limits of the City of Lubbock bound on the west by Frankford Avenue, the East by Quaker Avenue and the properties fronting on it, the North by Kent Avenue and the properties fronting on US Highway 84, and the South by the alley north of Marshall Avenue.

We are proposing to create a Public Improvement District (PID) to maintain the public improvements for Northwest Passage. This letter addresses the remaining petition requirements from the PID Policies and Guidelines.

1. *Assurance of long-term backing and support from the developer*: The developer commits to long-term backing and support of the PID through service on the PID Advisory Board, a proposed contract with the PID/City for acquisition of certain lands committed to improvements, and payment of PID assessments.

2. *Procedures for Nomination of PID Advisory Board which will make recommendations to the City Council on the annual budget and long-term plans:* The PID Advisory Board will be nominated by the property owners in the PID, by area.

3. *Benefits of the PID to the affected property owners and to the City as a whole:* The PID will benefit the affected property owners and the City of Lubbock by ensuring a well-maintained quality mixed-use development, creation of and maintenance of stormwater drainage (in conjunction with proposed City improvements of storm sewer from Quaker Avenue to an acceptable outfall to the north or east, creation of and maintenance of greenspace, and other acceptable PID improvements and expenditures.

4. *Description of city-owned land within the district:* Other than ROW and easement rights for utilities (and improvements in those), there are currently no city-owned properties within the boundaries of the PID. However, the City has improvements adjacent to the PID, including water treatment and an LP&L substation.

5. ***Draft PID operating budget listing estimated operating costs, maintenance costs, and administrative costs:*** Attached as Exhibit D.

6. ***The proposed method of assessment:*** The assessment will be assessed per $100 valuation (other methods could be per square foot of the property.)

7. ***Documentation of adequate developer/contractor liability insurance regarding construction of improvements:*** Documentation of adequate liability insurance has been provided to the city.

8. ***Statement that the petitioners understand that the annual budget for the PID is subject to review by City staff and the Lubbock City Council:*** The property owners that have signed the attached petition are aware that the annual budget is subject to review by City staff and must be approved by the Lubbock City Council.

Please let us know if there is additional information required that has not been submitted with the petition.

Marc McDougal
McDougal Companies

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO *NORTHWEST PASSAGE*

THE STATE OF TEXAS §
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing all of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes all of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i) the design, construction and maintenance of parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, bridges, walkways, lighting, benches, trash receptacles and similar items located therein along with all necessary grading, drainage and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; the design, construction and maintenance of water features such as lakes, ponds and fountains; distinctive lighting and signs; construction and improvement of pedestrian malls, passages or pathways including pedestrian bridges; design, construction and improvement of vehicular bridges and low water crossings; design, construction and improvement of community meeting halls or similar buildings; design, construction and improvement of community monuments, towers, and other amenity-type structures; acquisition and installation of art work; design, acquisition, installation and improvement of telecommunication and similar technology systems; and special supplemental services as defined in the Act, together with related permits and licenses; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of issuing bonds and funding debt service and capitalized interest reserves for such bonds and costs of establishing, administering and operating the District. The District shall prioritize its expenditures as follows: (i) design, construction, maintenance, and financing for drainage improvements; then (ii) design, construction, maintenance, and financing for park improvements; then (iii) selection, acquisition, and maintenance for public art; then (iv) all other allowable improvements and related expenditures.

Section 3. Estimated cost of the proposed public improvements: $10,000,000.

Section 4. Boundaries. The proposed boundaries of the District are described on Exhibit A.

Section 5. Method of assessment. An assessment methodology will be prepared that will address (i) how the costs of the public improvements financed with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, (iii) provisions providing for the prepayment of the assessments at the option of the owner of any parcel, (iv) the reallocation of the assessment on the subdivision of a parcel, and (v) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District) and repayment of bonds issued to finance the public improvements. Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the costs of the public improvements, property will be classified based on the use of the public improvements. For example, larger homes may generate more use of the public improvements than smaller homes. Accordingly, there may be a classification of property on the basis of the size or type of homes that may be built on a parcel. Costs may also be assessed on the basis of the value of the property, or on a combination of size or type of house and value of property. Property may also be classified on the basis of the location of the property within the District, if some sections of the District receive more public improvements or public improvements of greater cost than other sections of the District.

The assessment methodology will result in each parcel paying its fair share of the costs of the public improvements provided with the assessments based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. To the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board will be established to develop and recommend an improvement plan to the City Council of the City (the "City Council"). The PID Advisory Board will be nominated by the property owners in the PID, by area, and approved by the City Council.

This petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

EXHIBIT 1

PETITIONER:

NWP EB-5 Project, LLC
a Texas limited liability company

By: _____
Marg McDougal, Manager

By: _____
Mont McClendon, Manager

Signature Page for Petition

THE STATE OF TEXAS §
COUNTY OF LUBBOCK §

On this, the 29th day of July, 2021, before me, the undersigned Notary Public, personally appeared **Marc McDougal and Mont McClendon**, who acknowledged that they are the sole members and Managers of **NWP EB-5 Project, LLC**, and that they, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing their names in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Donna Combs
Notary Public Signature

DONNA COMBS
Notary Public, State of Texas
Comm. Expires 10-01-2021
Notary ID 6516647

EXHIBIT A

The Land

Tract 1 (Northwest Quadrant):

METES AND BOUNDS DESCRIPTION of a 476.102-acre tract located in Section 11, Block JS, Abstract 343, Lubbock County, Texas, being a portion of that 727.417-acre tract described in Volume 10351, Page 176, Official Public Records of Lubbock County, Texas (OPRLCT), said 476.102-acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in a West line of that 17.40-acre street right-of-way dedication as described in County Clerk File Number (CCFN) 2012043729, OPRLCT, having a grid coordinate of N-7289808.60, E-926282.74, Texas Coordinate System of 1983, North-Central Zone, which point bears N. 88°14'14" W. a distance of 548.88 feet from a broken nail found at the common corner of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE N. 88°14'14" W, along the South line of said Section 11 and the North line of said Section 6, same being a South line of said 727.417-acre tract a distance of 2580.70 feet to a 1/2" iron rod found at the Southeast corner of that property conveyed to Elizabeth Montalvo in Volume 6202, Page 313, OPRLCT and a corner of said 727.417-acre tract;

THENCE N. 01°43'53" E., along a line of said 727.417-acre tract and an East line of said Montalvo property, at 50.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 625.08 feet to a metal fence post found at a corner of said 727.417-acre tract and the most Easterly Northeast corner of said Montalvo property;

THENCE N. 88°13'31" W., along a line of said 727.417-acre tract and a North line of said Montalvo property a distance of 1204.98 feet to a metal fence post found at a corner of said 727.417-acre tract and an "ell" corner of said Montalvo property;

THENCE N. 01°47'44" E., along a line of said 727.417-acre tract and an East line of said Montalvo property and the East lines of those tracts described in Volume 8455, Page 307, Volume 4150, Page 74, and Volume 4150, Page 76, OPRLCT, a distance of 2014.64 feet to a fence post found in the South line of that 14.809-acre tract described in Volume 9594, Page 191, OPRLCT, at an "ell" corner of said 727.417-acre tract;

THENCE S. 88°14'37" E., along a line of said 727.417-acre tract and the South line of said 14.809-acre tract a distance of 796.21 feet to a 1/2" iron rod with cap (Newton) found at a corner of said 727.417-acre tract and the Southeast corner of said 14.809-acre tract;

THENCE N. 01°43'22" E., along a line of said 727.417-acre tract and the East line of said 14.809-acre tract a distance of 369.94 feet to a 1/2" iron rod with cap (Newton) found at a corner of said 727.417-acre tract and the Northeast corner of said 14.809-acre tract;

THENCE N. 88°14'23" W., along a line of said 727.417-acre tract and the North line of said 14.809-acre tract, at 1682.32 feet pass the East right-of-way line of Frankford Avenue (FM 2528) as described in Volume 1012, Page 465, OPRLCT, continuing for a total distance of 1742.32 feet to a cotton spindle found in the West line of said Section 11, at a corner of said 727.417-acre tract and the Northwest corner of said 14.809-acre tract;

THENCE N. 01°44'18" E., along the West line of said Section 11 and a West line of said 727.417-acre tract a distance of 2269.05 feet to a cotton spindle found at the Northwest corner of said Section 11 and the Northwest corner of said 727.417-acre tract;

THENCE S. 88°05'04" E., along a North line of said 727.417-acre tract and the North line of said Section 11 a distance of 2080.26 feet to a 40-penny nail found at a corner of said 727.417-acre tract and the Northwest corner of that 5-acre tract described in Volume 7040, Page 170, OPRLCT;

THENCE S. 01°55'34" W., along a line of said 727.417-acre tract and the West line of said 5-acre tract, at 50.00 feet pass the South right-of-way line of Kent Street as described in Volume 1012, Page 563, OPRLCT, continuing for a total distance of 926.74 feet to a 3/8" iron rod found at the Southwest corner of said 5-acre tract and a corner of said 727.417-acre tract;

THENCE S. 88°03'33" E., along a line of said 727.417-acre tract and the South line of said 5-acre tract a distance of 234.68 feet to a 1/2" iron rod with cap (RPLS 4579) found at the Southeast corner of said 5-acre tract and a corner of said 727.417-acre tract;

THENCE N. 01°56'30" E., along the East line of said 5-acre tract and a line of said 727.417-acre tract, at 876.85 feet pass the South right-of-way line of said Kent Street, continuing for a total distance of 926.85 feet to a 60-penny nail found in the North line of said Section 11 and a North line of said 727.417-acre tract at the Northeast corner of said 5-acre tract;

THENCE S. 88°05'04" E., along the North line of said Section 11 and a North line of said 727.417-acre tract a distance of 819.69 feet to a concrete nail found in the Southwesterly right-of-way line of U.S. Highway 84 (Clovis Road) at a corner of said 727.417-acre tract;

THENCE S. 01°57'08" W., along said Southwesterly right-of-way line and a line of said 727.417-acre tract a distance of 50.00 feet to a 1/2" iron rod with cap (Newton) found;

THENCE S. 77°32'31" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 283.34 feet to a concrete right-of-way marker found;

THENCE S. 58°11'23" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 1353.47 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the West right-of-way line of Slide Road, same being the West line of said 17.40-acre tract;

THENCE Southeasterly, along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 61°23'03", a chord bearing of S. 00°16'32" E., a chord distance of 1607.84 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 30°58'04" E., continuing along said right-of-way line a distance of 534.62 feet to a 1/2" iron rod found at a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 32°18'04", a chord bearing of S. 14°49'02" E., a chord distance of 792.76 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 01°20'00" W., continuing along said right-of-way line a distance of 1180.93 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE S. 04°11'44" W., continuing along said right-of-way line a distance of 200.25 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE S. 01°20'00" W., continuing along said right-of-way line a distance of 208.00 feet to a 1/2" iron rod found at a point of intersection;

THENCE S. 46°32'53" W., continuing along said right-of-way line a distance of 42.27 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection in the North right-of-way line of Ursuline Street;

THENCE N. 88°14'14" W., continuing along said right-of-way line a distance of 397.10 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 01°45'46" W., continuing along said right-of-way line, at 5.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 55.00 feet to the Point of Beginning.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

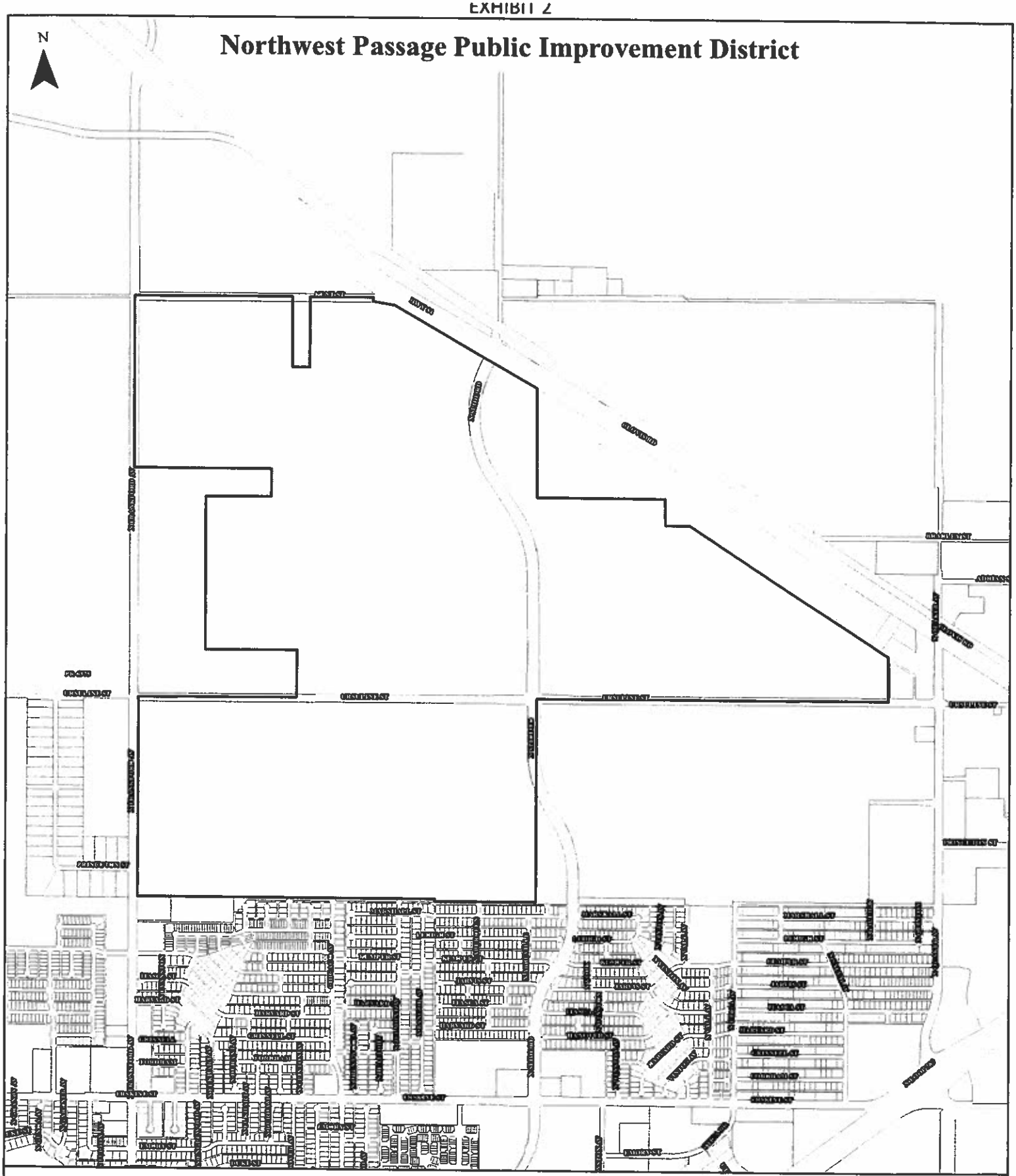
Tract 2 (Northeast Quadrant):

METES AND BOUNDS DESCRIPTION of a 230.125-acre tract located in Sections 11, Block JS, Abstract 343, and Section 14, Block A, Abstracts 861 and 1332, Lubbock County, Texas, being a portion of that 727.417-acre tract described in Volume 10351, Page 176, Official Public Records of Lubbock County, Texas (OPRLCT), and a portion of that 286.14-acre tract described in Volume 10351, Page 183, OPRLCT, said 230.125-acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in an East line of that 17.40-acre street right-of-way dedication as described in County Clerk File Number (CCFN) 2012043729, OPRLCT, having a grid coordinate of N-7289776.71, E-927306.98, Texas Coordinate System of 1983, North-Central Zone, which point bears S. 88°11'41" E. a distance of

EXHIBIT 2

Northwest Passage Public Improvement District



Proposed PID Boundary

Parcels

Lot-Block Lines

8/13/2021

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

0 500 1000 2000 3000 Feet

City of Lubbock TEXAS

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THENCE S. 77°32'31" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 283.34 feet to a concrete right-of-way marker found;

THENCE S. 58°11'23" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 1353.47 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the West right-of-way line of Slide Road, same being the West line of said 17.40-acre tract;

THENCE Southeasterly, along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 61°23'03", a chord bearing of S. 00°16'32" E., a chord distance of 1607.84 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 30°58'04" E., continuing along said right-of-way line a distance of 534.62 feet to a 1/2" iron rod found at a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 32°18'04", a chord bearing of S. 14°49'02" E., a chord distance of 792.76 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 01°20'00" W., continuing along said right-of-way line a distance of 1180.93 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

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476.10 feet from a broken nail found at the common corner of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE N. 01°48'19" E., along an East line of said 17.40-acre tract, at 50.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 55.00 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a corner of said 17.40-acre tract in the North right-of-way line of Ursuline Street;

THENCE N. 85°19'56" W., along said right-of-way line a distance of 200.25 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°11'41" W., continuing along said right-of-way line a distance of 208.00 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE N. 43°25'50" W., continuing along said right-of-way line a distance of 42.60 feet to a "crow's foot" chiseled in concrete for a point of intersection in the East right-of-way line of Slide Road, same being the East line of said 17.40-acre tract;

THENCE N. 01°20'00" E., along said right-of-way line a distance of 1580.17 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of curvature;

THENCE Northwesterly, continuing along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 32°18'04", a chord bearing of N. 14°49'02" W., a chord distance of 876.21 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE N. 30°58'04" W., continuing along said right-of-way line a distance of 534.62 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of curvature;

THENCE Northwesterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 44°23'25", a chord bearing of N. 08°46'22" W., a chord distance of 1076.62 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE Northeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1478.85 feet, a central angle of 06°54'41", a chord bearing of N. 20°13'30" E., a chord distance of 178.28 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE Northeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1415.00 feet, a central angle of 09°38'59", a chord bearing of N. 25°26'03" E., a chord distance of 238.03 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the Southwesterly right-of-way line of U.S. Highway 84 (Clovis Road), in a Northerly line of said 727.417-acre tract;

THENCE S. 58°11'34" E., along said Clovis Road right-of-way line and a Northerly line of said 727.417-acre tract a distance of 644.87 feet to a 1/2" iron rod with cap marked "HUGO REED &

ASSOC" found in the East line of said Section 11 and the West line of said Section 14, at a corner of said 727.417-acre tract

THENCE S. 01°45'00" W., along the East line of said Section 11 and the West line of said Section 14 and a line of said 727.417-acre tract a distance of 1447.24 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a corner of said 727.417-acre tract;

THENCE S. 88°11'29" E., along a line of said 727.417-acre tract a distance of 1696.26 feet to a 5/8" iron rod found at a corner of said 727.417-acre tract;

THENCE S. 01°50'26" W., along a line of said 727.417-acre tract a distance of 333.98 feet to a 1/2" iron pipe found at a corner of said 727.417-acre tract;

THENCE S. 88°08'32" E., along a line of said 727.417-acre tract a distance of 311.55 feet to a chain-link fence post found at a corner of said 727.417-acre tract;

THENCE S. 55°08'25" E., along a line of said 727.417-acre tract a distance of 3142.70 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at the Northwest plat limits of Tract "A", LP&L Northwest Substation Addition as recorded in CCFN 2008042914, OPRLCT;

THENCE S. 01°48'11" W., along said West plat limits, at 541.59 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 591.59 feet to a 1/2" iron rod found in the South line of said Section 14 and the South line of said 727.417-acre tract at the Southwest plat limits corner of said Tract "A" and the Southeast corner of this tract;

THENCE N. 88°11'41" W., along the South line of said Section 14 and the South line of said 727.417-acre tract a distance of 4164.33 feet to the Point of Beginning.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

Tract 3 (Southwest Quadrant, excluding portion in the North Pointe PID):

METES AND BOUNDS DESCRIPTION of a 318.340-acre being a portion of that 160.139-acre tract located in Section 6, Block JS, Abstract 1492, Lubbock County, Texas, described in Volume 9785, Page 28, Official Public Records of Lubbock County, Texas (OPRLCT), and a portion of that 153.864-acre tract located in Section 6, Block JS, Lubbock County, Texas, Abstract 1516, described in County Clerk File Number (CCFN) 2006043021, and that tract located in said Section 6 described in Volume 10263, Page 222, OPRLCT, and a portion of that 303.29-acre tract located in Section 5, Block JS, Lubbock County, Texas, Abstract 346, described in Volume 10016, Page 135, OPRLCT, said 318.340-acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection in the South right-of-way line of Ursuline Street, same being a line of that 17.40-acre street right-of-way dedication as described in CCFN 2012043729, OPRLCT, having a grid

coordinate of N-7289731.09, E-926687.46, Texas Coordinate System of 1983, North-Central Zone, which point bears N. 88°14'14" W. a distance of 140.88 feet and S. 01°45'46" W. a distance of 65.00 feet from a broken nail found at the common corner of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE S. 43°27'07" E., along a line of said 17.40-acre tract a distance of 42.59 feet to an "X" chiseled in concrete set for a point of intersection in the West right-of-way line of Slide Road;

THENCE S. 01°20'00" W., along said West right-of-way line a distance of 574.41 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 30°31'25", a chord bearing of S. 13°55'42" E., a chord distance of 829.17 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of tangency;

THENCE S. 29°11'25" E., continuing along said right-of-way line a distance of 179.80 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 30°57'31", a chord bearing of S. 13°42'39" E., a chord distance of 760.64 feet to a 1/2" iron rod found at a point of tangency;

THENCE S. 01°46'06" W., continuing along said right-of-way line a distance of 336.59 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in the North line of a 20-foot alley dedicated by plat of Lots 535-707, North Pointe Addition to the City of Lubbock as recorded in CCFN 2006045605, OPRLCT;

THENCE N. 88°08'27" W., along the North line of said alley a distance of 228.93 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 43°08'27" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°08'27" W., continuing along the North line of said alley a distance of 56.00 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 46°51'33" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°08'27" W., continuing along the North line of said alley a distance of 110.10 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection in the West line of said Section 5 and the East line of said Section 6;

THENCE N. 88°09'58" W., continuing along the North line of said alley a distance of 709.89 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 43°09'58" W., continuing along the North line of said alley a distance of 14.14 feet to a point of intersection;

THENCE N. 88°09'58" W., continuing along the North line of said alley a distance of 52.00 feet to a point of intersection

THENCE S. 46°50'02" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°09'58" W., continuing along said alley line a distance of 539.58 feet to a point of intersection in the West plat limits of said North Pointe Addition and the East plat limits of Lots 191-290 and Tracts C and D, Lynnwood Addition to the City of Lubbock as recorded in Volume 9847, Page 139, OPRLCT;

THENCE N. 01°36'04" E., along the East plat limits of said Lynnwood Addition a distance of 49.77 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the South line of said 153.864-acre tract at the Northeast corner of the plat limits of said Lynnwood Addition;

THENCE N. 88°01'32" W., along the North plat limits of said Lynnwood Addition a distance of 1325.36 feet to a "MAG" nail with shiner (AMD) found at the Northwest corner of said plat limits, at the Southwest corner of said 160.139-acre tract and the Southeast corner of said 153.864-acre tract;

THENCE N. 88°05'46" W., along the South line of said 153.864-acre tract, at 1320.00 feet pass a 1/2" iron rod found, continuing at 2130.37 feet pass the Northeast corner of Tract "A", Broadview Baptist Church Addition as recorded in Volume 1685, Page 894, OPRLCT, continuing along the North line of said Tract "A" for a total distance of 2579.92 feet to a 1/2" iron rod found in the East right-of-way line of Frankford Avenue (FM 2528) at the Southwest corner of said 153.864-acre tract and the Southwest corner of this tract;

THENCE N. 01°56'10" E., along said East right-of-way line and the West line of said 153.864-acre tract a distance of 2573.17 feet to a 1/2" iron rod found in the South right-of-way line of Ursuline Street as described in CCFN 2011027661, OPRLCT, at the Northwest corner of this tract;

THENCE S. 88°14'14" E., along the South right-of-way line of said Ursuline Street, at 2285.20 feet pass the West line of that tract described in Volume 10263, Page 222, at 2580.37 feet pass the East line of same tract and the West line of said 160.319-acre tract, continuing for a total distance of 4671.95 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 85°22'29" E., continuing along said right-of-way line a distance of 200.25 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 88°14'14" E., continuing along said right-of-way line a distance of 208.00 feet to the Point of Beginning.

SAVE & EXCEPT: Any portion of Tract 3 located in Section 5, Block JS, Lubbock County, Texas, Abstract 346, described in Volume 10016, Page 135, OPRLCT that is also currently located in the North Pointe PID.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

Tract 4 (Small strip adjoining Southwest Quadrant):

All of the portion of Tract 5 described in the Deed to Petitioner filed in CCFN 2021019386, OPRLCT not currently located in the North Point PID (for further clarification, this tract is generally described as a strip located north of, and adjacent to, the alley north of Marshall Avenue, adjacent to Tract 3 described above.)

EXHIBIT 3

City of Lubbock, TX

Finance Department

Northwest Passage PID Preliminary FY 2022-23 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2022 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.15/$100 valuation.
* All property will be assessed based on the final 2022 "net taxable value".

Service Plan

		PROJECTIONS					
Tax Year	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**Totals**
Property Values* (Taxable)	5,001,669	5,001,669	37,062,953	193,493,429	219,576,954	250,438,980	250,438,980
Discounted Property Values	5,001,669	5,001,669	33,356,658	174,144,086	197,619,259	225,395,082	225,395,082
Number of Homes							
Fiscal Year Revenues	**2020-21**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**Totals^**
Interest	-	-		457	3,383	6,750	10,590
Assessment @ $0.15	-	7,503	50,035	261,216	296,429	338,093	953,275
Total	**-**	**7,503**	**50,035**	**261,673**	**299,812**	**344,843**	**963,865**
Expense							
Debt Service						470,000	470,000
Administrative Costs		4,000	4,080	4,162	4,245	4,330	20,816
Annual Operation Cost *(Notices, Public Hearings, Collection Costs, Advisory Group meeting costs, postage, office supplies, Maint PT)*		5,000	5,100	5,202	5,306	5,412	26,020
	-	-	-				
Total	**-**	**9,000**	**9,180**	**9,364**	**9,551**	**479,742**	**516,836**
Cash Reserve	**-**	**(1,497)**	**39,357**	**291,667**	**581,928**	**447,029**	**447,029**

*Property Value growth rate = 2% annually

Assessment Information for 100,000 home **$150.00**

Exhibit B

Northwest Passage
Public Improvement District

2023 AMENDED SERVICE AND ASSESSMENT PLAN

August 22, 2023

City of Lubbock TEXAS

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INTRODUCTION

Capitalized terms used in this 2023 Amended Service and Assessment Plan (this "2023 Amended SAP") shall have the meanings given to them in **Section** I unless otherwise defined in this 2023 Amended SAP or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a "Section" or an "Exhibit" shall be a reference to a Section of this 2023 Amended SAP or an Exhibit attached to and made a part of this 2023 Amended SAP for all purposes.

On September 14, 2021 the City passed and approved Resolution No. 2021-R0363 authorizing the creation of the District in accordance with the PID Act, which authorization was effective on the date it was approved as required by the PID Act. The purpose of the District is to finance the Actual Costs of the Authorized Improvements for the benefit of property within the District. The District contains approximately 992.06 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit A** and as depicted by the map on **Exhibit B.**

On November 1, 2021 the City passed and approved by Ordinance No. 2021-O0152 accepting and approving a service and assessment plan (the "2022 SAP") and Assessment Roll for the District. The 2022 SAP levied Assessments against the Assessed Property within the District and established a lien on such Assessed Property. On April 12, 2022, the City passed and approved by Ordinance No. 2022-O0043 accepting and approving an amended and restated service and assessment plan (the "2022 Amended and Restated Service and Assessment Plan updated for the Issuance of Bonds") and Assessment Roll for the District.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV.**

The PID Act requires that the Service Plan include an assessment plan that assesses the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V.**

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City. The Assessment against each Assessed Property must be sufficient to pay the share of the Actual Costs apportioned to the Assessed Property and cannot exceed the special benefit conferred on the Assessed Property by the Authorized Improvements. The Assessment Roll is contained in **Exhibit F.**

Pursuant to the PID Act, the 2023 Amended SAP must be reviewed and updated annually. This document is amending the 2022 SAP. This 2023 Amended SAP updates the property.

SECTION I: DEFINITIONS

"2022 SAP" means that service and assessment plan passed and approved on November 1, 2021 by the City pursuant to Ordinance No. 2021- O0152 that levied Assessments against the Assessed Property within the District and established a lien on such Assessed Property.

"2022 Amended and Restated SAP" means this 2022 Amended and Restated Service and Assessment Plan which is the update to the 2022 SAP and the update relating to the Bonds, as it may be modified, amended, supplemented, and updated from time to time.

"2023 Amended SAP" means this 2023 Amended SAP and the update relating to the changed roll, as it may be modified, amended, supplemented, and updated from time to time.

"Actual Costs" means, with respect to the Authorized Improvements, (a) the costs incurred by or on behalf of Owner for the design, planning, acquisition, installation, construction and/or implementation of such Authorized Improvement, (b) the costs incurred in preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting and similar professional services, (e) taxes (property and franchise) related to the Authorized Improvements that benefit the properties within the boundaries of the District, (f) all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and materialmen in connection with the acquisition, construction or implementation of the Authorized Improvement, and (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal and consulting fees, financing charges, taxes, governmental fees and charges, insurance premiums, and miscellaneous expenses plus interest, if any, calculated from the respective dates of the expenditures until the date of reimbursement therefore.

"Additional Interest" means the amount collected by application of the Additional Interest Rate.

"Additional Interest Rate" means the 0.25% additional interest charged on the Assessments securing Bonds pursuant to Section 372.018 of the PID Act.

"Administrator" means the City or the person or independent firm designated by the City who shall have

the responsibility provided in this 2023 Amended SAP, the Indenture, or any other agreement or document approved by the City related to the duties and responsibility of the administration of the District.

"Annual Collection Costs" mean the actual or budgeted costs and expenses related to the creation and operation of the District, and the construction, operation, and maintenance of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) paying, and redeeming Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with this 2023 Amended SAP and the PID Act with respect to the administration of the District, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"Annual Installment" means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, which includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

"Annual Service Plan Update" means an update to the 2023 Amended SAP prepared no less frequently than annually by the Administrator and approved by the City Council.

"Assessed Property" means any Parcel within the District that benefits from the Authorized Improvements and on which an Assessment is levied as shown on the Assessment Roll and which includes any and all Parcels within the District other than Non-Benefitted Property.

"Assessment" means an assessment levied against a Parcel and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

"Assessment Ordinance" means Ordinance No. 2021-O0152 adopted by the City Council on November 1, 2021 in accordance with the PID Act that approved the 2022 SAP and levied an Assessment on Assessed Property within the District.

"Assessment Plan" means the methodology employed to assess the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements, more specifically described in Section V.

"Assessment Roll" means the assessment roll for the Assessed Property within the District and included in this 2023 Amended SAP as Exhibit F, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"Authorized Improvements" mean improvements authorized by Section 372.003 of the PID Act, including Public Improvements and District Formation and Bond Issuance Costs.

"City" means the City of Lubbock, Texas.

"City Council" means the governing body of the City.

"County" means Lubbock County, Texas.

"Delinquent Collection Costs" mean, for a Parcel, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this SAP, including costs and expenses to foreclose liens.

"District" means the approximately 992.06 acres within the corporate limits of the City, as described legally by metes and bounds on Exhibit A and as depicted by the map on Exhibit B.

"District Formation and Bond Issuance Costs" mean the costs associated with forming the District and issuing Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, first year's Annual Collection Costs, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of Bonds.

"Estimated Buildout Value" means the estimated buildout value of an Assessed Property at the time Assessments are levied, and shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other information that may impact value.

"Indenture" means an Indenture of Trust entered into in connection with the issuance of Bonds, as amended or supplemented from time to time, between the City and the Trustee setting forth terms and conditions related to the Bonds.

"Landowner Agreement" means that certain Landowner Agreement between the City and Owner dated March 22, 2022.

"Lot" means (1) for any portion of the District for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a "lot" in such subdivision plat, and (2) for any portion of the District for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a "lot" in a final recorded subdivision plat as shown on a concept plan or preliminary plat.

"Lot Type" All lot types at this time are the same with no classifications. Since the assessment is based on $0.15 per $100 valuation it will distribute the assessment fairly between the different sizes and types.

"Maximum Assessment" means the maximum assessment of $0.15 per $100 valuation for each of the lots.

"Non-Benefitted Property" means Parcels within the boundaries of the District that accrue no special benefit from Authorized improvements as determined by the City Council.

"Owner" means the non-City parties to the Landowner Agreement

"Parcel(s)" means a property, within the boundaries of the District, identified by either a tax map identification number assigned by the Lubbock Central Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means as determined by the City Council.

"PID Act" means Chapter 372, Texas Local Government Code, as amended.

"Bonds" mean those certain "City of Lubbock, Texas, Bonds (Northwest Passage Public Improvement District)", and any other bonds issued in accordance with the PID Act, if applicable, that are secured by Assessments.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of Assessment are not to be considered a Prepayment, but rather are to be treated as a payment of the regularly scheduled Assessment.

"Prepayment Costs" mean interest, including Additional Interest, and Annual Collection Costs incurred up to the date of Prepayment.

"Public Improvements" means those Authorized Improvements specifically described in Section III.A.

"Service Plan" covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements, more specifically described in Section IV.

"Trustee" means the trustee (or successor trustee) under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 992.06 acres within the corporate limits of the City, as described legally by metes and bounds on **Exhibit A** and as depicted by the map on **Exhibit B.** Development of the District is anticipated to include 4400 single-family homes.

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Owner and its engineer and review by the City staff, determined that the Authorized Improvements confer a special benefit on the Assessed Property. Public Improvements will be designed and constructed in accordance with City standards and will be owned and operated by the City once accepted unless specifically stated below. The budget for the Authorized Improvements, as well as the allocation of the Actual Costs of the Authorized Improvements, is shown on **Exhibit C.**

A. Public Improvements

- *Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for all Lots in the District.

- *Soft Costs/Contingency/Project Management*

  Includes 23% soft costs, contingency and project management fee.

B. District Formation and Bond Issuance Costs

- *Debt Service Reserve Requirement*

  Equals the amount required to fund a reserve under the Indenture in connection with the issuance of Bonds.

- *Capitalized Interest*

  Equals the amount of capitalized interest available for payment of interest on Bonds as reflected in the Indenture.

- *Underwriter's Discount*

  Equals a percentage of the par amount of a particular series of Bonds and includes a fee for underwriter's counsel.

- *Cost of Issuance*
  Costs associated with issuing Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of Bonds.

- *District Formation*
  Expenses directly associated with forming the District including 1st year Annual Collection Costs.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the projected costs and annual indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan shall be updated in each Annual Service Plan Update. **Exhibit D** summarizes the Service Plan for the District.

Exhibit E summarizes the sources and uses of funds required to construct certain Authorized Improvements. **Exhibit E** will be updated to show the amount required to fund the required reserves and issue the Bonds at the time the Bonds are issued. The sources and uses of funds shown on **Exhibit E** shall be updated in each Annual Service Plan Update.

SECTION V: ASSESSMENT PLAN

The PID Act requires the City to apportion the Actual Costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this 2023 Amended SAP describes the special benefit received by each Assessed Property within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied on the Assessed Property for such Authorized Improvements.

The determination by the City of the assessment methodologies set forth below is the result of the

discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Owner and all future owners and developers of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Developer and its engineer and reviewed by the City staff, has determined that the costs of the Authorized Improvements shall be allocated to each Parcel based on the Estimated Buildout Value of each Parcel. Upon subdivision of an Assessed Property, the Actual Costs of the Authorized Improvements shall be reallocated based on Estimated Buildout Value but assessments will be based on actual taxable value as further described in Section VI.

B. Assessments

Assessments will be levied on the Assessed Property according to the Assessment Roll, attached hereto as Exhibit F. The projected Annual Installments are shown on Exhibit G, subject to revisions made during any Annual Service Plan Update.

C. Findings of Special Benefit

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff, has found and determined:

- The costs of the Improvements equals $41,775,434 as shown on Exhibit C; and
- The Assessed Property receives special benefit equal to or greater than the Improvements; and
- The Assessed Property was allocated 100% of the Assessments levied for the Authorized Improvements, which equals $14,732,013 (Principal and Interest only) as shown on Exhibit M; and
- The special benefit ($41,775,434) received by the Assessed Property from the Improvements is greater than the amount of Assessments ($14,732,013) levied on the Assessed Property for the Improvements; and
- At the time the City Council approved the Assessment Ordinance, the Owner owned 100% of the Parcels. In the Landowner Agreement with the City, the Owner acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Owner ratified, confirmed, accepted, agreed to, and approved (1) the determinations and findings by the City Council as to the special benefits described herein and in the Assessment Ordinance, (2) the 2022 SAP and the Assessment Ordinance, and (3) the levying of the Assessments on the Assessed Property.

Annual Collection Costs

The Annual Collection Costs shall be paid for on a pro rata basis by each Assessed Property based on the amount of outstanding Assessment remaining on the Assessed Property. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

D. Additional Interest

The interest rate on Assessments levied on the Assessed Property may exceed the interest rate on the Bonds by the Additional Interest Rate. Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat or Upon Subdivision by a Recorded Subdivision Plat

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$A = B \times (C \div D)$

Where the terms have the following meanings:
A = the Assessment for the newly divided Assessed Property B
= the Assessment for the Assessed Property prior to division
C = the Estimated Buildout Value of the newly divided Assessed Property
D = the sum of the Estimated Buildout Value for all the newly divided Assessed Properties

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and update to this Service and approved by the City Council.

2. Upon Consolidation

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update.

The Assessment for any resulting Lot will not exceed the Maximum Assessment, shown on Exhibit H, and compliance may require a mandatory prepayment of Assessments pursuant to Section VI.B.

B. True-up of Assessments if Maximum Assessment Exceeded

If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the Maximum Assessment, the owner of Assessed Property requesting the

subdivision must prepay the portion of the Assessment for each Assessed Property that exceeds the Maximum Assessment in an amount sufficient to reduce the Assessment to the Maximum Assessment.

C. Mandatory Prepayment of Assessments

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessments, the owner transferring the Assessed Property shall pay to the City or the Administrator on behalf of the City the full amount of the outstanding Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, for such Assessed Property, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefitted Property, the owner causing the change in status shall pay the full amount of the outstanding Assessment, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the change in status.

D. Reduction of Assessments

If as a result of cost savings or Authorized Improvements not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, (i) in the event Bonds are not issued, the City Council shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs, or (ii) in the event Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the Project Fund, relating to the Bonds, that are not expected to be used for purposes of the Project Fund to redeem outstanding Bonds, in accordance with the applicable Indenture.

The Assessments shall not, however, be reduced to an amount less than the outstanding Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments, as shown on Exhibits F, and G, to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Interest costs from the date of prepayment to the date of redemption of the applicable Bonds, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is pre-paid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate.

If an Assessment is pre-paid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the Prepayment made.

F. Prepayment as a result of Eminent Domain Proceeding or Taking

If any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "Taking"), the portion of the Assessed Property that was taken or transferred (the "Taken Property") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property), (the "Remaining Property") following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner will remain liable to pay in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Annual Installments applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the Maximum Assessment, the owner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the Maximum Assessment, in which case the Assessment and Annual Installments applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. In all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a $100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the $100 Assessment, (provided that this $100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the $100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment on the Remaining Property by $10, then the owner shall be required to pay $10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to be $90 and the Annual Installments adjusted accordingly.

Notwithstanding the previous paragraphs in this subsection (F), the Assessments shall not, however, be reduced to an amount less than the outstanding Bonds.

G. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. Exhibit G shows the projected Annual Installments for the District. Annual Installments are subject to adjustment in each Annual Service Plan Update.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Annual Collection Costs shall be allocated pro rata among Assessed Properties for which the Assessments remain unpaid in proportion to the amount of the Annual Installments for the Assessed Property. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of

delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the Annual Installments as they become due and payable.

The City reserves the right to refund Bonds in accordance with the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. Failure of an owner of Assessed Property to receive an invoice for an Annual Installment on the property tax bill or otherwise shall not relieve the owner of Assessed Property of the obligation to pay the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached as **Exhibit F.** The Administrator shall prepare and submit to the City Council for review and approval, proposed revisions to the Assessment Roll and Annual Installments for each Parcel within the Assessed Property as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of an Assessed Property claims that an error has been made in any calculation required by this 2023 Amended SAP, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the sole and exclusive remedy of the owner of Assessed Property shall be to submit a written notice of error to the Administrator by December of each year following City Council approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the City Council and the owner within 30 days of such referral. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and within 30 days after adjourning such meeting, the City Council shall make a final determination as to

whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this 2023 Amended SAP, the applicable Assessment Ordinance, or the applicable Indenture, or is otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this 2023 Amended SAP must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this 2023 Amended SAP may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this 2023 Amended SAP.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2023 Amended SAP;
(2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this 2023 Amended SAP. Interpretations of this 2023 Amended SAP by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation.

Appeals shall be decided by the City Council after providing an opportunity for all interested parties to be heard at a public meeting of the City Council. Decisions by the City Council shall be final and binding on the owners and developers and their successors and assigns.

D. Severability

If any provision of this 2023 Amended SAP is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

LIST OF EXHIBITS

Exhibit A	District Legal Description District
Exhibit B	Boundary Map
Exhibit C	Authorized Improvements
Exhibit D	Service Plan - Five Year Plan
Exhibit E	Service Plan - Sources and Uses
Exhibit F	Assessment Roll
Exhibit G	Estimated Annual Installments
Exhibit H	Maximum Assessment per Lot Type
Exhibit I	Estimated Allocation of Public Improvement Costs by Tract
Exhibit J	Estimated Debt Service Schedule

EXHIBIT A- DISTRICT LEGAL DESCRIPTION

Tract 1 (Northwest Quadrant):

METES AND BOUNDS DESCRIPTION of a 476.102-acre tract located in Section 11, Block JS, Abstract 343, Lubbock County, Texas, being a portion of that 727.417-acre tract described in Volume 10351, Page 176, Official Public Records of Lubbock County, Texas (OPRLCT), said 476.102-acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in a West line of that 17.40-acre street right-of-way dedication as described in County Clerk File Number (CCFN) 2012043729, OPRLCT, having a grid coordinate of N-7289808.60, E-926282.74, Texas Coordinate System of 1983, North-Central Zone, which point bears N. 88°14'14" W. a distance of 548.88 feet from a broken nail found at the common comer of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE N. 88°14'14" W, along the South line of said Section 11 and the North line of said Section 6, same being a South line of said 727.417-acre tract a distance of 2580.70 feet to a 1/2" iron rod found at the Southeast comer of that property conveyed to Elizabeth Montalvo in Volume 6202, Page 313, OPRLCT and a comer of said 727.417-acre tract;

THENCE N. 01°43'53" E., along a line of said 727.417-acre tract and an East line of said Montalvo property, at 50.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 625.08 feet to a metal fence post found at a comer of said 727.417-acre tract and the most Easterly Northeast comer of said Montalvo property;

THENCE N. 88°13'31" W., along a line of said 727.417-acre tract and a North line of said Montalvo property a distance of 1204.98 feet to a metal fence post found at a comer of said 727.417-acre tract and an "ell" comer of said Montalvo property;

THENCEN. 01°47'44" E., along a line of said 727.417-acre tract and an East line of said Montalvo property and the East lines of those tracts described in Volume 8455, Page 307, Volume 4150, Page 74, and Volume 4150, Page 76, OPRLCT, a distance of 2014.64 feet to a fence post found in the South line of that 14.809-acre tract described in Volume 9594, Page 191, OPRLCT, at an "ell" comer of said 727.417-acre tract;

THENCE S. 88°14'37" E., along a line of said 727.417-acre tract and the South line of said 14.809- acre tract a distance of 796.21 feet to a 1/2" iron rod with cap (Newton) found at a comer of said 727.417-acre tract and the Southeast comer of said 14.809-acre tract;

THENCE N. 01°43'22" E., along a line of said 727.417-acre tract and the East line of said 14.809- acre tract a distance of 369.94 feet to a 1/2" iron rod with cap (Newton) found at a comer of said 727.417-acre tract and the Northeast comer of said 14.809-acre tract;

THENCE N. 88°14'23" W., along a line of said 727.417-acre tract and the North line of said 14.809-acre tract, at 1682.32 feet pass the East right-of-way line of Frankford Avenue (FM 2528) as described in Volume 1012, Page 465, OPRLCT, continuing for a total distance of 1742.32 feet to a cotton spindle found in the West line of said Section 11, at a comer of said 727.417-acre tract and the Northwest comer of said 14.809-acre tract;

THENCE N. 01°44'18" E., along the West line of said Section 11 and a West line of said 727.417- acre tract a distance of 2269.05 feet to a cotton spindle found at the Northwest comer of said Section 11 and the Northwest comer of said 727.417-acre tract;

THENCE S. 88°05'04" E., along a North line of said 727.417-acre tract and the North line of said Section 11 a distance of 2080.26 feet to a 40-penny nail found at a comer of said 727.417-acre tract and the Northwest comer of that 5-acre tract described in Volume 7040, Page 170, OPRLCT;

THENCE S. 01°55'34" W., along a line of said 727.417-acre tract and the West line of said 5-acre tract, at 50.00 feet pass the South right-of-way line of Kent Street as described in Volume 1012, Page 563, OPRLCT, continuing for a total distance of 926.74 feet to a 3/8" iron rod found at the Southwest comer of said 5-acre tract and a comer of said 727.417-acre tract;

THENCE S. 88°03'33" E., along a line of said 727.417-acre tract and the South line of said 5-acre tract a distance of 234.68 feet to a 1/2" iron rod with cap (RPLS 4579) found at the Southeast comer of said 5-acre tract and a comer of said 727.417-acre tract;

THENCE N. 01°56'30" E., along the East line of said 5-acre tract and a line of said 727.417-acre tract, at 876.85 feet pass the South right-of-way line of said Kent Street, continuing for a total distance of 926.85 feet to a 60-penny nail found in the North line of said Section 11 and a North line of said 727.417-acre tract at the Northeast comer of said 5-acre tract;

THENCE S. 88°05'04" E., along the North line of said Section 11 and a North line of said 727.417- acre tract a distance of 819.69 feet to a concrete nail found in the Southwesterly right-of-way line of U.S. Highway 84 (Clovis Road) at a comer of said 727.417-acre tract;

THENCE S. 01°57'08" W., along said Southwesterly right-of-way line and a line of said 727.417- acre tract a distance of 50.00 feet to a 1/2" iron rod with cap (Newton) found;

THENCE S. 77°32'31" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 283.34 feet to a concrete right-of-way marker found;

THENCE S. 58°11'23" E., continuing along said right-of-way and a line of said 727.417-acre tract a distance of 1353.47 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the West right-of-way line of Slide Road, same being the West line of said 17.40-acre tract;

THENCE Southeasterly, along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 61°23'03", a chord bearing of S. 00°16'32" E., a chord distance of 1607.84 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 30°58'04" E., continuing along said right-of-way line a distance of 534.62 feet to a *112"* iron rod found at a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius ofl425.00 feet, a central angle of 32°18'04", a chord bearing of S. 14°49'02" E., a chord distance of 792.76 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of tangency;

THENCE S. 01°20'00" W., continuing along said right-of-way line a distance of 1180.93 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE S. 04°11 '44" W., continuing along said right-of-way line a distance of 200.25 feet to a *112"* iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE S. 01°20'00" W., continuing along said right-of-way line a distance of 208.00 feet to a *112"* iron rod found at a point of intersection;

THENCE S. 46°32'53" W., continuing along said right-of-way line a distance of 42.27 feet to a *112"* iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection in the North right-of-way line of Ursuline Street;

THENCE N. 88°14'14" W., continuing along said right-of-way line a distance of 397.10 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 01°45'46" W., continuing along said right-of-way line, at 5.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 55.00 feet to the Point of Beginning.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

Tract 2 (Northeast Quadrant):

METES AND BOUNDS DESCRIPTION of a 230.125-acre tract located in Sections 11, Block JS, Abstract 343, and Section 14, Block A, Abstracts 861 and 1332, Lubbock County, Texas, being a portion of that 727.417-acre tract described in Volume 10351, Page 176, Official Public Records of Lubbock County, Texas (OPRLCT), and a portion of that 286.14-acre tract described in Volume 10351, Page 183, OPRLCT, said 230.125-acre tract being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in an East line of that 17.40-acre street right-of-way dedication as described in County Clerk File Number (CCFN) 2012043729, OPRLCT, having a grid coordinate of N-7289776.71, E-927306.98, Texas Coordinate System of 1983, North-Central Zone, which point bears S. 88°11'41" E. a distance of 476.10 feet from a broken nail found at the common corner of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE N. 01°48' 19" E., along an East line of said 17.40-acre tract, at 50.00 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 55.00 feet to a 112" iron rod with cap marked "HUGO REED & ASSOC" set for a corner of said 17.40-acre tract in the North right-of-way line of Ursuline Street;

THENCE N. 85°19'56" W., along said right-of-way line a distance of 200.25 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°11'41" W., continuing along said right-of-way line a distance of 208.00 feet to a 112" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection;

THENCE N. 43°25'50" W., continuing along said right-of-way line a distance of 42.60 feet to a "crow's foot" chiseled in concrete for a point of intersection in the East right-of-way line of Slide Road, same being the East line of said 17.40-acre tract;

THENCE N. 01°20'00" E., along said right-of-way line a distance of 1580.17 feet to a 112" iron rod with cap marked "HUGO REED & ASSOC" set for a point of curvature;

THENCE Northwesterly, continuing along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 32°18'04", a chord bearing of N. 14°49'02" W., a chord distance of 876.21 feet to a 112" iron rod with cap marked "HUGO REED
& ASSOC" found at a point of tangency;

THENCE N. 30°58'04" W., continuing along said right-of-way line a distance of 534.62 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of curvature;

THENCE Northwesterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 44°23'25'', a chord bearing of N. 08°46'22" W., a chord distance of 1076.62 feet to a 1/2" iron rod with cap marked "HUGO REED
& ASSOC" set for a point of intersection;

THENCE Northeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1478.85 feet, a central angle of 06°54'41", a chord bearing. of N. 20°13 '30" E., a chord distance of 178.28 feet to a 112" iron rod with cap marked "HUGO REED
& ASSOC" found at a point of intersection;

THENCE Northeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1415.00 feet, a central angle of 09°38'59'', a chord bearing of N. 25°26'03" E., a chord distance of 238.03 feet to a 1/2" iron rod with cap marked "HUGO REED
& ASSOC" found in the Southwesterly right-of-way line of U.S. Highway 84 (Clovis Road), in a Northerly line of said 727.417-acre tract;

THENCE S. 58°11'34" E., along said Clovis Road right-of-way line and a Northerly line of said 727.417-acre tract a distance of 644.87 feet to a 1/2" iron rod with cap marked "HUGO REED &

ASSOC" found in the East line of said Section 11 and the West line of said Section 14, at a comer of said 727.417-acre tract

THENCE S. 01°45'00" W., along the East line of said Section 11 and the West line of said Section 14 and a line of said 727.417-acre tract a distance of 1447.24 feet to a 112" iron rod with cap marked "HUGO REED & ASSOC" set for a comer of said 727.417-acre tract;

THENCE S. 88°11'29" E., along a line of said 727.417-acre tract a distance of 1696.26 feet to a 5/8" iron rod found at a comer of said 727.417-acre tract;

THENCE S. 01°50'26" W., along a line of said 727.417-acre tract a distance of 333.98 feet to a 112" iron pipe found at a comer of said 727.417-acre tract;

THENCE S. 88°08'32" E., along a line of said 727.417-acre tract a distance of 311.55 feet to a chain-link fence post found at a comer of said 727.417-acre tract;

THENCE S. 55°08'25" E., along a line of said 727.417-acre tract a distance of 3142.70 feet to a 112" iron rod with cap marked "HUGO REED & ASSOC" found at the Northwest plat limits of Tract "A'', LP&L Northwest Substation Addition as recorded in CCFN 2008042914, OPRLCT;

THENCE S. 01°48' 11" W., along said West plat limits, at 541.59 feet pass the North right-of-way line of Ursuline Street as described in Volume 1213, Page 346, OPRLCT, continuing for a total distance of 591.59 feet to a 112" iron rod found in the South line of said Section 14 and the South line of said 727.417-acre tract at the Southwest plat limits comer of said Tract "A" and the Southeast comer of this tract;

THENCE N. 88°11'41" W., along the South line of said Section 14 and the South line of said 727.417-acre tract a distance of 4164.33 feet to the Point of Beginning.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

Tract 3 (Southwest Quadrant, excluding portion in the North Pointe PID):

METES AND BOUNDS DESCRIPTION of a 318.340-acre being a portion of that 160.139-acre tract located in Section 6, Block JS, Abstract 1492, Lubbock County, Texas, described in Volume 9785, Page 28, Official Public Records of Lubbock County, Texas (OPRLCD, and a portion of that 153.864-acre tract located in Section 6, Block JS, Lubbock County, Texas, Abstract 1516, described in County Clerk File Number (CCFN) 2006043021, and that tract located in said Section 6 described in Volume 10263, Page 222, OPRLCT, and a portion of that 303.29-acre tract located in Section 5, Block JS, Lubbock County, Texas, Abstract 346, described in Volume 10016, Page 135, OPRLCT, said 318.340-acre tract being further described as follows:

BEGINNING at a 112" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection in the South right-of-way line of Ursuline Street, same being a line of that 17.40-acre street right-of-way dedication as described in CCFN 2012043729, OPRLCT, having a grid

coordinate of N-7289731.09, E-926687.46, Texas Coordinate System of 1983, North-Central Zone, which point bears N. 88°14'14" W. a distance of 140.88 feet and S. 01°45'46" W. a distance of 65.00 feet from a broken nail found at the common corner of Sections 11, 6, and 5, all in Block JS, and Section 14, Block A, Lubbock County, Texas;

THENCE S. 43°27'07" E., along a line of said 17.40-acre tract a distance of 42.59 feet to an "X" chiseled in concrete set for a point of intersection in the West right-of-way line of Slide Road;

THENCE S. 01°20'00" W., along said West right-of-way line a distance of 574.41 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the left, said curve having a radius of 1575.00 feet, a central angle of 30°31'25", a chord bearing of S. 13°55'42" E., a chord distance of 829.17 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of tangency;

THENCE S. 29°11'25" E., continuing along said right-of-way line a distance of 179.80 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of curvature;

THENCE Southeasterly, continuing along said right-of-way line, along a curve to the right, said curve having a radius of 1425.00 feet, a central angle of 30°57'31", a chord bearing of S. 13°42'39" E., a chord distance of 760.64 feet to a 1/2" iron rod found at a point of tangency;

THENCE S. 01°46'06" W., continuing along said right-of-way line a distance of 336.59 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set in the North line of a 20-foot alley dedicated by plat of Lots 535-707, North Pointe Addition to the City of Lubbock as recorded in CCFN 2006045605, OPRLCT;

THENCE N. 88°08'27" W., along the North line of said alley a distance of 228.93 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 43°08'27" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°08'27" W., continuing along the North line of said alley a distance of 56.00 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 46°51'33" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°08'27" W., continuing along the North line of said alley a distance of 110.10 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found at a point of intersection in the West line of said Section 5 and the East line of said Section 6;

THENCE N. 88°09'58" W., continuing along the North line of said alley a distance of 709.89 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 43°09'58" W., continuing along the North line of said alley a distance of 14.14 feet to a point of intersection;

THENCE N. 88°09'58" W., continuing along the North line of said alley a distance of 52.00 feet to a point of intersection

THENCE S. 46°50'02" W., continuing along the North line of said alley a distance of 14.14 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE N. 88°09'58" W., continuing along said alley line a distance of 539.58 feet to a point of intersection in the West plat limits of said North Pointe Addition and the East plat limits of Lots 191-290 and Tracts C and D, Lynnwood Addition to the City of Lubbock as recorded in Volume 9847, Page 139, OPRLCT;

THENCE N. 01°36'04" E., along the East plat limits of said Lynnwood Addition a distance of 49.77 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" found in the South line of said 153.864-acre tract at the Northeast comer of the plat limits of said Lynnwood Addition;

THENCE N. 88°01'32" W., along the North plat limits of said Lynnwood Addition a distance of 1325.36 feet to a "MAG" nail with shiner (AMD) found at the Northwest comer of said plat limits, at the Southwest comer of said 160.139-acre tract and the Southeast comer of said 153.864-acre tract;

THENCE N. 88°05'46" W., along the South line of said 153.864-acre tract, at 1320.00 feet pass a 1/2" iron rod found, continuing at 2130.37 feet pass the Northeast comer of Tract "A", Broadview Baptist Church Addition as recorded in Volume 1685, Page 894, OPRLCT, continuing along the North line of said Tract "A" for a total distance of 2579.92 feet to a 1/2" iron rod found in the East right-of-way line of Frankford Avenue (FM 2528) at the Southwest comer of said 153.864-acre tract and the Southwest comer of this tract;

THENCE N. 01°56'10" E., along said East right-of-way line and the West line of said 153.864- acre tract a distance of 2573.17 feet to a 1/2" iron rod found in the South right-of-way line of Ursuline Street as described in CCFN 2011027661, OPRLCT, at the Northwest comer of this tract;

THENCE S. 88°14'14" E., along the South right-of-way line of said Ursuline Street, at 2285.20 feet pass the West line of that tract described in Volume 10263, Page 222, at 2580.37 feet pass the East line of same tract and the West line of said 160.319-acre tract, continuing for a total distance of 4671.95 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 85°22'29" E., continuing along said right-of-way line a distance of 200.25 feet to a 1/2" iron rod with cap marked "HUGO REED & ASSOC" set for a point of intersection;

THENCE S. 88°14' 14" E., continuing along said right-of-way line a distance of 208.00 feet to the Point of Beginning.

SAVE & EXCEPT: Any portion of Tract 3 located in Section 5, Block JS, Lubbock County, Texas, Abstract 346, described in Volume 10016, Page 135, OPRLCT that is also currently located in the North Pointe PID.

Bearings relative to the Texas Coordinate System of 1983 (2011) Epoch 2010.0, North-Central Zone.

Distances and areas are surface, U.S. Survey Feet.

Tract 4 (Small strip adjoining Southwest Quadrant):

All of the portion of Tract 5 described in the Deed to Petitioner filed in CCFN 2021019386, OPRLCT not currently located in the North Point PID (for further clarification, this tract is generally described as a strip located north of, and adjacent to, the alley north of Marshall Avenue, adjacent to Tract 3 described above.)

EXHIBIT B – BOUNDARY MAP

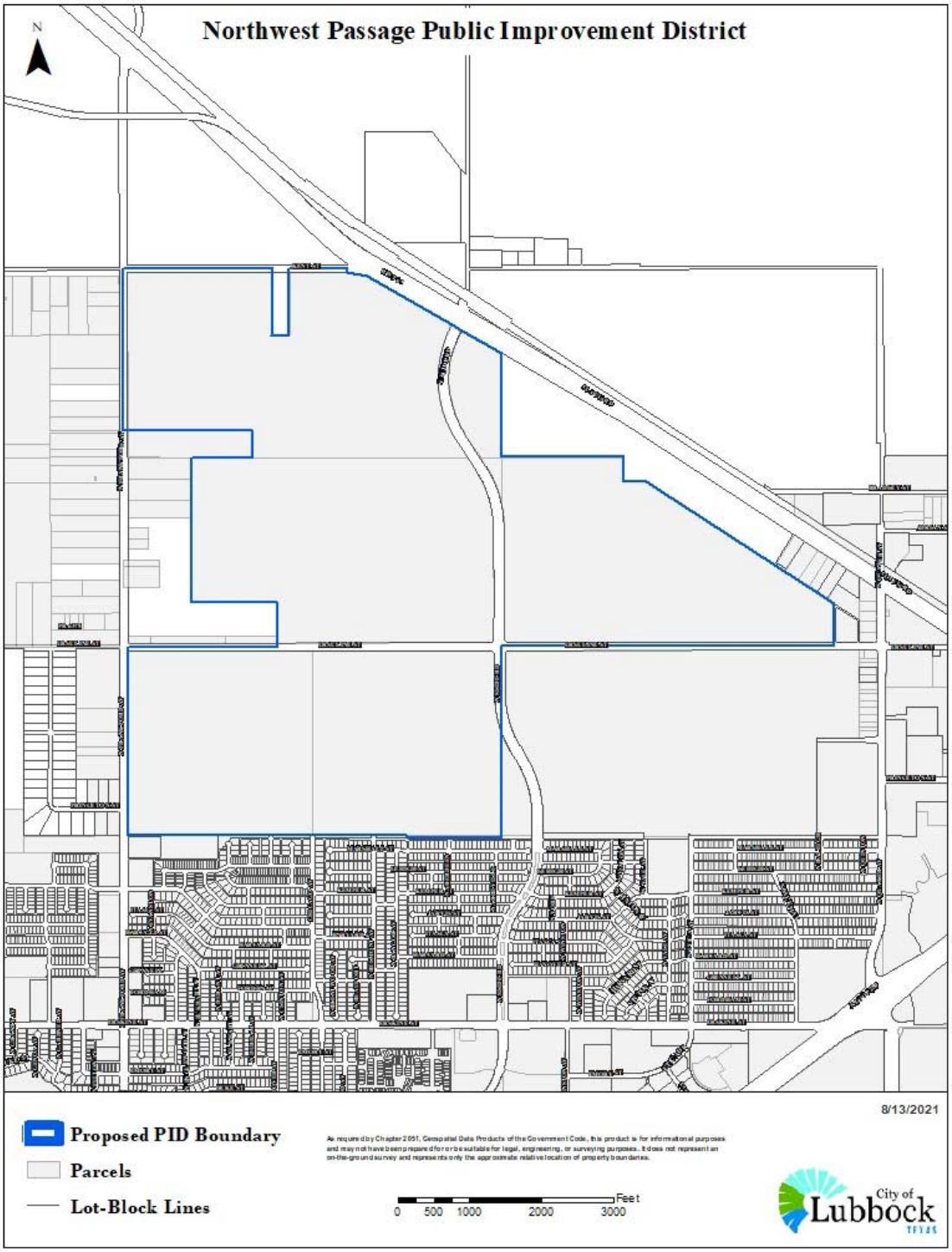


EXHIBIT C – AUTHORIZED IMPROVEMENTS

	Total Costs (a)		PID Portion	
			%	Cost
Public Improvements				
Drainage (Includes Soft Costs, Contingency and Project Management	40,825,434			9,985,000
	40,825,434			9,985,000
District Formation and Bond Issuance Costs				
Debt Service Reserve Fund	-			-
Capitalized Interest	-			-
Underwriter Discount	200,000			200,000
Cost of Issuance	250,000			250,000
	450,000			450,000
Total	**41,275,434**		25.28%	**10,435,000**

Footnotes:

[a] Costs allocated based on estimated buildout value, see Exhibit **M** for calculation of allocation percentages.

These are estimates only. They will change.

EXHIBIT D – SERVICE PLAN – FIVE YEAR PLAN

Northwest Passage PID							
Fiscal Year	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**FY 2027-28**	**FY 2028-29**
Annual Installments Due	**1/31/2023**	**1/31/2024**	**1/31/2025**	**1/31/2026**	**1/31/2027**	**1/31/2028**	**1/31/2029**
Principal	$ -	-	-	-	-	365,000	380,000
Interest	-	-	-	-	-	368,965	355,966
Total Debt Service	**-**	**-**	**-**	**-**	**-**	**733,965**	**735,966**
Annual Collection Costs	8,647	20,000	25,000	25,500	26,010	26,530	27,061
Additional Reserve	(7,562)	(16,920)	232,819	524,797	711,015	108,488	256,094
Total Annual Installment	**$ 1,085**	**3,080**	**257,819**	**550,297**	**737,025**	**868,983**	**1,019,120**

Future years are estimates only.

EXHIBIT E - SERVICE PLAN - SOURCES AND USES

SOURCES		
Bond Par (b)	$	10,435,000
Premium		
Owner Contribution (a)		30,840,434
TOTAL SOURCES	**$**	**41,275,434**
IMPROVEMENT		
Improvement Project	$	40,825,434
Costs of Issuance		250,000
Underwriters Discount		200,000
Capitalized Interest		
Reserve Fund		
TOTAL USES	**$**	**41,275,434**
(a) Non-reimbursable to Owner		
(b) The Owner is only entitled to reimbursement for the Actual Costs of the Authorized Improvements in an amount equal to $10,435,000		

The above are estimates only.

EXHIBIT F -ASSESSMENT ROLL

Tax Ref ID No.	Value	Principal	Interest	Annual Collection Cost	Additional Interest	2022 Annual Installment
R342383	3,289		-	5	-	5
R343734	6,831		-	10	-	10
R343735	1,126,310	-	-	1,689	-	1,689
R347099	9,661	-	-	14	-	14
R347100	70,262			105		105
R347102	82,800			124		124
R347103	277,080			416		416
R347522	291,930			438		438
R63099	50,413	-	-	76	-	76
R63214	70,492	-	-	106	-	106
R66307	46,716	-	-	70	-	70
R82421	1,472	-	-	2	-	2
R82485	16,025			24		24
	2,053,281	**-**	**-**	**3,080**	**-**	**3,080**

EXHIBIT G - ANNUAL INSTALLMENTS

Tax Year	Principal	Interest	Annual Collection Cost	Additional Interest	Total Annual Installment
2022	-	-	8,647	(7,562)	1,085
2023	-		20,000	(16,920)	3,080
2024	-		25,000	232,819	257,819
2025	-		25,500	524,797	550,297
2026	-		26,010	711,015	737,025
2027	365,000	368,965	26,530	108,488	868,983
2028	380,000	355,966	27,061	256,094	1,019,120
2029	390,000	342,507	27,602	383,327	1,143,436
2030	410,000	328,572	28,154	484,399	1,251,126
2031	420,000	314,145	28,717	514,660	1,277,523
2032	435,000	299,208	29,291	541,067	1,304,566
2033	455,000	283,742	29,877	552,662	1,321,281
2034	470,000	267,730	30,475	570,270	1,338,475
2035	485,000	251,152	31,084	588,860	1,356,095
2036	505,000	233,987	31,706	603,342	1,374,035
2037	520,000	216,215	32,340	623,943	1,392,499
2038	540,000	197,815	32,987	640,512	1,411,314
2039	560,000	178,765	33,647	658,151	1,430,562
2040	580,000	159,041	34,320	678,118	1,451,478
2041	600,000	138,619	35,006	726,425	1,500,050
2042	620,000	117,475	35,706	777,237	1,550,419
2043	640,000	95,584	36,420	830,646	1,602,650
2044	665,000	72,919	37,149	881,620	1,656,687
2045	685,000	49,452	37,892	(14,929)	757,415
2046	710,000	25,156	38,649	1,919	775,724
	10,435,000	4,297,013	749,771	11,850,959	27,332,743

[a] Interest is calculated at the rate of the Bonds.

[bl Annual Collection Costs estimated to escalate 2.00% annually.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT H - MAXIMUM ASSESSMENT PER LOT TYPE

Lot Type	Original Maximum Assessment Per Lot
Residential	$0.15 per $100 valuation

EXHIBIT I - ALLOCATION OF PUBLIC IMPROVEMENT COSTS

Lot Type	No. of Lots	Estimated Average Buildout Value Per Lot	Total Extimated Buildout Value (Taxable Value)	Percentage of Benefit	Estimated Average Assessment Per Tract*	Total Estimated Assessment (Debt Principal & Interest)
Residential	4,400	293,866.82	1,293,014,001	100.0%	$ 3,348.18	$ 14,732,013.06
Tract 1	9		2,586,028	0.2%	1,473.20	29,464.03
Tract 2	334		98,269,064	7.6%	55,981.65	1,119,632.99
Tract 3	22		6,465,070	0.5%	3,683.00	73,660.07
Tract 4	955		280,584,038	21.7%	159,842.34	3,196,846.83
Tract 5	1,043		306,444,318	23.7%	174,574.35	3,491,487.10
Tract 6	708		208,175,254	16.1%	118,592.71	2,371,854.10
Tract 7	57		16,809,182	1.3%	9,575.81	191,516.17
Tract 8	634		186,194,016	14.4%	106,070.49	2,121,409.88
Tract 9	128		37,497,406	2.9%	21,361.42	427,228.38
Tract 10	207		60,771,658	4.7%	34,620.23	692,404.61
Tract 11	132		38,790,420	3.0%	22,098.02	441,960.39
Tract 12	123		36,204,392	2.8%	20,624.82	412,496.37
Tract 13	48		14,223,154	1.1%	8,102.61	162,052.14
	4,400	293,867	1,293,014,001			

* Assessment is $0.15 per $100 valuation so each lot will have a different assessment based on value. The assessment rate could be lower in later years.

This is a projection and can change each year when the Service and Assessment Plan is updated. The total estimated assessment is based on 20 years and an average amount for each lot. The actual will be different.

EXHIBIT J - BOND DEBT SERVICE SCHEDULE

TAX & WW SYSTEM SURPLUS REV CO BDS, Series 2027 Dated Date: TBD $10,435,000.00 NORTHWEST PASSAGE PID			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2027-28	365,000.00	368,964.54	733,964.54
2028-29	380,000.00	355,965.53	735,965.53
2029-30	390,000.00	342,506.89	732,506.89
2030-31	410,000.00	328,572.38	738,572.38
2031-32	420,000.00	314,145.17	734,145.17
2032-33	435,000.00	299,207.83	734,207.83
2033-34	455,000.00	283,742.34	738,742.34
2034-35	470,000.00	267,730.01	737,730.01
2035-36	485,000.00	251,151.51	736,151.51
2036-37	505,000.00	233,986.82	738,986.82
2037-38	520,000.00	216,215.22	736,215.22
2038-39	540,000.00	197,815.24	737,815.24
2039-40	560,000.00	178,764.67	738,764.67
2040-41	580,000.00	159,040.50	739,040.50
2041-42	600,000.00	138,618.92	738,618.92
2042-43	620,000.00	117,475.26	737,475.26
2043-44	640,000.00	95,584.00	735,584.00
2044-45	665,000.00	72,918.70	737,918.70
2045-46	685,000.00	49,451.99	734,451.99
2046-47	710,000.00	25,155.54	735,155.54
	$ 10,435,000.00	**$ 4,297,013.06**	**$ 14,732,013.06**

This is an estimated debt schedule only. It will change once debt has been issued.

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Northwest Passage Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, TX 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Northwest Passage Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (The "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the proposed public improvements is: (i) the design, construction and maintenance of parks and greens, together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, bridges, walkways, lighting, benches, trash receptacles and similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; the design, construction and maintenance of water features such as lakes, ponds and fountains; distinctive lighting and signs; construction and improvement of pedestrian malls, passages or pathways including pedestrian bridges; design, construction and improvement of vehicular bridges and low water crossings; design, construction and improvement of community meeting halls or similar buildings; design, construction and improvement of community monuments, towers, and other amenity-type structures; acquisition and installation of art work; design, acquisition, installation, and improvement of telecommunication and similar technology systems; and special supplemental services defined in the Act, together with related permits and licenses; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision, including costs of establishing, administering and operating the District; and (iii) the District shall prioritize its expenditures as follows: (a) design, construction, maintenance, and financing for drainage improvements; then (b) design, construction, maintenance, and financing for park improvements; then (c) selection, acquisition, and maintenance for public art; then (d) all other allowable improvements and related expenditures. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is estimated at $2,417,204 over the next five years. The estimated annual cost rises from $3,080 in FY 2023-24 to $868,983 in FY 2027-28. The District shall incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.15 per $100.00 of valuation through tax year 2027.

Boundaries: The District is located within the City of Lubbock, Texas. The proposed Northwest Passage Public Improvement District (PID) generally covers a portion of an area in the City of Lubbock, Lubbock County, Texas, generally bounded by Frankford Avenue on the west, Quaker Avenue on the east, Kent Avenue and Highway 84 on the north, and Marshall Avenue on the south. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Quincy Park Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Quincy Park PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Quincy Park PID to speak in favor of, or in opposition to, the assessment to be levied in the Quincy Park PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.15 per $100 valuation. This is the same rate as 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.15 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The assessments are deposited into a separate Quincy Park PID fund. The funds raised by the assessment will be used to provide design, construction, and maintenance of the neighborhood park and playa lake and the 93rd Street median together with any features or amenities, and any other maintenance needed on projects in the District, as well as cover a portion of the costs of administering the PID. The projected assessment that will be collected for 2023, based on estimated values, is $258,109.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Quincy Park PID Advisory Board

Attachments

Ordinance and Exhibits
Quincy Park PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATIONS FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE QUINCY PARK PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE QUINCY PARK PUBLIC IMPROVEMENT DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE QUINCY PARK PUBLIC IMPROVEMENT DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, On May 28, 2009 the City Council passed Resolution No.2009-R0219, attached hereto as "Exhibit A," which made certain findings concerning the advisability of creating the Quincy Park Public Improvement District (the "District"), authorized and created the District as a public improvement district under Chapter 372 of the Texas Local Government Code and designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and

WHEREAS, On June 11, 2009, the City Council passed Resolution No. 2009-R0223, approving the Service and Assessment Plan, which will be reviewed and revised each year when necessary. The revised 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, Chapter 372 of the Texas Local Government Code requires that the City Council review the Plan; prepare a proposed assessment roll and file it with the City Secretary; and, schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023 to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real

property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District, and approve, adopt and file with the City Secretary the proposed assessment roll (the "Assessment Roll"), attached hereto as "Exhibit C;" and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.15 per $100.00 of net taxable value through year 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

Section 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

Section 2: THAT the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

Section 3: THAT the City Council hereby approves, adopts, and files with the City Secretary, the Assessment Roll. The Assessment Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Assessment Roll in the official City Records. The Assessment Roll shall be subject to public inspection.

Section 4: THAT the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the

services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

Section 5: THAT the City Council finds that City of Lubbock staff mailed to the owners of property liable for assessment, the notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act. The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

Section 6: THAT the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied. The City Council finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District. The City Council further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State. The City Council finds that the proceedings that the City has had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

Section 7: THAT there is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 City net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

Section 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and the interest thereon, at the rate per annum, established in Section 9, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims, except liens and claims for ad valorem taxes, and is a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien shall attach on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid. The lien is perfected on attachment and perfection requires no further action by the governing body.

Section 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax

Code. A delinquent assessment incurs a penalty of six percent of the amount of the assessment for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

Section 10: THAT all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

Section 11: THAT the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

Section 12: THAT the City may contract with the Lubbock Central Appraisal District or any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on_____, 2023.

Passed by the City Council on second reading on_____, 2023.

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Resolution No. 009-R0219
May 28, 2009
Item No. 6.8

RESOLUTION

WHEREAS, a petition has been received from the record owners of taxable real property representing more than 50 percent of the appraised value (as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District) of an area within the City of Lubbock generally bounded by portions of 88th and 89th Street on the north, Upland Avenue on the west, 98th Street on the south and Quincy Avenue on the east, AND owners of not less than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal; requesting establishment of a Quincy Park Public Improvement District under Chapter 372 of the Texas Local Government Code for the purpose of designing, constructing and maintaining Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscape and irrigation; including costs of establishing, administering and operating the District; and

WHEREAS, the petition, a copy of which has been attached as Exhibit "1," was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council of the City of Lubbock, Texas (the "City"); and

WHEREAS, the boundaries of the proposed Quincy Park Public Improvement District within the city limits of the City of Lubbock are described in the attachment designated as Exhibit "2" and shown on the map attached hereto as Exhibit "3"; and

WHEREAS, the City has called a public hearing to hear public comments on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, notice of such public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the 15th day before the date of the public hearing stating the time and place of the hearing, the general nature of the services, the estimated cost of the services, the proposed boundaries of the proposed Quincy Park Public Improvement District, the method of assessment, and the apportionment of cost between the improvement district and the city as a whole; and

WHEREAS, written notice containing the information in the published notice was mailed before the 15th day before the date of the hearing to the current addresses of the owners, as reflected on the tax rolls, of property subject to assessment under the proposed public improvement district; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, on the 28th day of May, 2009, at 10:00 o'clock a.m., in the Council Chambers of the City of Lubbock, Texas; and

WHEREAS, the City, at such hearing, invited any interest person, or his/her representative, to appear and speak for or against the authorization of the Quincy Park Public Improvement District, the boundaries of the proposed public improvement district, whether all or a part of the territory which is described in Exhibit "2" attached hereto and depicted on the map attached hereto as Exhibit "3" should be included in such proposed Quincy Park Public Improvement District, the advisability of the proposed improvements, the nature of the improvements, the estimated costs of the improvements; the method of assessment, and the apportionment of costs between the district and the city as a whole; and

WHEREAS, all owners of property located with the proposed Quincy Park Public Improvement District and all other taxing units and other interested persons were given a reasonable opportunity at such public hearing to protest the authorization of the Quincy Park Public Improvement District and/or the inclusion of their property in such District; and

WHEREAS, the proponents of the Quincy Park Public Improvement District offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Quincy Park Public Improvement District, and opponents of the Quincy Park Public Improvement District were given the opportunity to appear to contest authorization of the district, after which the hearing was closed; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on the advisability of authorizing the Quincy Park Public Improvement District has been properly called, held and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the proposed public improvement district.

(b) That authorization of the proposed Quincy Park Public Improvement District with boundaries as described in Exhibits "2" and "3" for the purpose of designing, constructing and maintaining Parks and greens together with any ancillary structures, features or amenities such as

playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscape and irrigation; including costs of establishing, administering and operating the District is advisable and will result in benefits to the City, its residents and property owners in the Quincy Park Public Improvement District.

(c) That the total estimated cost of services and improvements proposed to be provided by the District is approximately $93,140.00 over the next five (5) years, and that the estimated annual cost rises from $15,000 in the year three to $39,140 in year five (5). Services anticipated are maintenance of 93rd Street median and entrances; maintenance of the park at 91st Street and Quitna; electric cost for lighting; and developer reimbursement for the cost of construction of said median and park.

(d) That the costs are based on a proposed assessment rate of $.15 per $100.00 of valuation through year 2017, decreasing to $0.07 per $100.00 of valuation in 2018.

(e) That as to apportionment of cost between the proposed District and the City, all costs for proposed improvements will be paid by the District through assessments.

SECTION 3: That the City hereby authorizes under Sections 372.006, 372.010, and 372.041 of the Act, a public improvement district over the area described in Exhibit 2 attached hereto and depicted in the map attached hereto as Exhibit 3 and such public improvement district shall hereafter be identified as the Quincy Park Public Improvement District, City of Lubbock, Texas.

SECTION 4: That the City Council shall be the governing board for the Quincy Park Public Improvement District. The City Council may appoint an Advisory Board for management of the District in the future.

SECTION 5: That the notice of this authorization for the Quincy Park Public Improvement District shall be published in a newspaper of general circulation in the city.

SECTION 6: That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 28th day of May, 2009.

TOM MARTIN, MAYOR

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Rob Allison, Assistant City Manager
Development Services

APPROVED AS TO FORM:

Linda L. Chamales,
Economic Development Attorney

as/cityatt/Linda/Quincy Park PID Establishment
May 14, 2009

EXHIBIT A

Exhibit "1"

Resolution No. 2009-R0219

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATE OF PUBLIC RECORD

I hereby certify, in the performance of the functions of my office, that one signature on the attached document has been verified and that the same constitutes record owners of taxable real property representing more than fifty percent (50%) of the appraised value of the property (as determined by the current roll of the Appraisal District) in the area known as Quincy Park, as shown on that attached map, AND owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal as required by Section 372.005(b) of the Texas Local Government Code; said documents appear of record in my office and that said documents are an official record from the public office of the City Secretary of the City of Lubbock, Lubbock County, State of Texas, and is kept in said office.

I further certify that I am the City Secretary of the City of Lubbock, that I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office this 13th day of March, 2009.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

Resolution No. 2009-R0219

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO QUINCY PARK

RECEIVED
MAR 11 2009
CITY SECRETARY
LUBBOCK, TEXAS

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed construction and maintenance of the public improvements. The general nature of the proposed public improvements is: (i) the design, construction and maintenance of Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscape and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed construction and maintenance of the public improvements: Construction of Improvements - $381,573.59. Annual maintenance costs - $32,000.

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit A.

Section 5. Method of assessment. An assessment methodology will be prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to

property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the costs of the public improvements and maintenance of the public improvements, property will be classified based on the value of the property, or upon a combination of size or type of improvement and value of property.

The assessment methodology will result in each parcel paying its fair share of the costs of the public improvements provided with the assessments based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

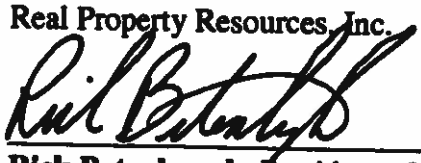
Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONERS:

Real Property Resources, Inc.



Rick Betenbough, President of Real Property Resources, Inc.

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 5th day of March, 2009, before me, the undersigned Notary Public, personally appeared **Rick Betenbough** who acknowledged that he is **President of Real Property Resources, Inc.**, and that he, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

CINDY DEAN
Notary Public, State of Texas
My Commission Expires 7-16-2012

Notary Public Signature

EXHIBIT A

DESCRIPTION OF A 177.1997 ACRE TRACT IN SECTION 27, BLOCK AK, ABST. 245 LUBBOCK COUNTY, TEXAS

A 177.1997 ACRE TRACT OF LAND LOCATED IN SECTION 27, BLOCK AK, ABST. 245, LUBBOCK COUNTY, TEXAS AND BEING THAT CERTAIN 180.414 ACRE TRACT OF LAND, LESS THE RIGHT-OF-WAY DEDICATED FOR QUINCY AVENUE, DESCRIBED AND RECORDED IN VOLUME 8367, PAGE 338 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, SAID 177.1997 ACRE TRACT BEING FURTHER DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" FOUND AT THE NORTHEAST CORNER OF SAID SECTION 23, THE SOUTHEAST CORNER OF SECTION 26 AND THE SOUTHWEST CORNER OF SECTION 27 OF SAID BLOCK AK FOR THE SOUTHWEST CORNER OF THIS TRACT, HAVING COORDINATES OF NORTHING: 7,248,077.30 AND EASTING: 909,648.11, TEXAS COORDINATE SYSTEM TXNC ZONE 4202, NAD83 (CORS96), WHENCE A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN REFERENCE BEARS N. 46° 55' 59" E. A DISTANCE OF 77.69 FEET;

THENCE N. 01° 52' 06" E., ALONG THE WEST LINE OF SAID SECTION 27, A DISTANCE OF 2984.18 FEET TO A RAILROAD SPIKE SET AT THE SOUTHWEST CORNER OF THE PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 3504, PAGE 44 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY FOR THE MOST WESTERLY NORTHWEST CORNER OF THIS TRACT;

THENCE S. 88° 08' 17" E., ALONG THE SOUTH LINE OF AN ALLEY AND SAID PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, AT A DISTANCE OF 55.00 FEET PASS A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE EAST RIGHT-OF WAY LINE OF UPLAND AVENUE, CONTINUING FOR A TOTAL DISTANCE OF 369.76 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND AT A CORNER OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE N. 01° 53' 28" E., ALONG THE EAST LINE OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 147.91 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE N. 46° 53' 25" E., ALONG THE EASTERLY LINE OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 14.14 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND AT A POINT OF INTERSECTION AND THE MOST NORTHERLY NORTHWEST CORNER OF THIS TRACT;

THENCE S. 88° 06' 35" E., ALONG THE SOUTH LINE SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 1176.17 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND IN THE PLAT LIMITS OF LOTS 1 THROUGH 78, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 1636, PAGE 624 OF THE DEED RECORDS OF LUBBOCK COUNTY AND THE WEST RIGHT-OF-WAY LINE OF ROCHESTER AVENUE, SAME BEING THE SOUTHEST CORNER OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, FOR THE MOST NORTHERLY NORTHEAST CORNER OF THIS TRACT;

THENCE S. 01° 53' 17" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF ROCHESTER AVENUE AND PLAT LIMITS OF LOTS 1 THROUGH 78, WESTWOOD, AT A DISTANCE OF 37.71 FEET PASS THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 88TH STREET, SAME BEING THE MOST WESTERLY NORTHWEST CORNER OF THE PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 4363, PAGE 176 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY, CONTINUING FOR A TOTAL DISTANCE OF 267.72 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT THE MOST WESTERLY SOUTHWEST CORNER OF SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE S. 88° 07' 11" E., ALONG THE SOUTH LINE OF AN ALLEY AND SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 501.09 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND IN THE WEST RIGHT-OF-WAY LINE OF QUITMAN AVENUE, FOR A CORNER OF THIS TRACT;

THENCE S. 01° 54' 44" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 60.13 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT THE SOUTH TERMINUS OF QUITMAN AVENUE AND A CORNER OF SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE S. 88° 05' 34" E., ALONG THE SOUTH TERMINUS OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 60.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF CURVATURE AND A CORNER OF THIS TRACT;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT AND THE EASTERLY RIGHT-OF-WAY LINE OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, SAID CURVE HAVING A RADIUS OF 15.00 FEET, A CHORD BEARING OF N. 46° 54' 26" E. AND DISTANCE OF 21.21 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF TANGENCY IN THE SOUTH RIGHT-OF-WAY LINE OF 89TH STREET FOR A CORNER OF THIS TRACT;

THENCE S. 88° 05' 34" E., ALONG SAID SOUTH RIGHT-OF-WAY LINE OF 89TH STREET AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 425.90 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND THE WEST LINE OF THE PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION TO THE CITY OF LUBBOCK, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 8928, PAGE 282 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE NORTHEAST CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION AT A DISTANCE OF 651.70 FEET PASS A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT THE SOUTHWEST CORNER OF SAID PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION, SAME BEING THE NORTHWEST CORNER OF THE PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION TO THE CITY OF LUBBOCK, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 9959, PAGE 335 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, CONTINUING FOR A TOTAL DISTANCE OF 1144.54 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 46° 53' 55" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.24 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 120.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 43° 06' 05" E., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.18 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 852.88 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 46° 53' 55" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.24 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 56.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 43° 06' 05" E., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.18 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

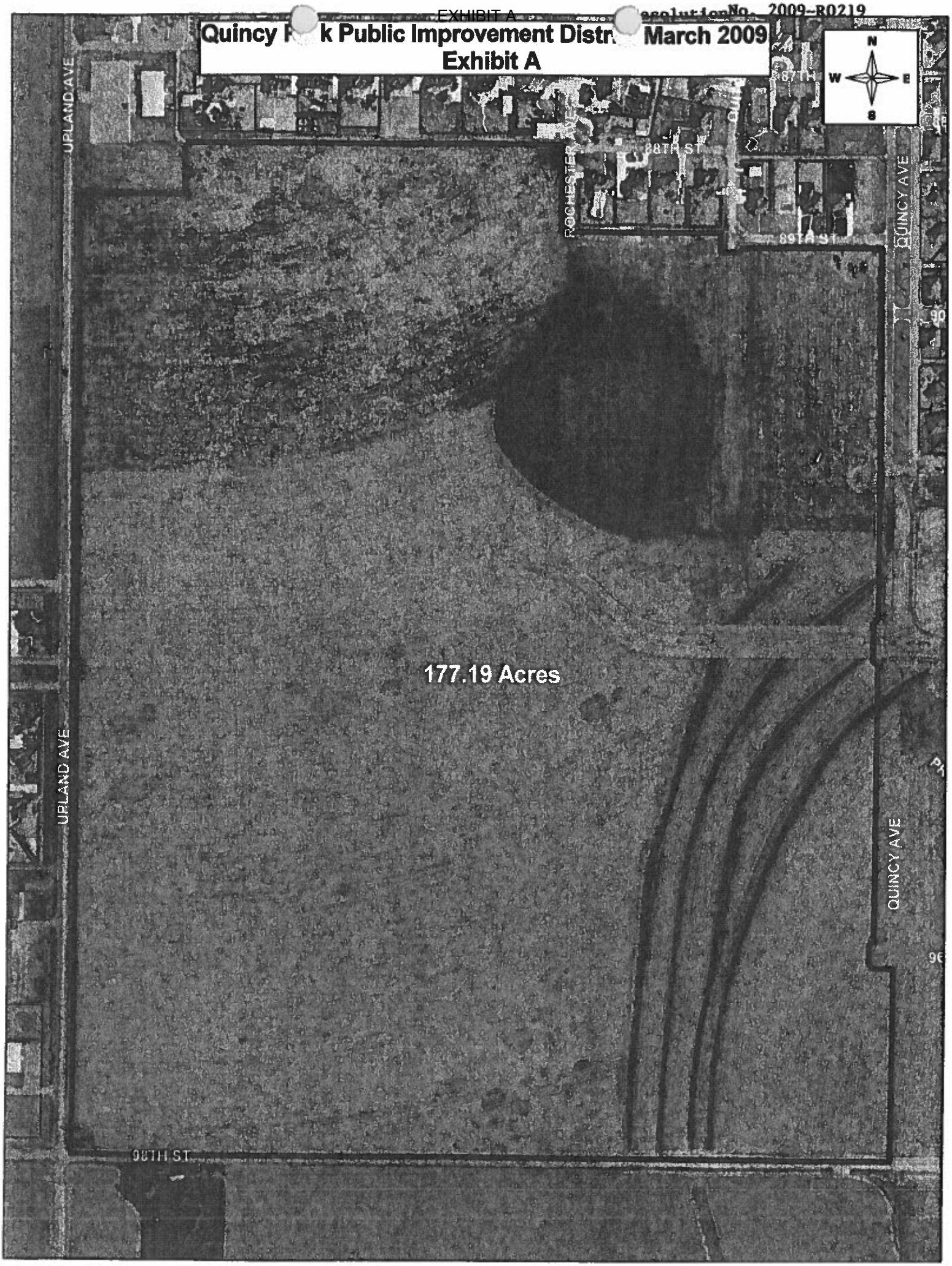
THENCE S. 88° 10' 42" E., ALONG THE SOUTH TERMINUS OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 60.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE WEST LINE OF THAT CERTAIN 319.845 TRACT OF LAND DESCRIBED AND RECORDED IN VOLUME 7451, PAGE 120 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY FOR A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG THE WEST LINE OF SAID 319.845 ACRE TRACT AT A DISTANCE OF 545.91 PASS A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN REFERENCE, CONTINUING FOR A TOTAL DISTANCE OF 600.91 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE SOUTH LINE OF SAID SECTION 27 FOR THE SOUTHEAST CORNER OF THIS TRACT;

THENCE N. 88° 00' 08" W., ALONG THE SOUTH LINE OF SAID SECTION 27, A DISTANCE OF 2612.56 FEET TO THE **POINT OF BEGINNING.** BEARINGS OF THIS SURVEY ARE RELATIVE TO THE TEXAS COORDINATE SYSTEM, TXNC ZONE 4202, NAD83 (CORS96). CONVERGENCE ANGLE = -01° 58' 32". DISTANCES ARE ACTUAL SURFACE DISTANCES.

EXHIBIT A Resolution No. 2009-R0219

Quincy Park Public Improvement Distr... March 2009
Exhibit A



DESCRIPTION OF A 177.1997 ACRE TRACT IN SECTION 27, BLOCK AK, ABST. 245 LUBBOCK COUNTY, TEXAS

A 177.1997 ACRE TRACT OF LAND LOCATED IN SECTION 27, BLOCK AK, ABST. 245, LUBBOCK COUNTY, TEXAS AND BEING THAT CERTAIN 180.414 ACRE TRACT OF LAND, LESS THE RIGHT-OF-WAY DEDICATED FOR QUINCY AVENUE, DESCRIBED AND RECORDED IN VOLUME 8367, PAGE 338 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, SAID 177.1997 ACRE TRACT BEING FURTHER DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" FOUND AT THE NORTHEAST CORNER OF SAID SECTION 23, THE SOUTHEAST CORNER OF SECTION 26 AND THE SOUTHWEST CORNER OF SECTION 27 OF SAID BLOCK AK FOR THE SOUTHWEST CORNER OF THIS TRACT, HAVING COORDINATES OF NORTHING: 7,248,077.30 AND EASTING: 909,648.11, TEXAS COORDINATE SYSTEM TXNC ZONE 4202, NAD83 (CORS96), WHENCE A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN REFERENCE BEARS N. 46° 55' 59" E. A DISTANCE OF 77.69 FEET;

THENCE N. 01° 52' 06" E., ALONG THE WEST LINE OF SAID SECTION 27, A DISTANCE OF 2984.18 FEET TO A RAILROAD SPIKE SET AT THE SOUTHWEST CORNER OF THE PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 3504, PAGE 44 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY FOR THE MOST WESTERLY NORTHWEST CORNER OF THIS TRACT;

THENCE S. 88° 08' 17" E., ALONG THE SOUTH LINE OF AN ALLEY AND SAID PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, AT A DISTANCE OF 55.00 FEET PASS A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE EAST RIGHT-OF WAY LINE OF UPLAND AVENUE, CONTINUING FOR A TOTAL DISTANCE OF 369.76 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND AT A CORNER OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE N. 01° 53' 28" E., ALONG THE EAST LINE OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 147.91 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE N. 46° 53' 25" E., ALONG THE EASTERLY LINE OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 14.14 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND AT A POINT OF INTERSECTION AND THE MOST NORTHERLY NORTHWEST CORNER OF THIS TRACT;

THENCE S. 88° 06' 35" E., ALONG THE SOUTH LINE SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, A DISTANCE OF 1176.17 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND IN THE PLAT LIMITS OF LOTS 1 THROUGH 78, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 1636, PAGE 624 OF THE DEED RECORDS OF LUBBOCK COUNTY AND THE WEST RIGHT-OF-WAY LINE OF ROCHESTER AVENUE, SAME BEING THE SOUTHEST CORNER OF SAID ALLEY AND PLAT LIMITS OF LOTS 79 THROUGH 87, WESTWOOD, FOR THE MOST NORTHERLY NORTHEAST CORNER OF THIS TRACT;

THENCE S. 01° 53' 17" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF ROCHESTER AVENUE AND PLAT LIMITS OF LOTS 1 THROUGH 78, WESTWOOD, AT A DISTANCE OF 37.71 FEET PASS THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 88TH STREET, SAME BEING THE MOST WESTERLY NORTHWEST CORNER OF THE PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, AN ADDITION IN LUBBOCK COUNTY, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 4363, PAGE 176 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY, CONTINUING FOR A TOTAL DISTANCE OF 267.72 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT THE MOST WESTERLY SOUTHWEST CORNER OF SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE S. 88° 07' 11" E., ALONG THE SOUTH LINE OF AN ALLEY AND SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 501.09 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "H. R. & ASSOCS" FOUND IN THE WEST RIGHT-OF-WAY LINE OF QUITMAN AVENUE, FOR A CORNER OF THIS TRACT;

Exhibit "2"

THENCE S. 01° 54' 44" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 60.13 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT THE SOUTH TERMINUS OF QUITMAN AVENUE AND A CORNER OF SAID PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, FOR AN ELL CORNER OF THIS TRACT;

THENCE S. 88° 05' 34" E., ALONG THE SOUTH TERMINUS OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 60.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF CURVATURE AND A CORNER OF THIS TRACT;

THENCE NORTHEASTERLY, ALONG SAID CURVE TO THE RIGHT AND THE EASTERLY RIGHT-OF-WAY LINE OF QUITMAN AVENUE AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, SAID CURVE HAVING A RADIUS OF 15.00 FEET, A CHORD BEARING OF N. 46° 54' 26" E. AND DISTANCE OF 21.21 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF TANGENCY IN THE SOUTH RIGHT-OF-WAY LINE OF 89TH STREET FOR A CORNER OF THIS TRACT;

THENCE S. 88° 05' 34" E., ALONG SAID SOUTH RIGHT-OF-WAY LINE OF 89TH STREET AND PLAT LIMITS OF LOTS 88 THROUGH 136, WESTWOOD, A DISTANCE OF 425.90 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND THE WEST LINE OF THE PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION TO THE CITY OF LUBBOCK, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 8928, PAGE 282 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE NORTHEAST CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION AT A DISTANCE OF 651.70 FEET PASS A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT THE SOUTHWEST CORNER OF SAID PLAT LIMITS OF LOTS 308 THROUGH 609, MONTEREY ADDITION, SAME BEING THE NORTHWEST CORNER OF THE PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION TO THE CITY OF LUBBOCK, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 9959, PAGE 335 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, CONTINUING FOR A TOTAL DISTANCE OF 1144.54 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 46° 53' 55" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.24 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 120.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 43° 06' 05" E., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.18 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 852.88 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 46° 53' 55" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.24 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 56.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 43° 06' 05" E., ALONG SAID WEST RIGHT-OF-WAY LINE OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 21.18 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "RPLS 4460" FOUND AT A POINT OF INTERSECTION AND A CORNER OF THIS TRACT;

THENCE S. 88° 10' 42" E., ALONG THE SOUTH TERMINUS OF QUINCY AVENUE AND PLAT LIMITS OF LOTS 610 THROUGH 928, MONTEREY ADDITION, A DISTANCE OF 60.00 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE WEST LINE OF THAT CERTAIN 319.845 TRACT OF LAND DESCRIBED AND

Exhibit "2"

RECORDED IN VOLUME 7451, PAGE 120 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY FOR A CORNER OF THIS TRACT;

THENCE S. 01° 58' 32" W., ALONG THE WEST LINE OF SAID 319.845 ACRE TRACT AT A DISTANCE OF 545.91 PASS A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN REFERENCE, CONTINUING FOR A TOTAL DISTANCE OF 600.91 FEET TO A 1/2" IRON ROD WITH A CAP STAMPED "STEVENS RPLS 4339" SET IN THE SOUTH LINE OF SAID SECTION 27 FOR THE SOUTHEAST CORNER OF THIS TRACT;

THENCE N. 88° 00' 08" W., ALONG THE SOUTH LINE OF SAID SECTION 27, A DISTANCE OF 2612.56 FEET TO THE **POINT OF BEGINNING.** BEARINGS OF THIS SURVEY ARE RELATIVE TO THE TEXAS COORDINATE SYSTEM, TXNC ZONE 4202, NAD83 (CORS96). CONVERGENCE ANGLE = -01° 58' 32". DISTANCES ARE ACTUAL SURFACE DISTANCES.

I, NORRIS STEVENS, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS DESCRIPTION WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY AND THAT THE INFORMATION HEREON REPRESENTS THE FINDINGS OF THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SURVEYED OCTOBER 5 AND DECEMBER 28, 2007

NORRIS STEVENS
R.P.L.S. 4339

SURVEYOR'S REPORT:

THIS SURVEY IS SUBJECT TO ANY FACTS THAT MAY BE DISCLOSED BY A FULL AND ACCURATE TITLE SEARCH. FOUND MONUMENTS ARE ACCEPTED AS CONTROLLING EVIDENCE DUE TO SUBSTANTIAL AGREEMENT WITH RECORD DOCUMENTS.

071006.

EXHIBIT A

Exhibit "3"

Resolution No. 2009-R0219

Exhibit B

City of Lubbock, TX
Finance Department
Quincy Park Public Improvement District
Proposed 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.

* Assessment will be $0.15/$100.00 valuation

* All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
Calendar Year	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values* (Taxable Values)	156,694,133	175,584,156	179,095,839	182,677,756	186,331,311	190,057,937	190,057,937
Discounted Property Values (98%)	153,560,250	172,072,473	175,513,922	179,024,201	182,604,685	186,256,778	186,256,778
Fiscal Year Revenues	**2022-23**	**2023-24**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**Totals**
Interest Earnings	5,812	9,461	11,599	13,848	16,212	18,697	$ 75,630
Assessment @ $0.15	230,340	258,109	263,271	268,536	273,907	279,385	1,573,548
Total	**236,152**	**267,570**	**274,870**	**282,383**	**290,119**	**298,082**	**$ 1,649,179**
Expenses							
Park & Median Maintenance	72,600	75,000	76,500	78,030	79,591	81,182	$ 462,903
Repairs	25,000	25,000	25,500	26,010	26,530	27,061	155,101
Public Improvement Project	65,000	75,000	76,500	78,030	79,591	81,182	455,303
Park Equipment Maintenance	5,000	3,200	3,264	3,329	3,396	3,464	21,653
Electric Cost	3,000	4,000	4,080	4,162	4,245	4,330	23,816
Administrative Costs	14,821	15,335	15,642	15,955	16,274	16,599	94,625
Annual Operation Cost	7,107	8,953	9,132	9,315	9,501	9,691	53,699
Reimburse developer for Park Construction**	65,787	-	-	-	-		65,787
Total	**258,315**	**206,488**	**210,618**	**214,830**	**219,127**	**223,509**	**$ 1,332,887**
Cash Reserve	**270,324**	**331,406**	**395,659**	**463,212**	**534,205**	**608,778**	**$ 608,778**

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually

Assessment Information for $100,000 Home = $150

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Quincy Park Public Improvement District

Please take notice that on August 22, 2023 at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, Texas 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Quincy Park Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (the "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment Roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the public improvements is: (i) the design, construction and maintenance of Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscape and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is approximately $1,074,572 over the next five (5) years. The estimated annual cost increases from $206,488 in FY 2023-24 to $223,509 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.15 per $100.00 of valuation through tax year 2027.

Boundaries. The District is located wholly within the City of Lubbock, Texas. The Quincy Park Public Improvement District (PID) generally covers an area bounded by portions of 88th and 89th Street on the north, Upland Avenue on the west, 98th Street on the south, and Quincy Avenue on the east. A detailed map of the District and a legal description, as well as the Assessment Roll, is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Upland Crossing Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Upland Crossing PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Upland Crossing PID to speak in favor of, or in opposition to, the assessment to be levied in the Upland Crossing PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.15 per $100 valuation. This is the same rate as 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.15 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The funds raised by the assessment will be used to provide landscape maintenance on the entryways and parks, repair and replace amenities, including alley fences, lighting, and any other maintenance needed on projects in the District, as well as cover a portion of the costs of administering the PID. The projected assessment that will be collected for 2023, based on estimated values, is $271,248.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Upland Crossing PID Advisory Board

Attachments

Ordinance and Exhibits
Upland Crossing PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATION FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE UPLAND CROSSING PUBLIC IMPROVEMENT DISTRICT, APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, through Resolution No. 2019-R0375 the City Council of the City (the "Council") attached hereto as Exhibit A, which made certain findings concerning the advisability of creating the Upland Crossing Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and, created the initial advisory board for the PID; and

WHEREAS, On December 3, 2019, the City Council passed Ordinance No. 2019-O0167, approving the Service and Assessment Plan (the "Plan), which will be reviewed and revised each year when necessary. The revised 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll (the "Roll") and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District, and approve, adopt and file with the City Secretary the Roll which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.15 per $100.00 valuation for tax years 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: THAT the City Council hereby approves, adopts, and files with the City Secretary, the Assessment Roll. The Assessment Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Assessment Roll in the official City Records. The Assessment Roll shall be subject to public inspection.

SECTION 4: THAT the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

SECTION 5: THAT the City Council finds that City of Lubbock staff mailed to the owners of property liable for assessment, the notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act.

The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: THAT the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied. The City Council finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District. The City Council further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State. The City Council finds that the proceedings that the City has had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 City net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains

unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

Section 11: THAT the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

Section 12: THAT the City may contract with the Lubbock Central Appraisal District or any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____, 2023.

Passed by the City Council on second reading on _____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/ORD. Upland Crossing Assessment Ord 2023
August 22, 2023

EXHIBIT A

Resolution No. 2019-R0375

Item No. 7.2.1

October 8, 2019

A RESOLUTION OF THE CITY OF LUBBOCK, TEXAS, APPROVING AND AUTHORIZING THE CREATION OF THE UPLAND CROSSING PUBLIC IMPROVEMENT DISTRICT

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to: the acquisition or construction of drainage facilities or improvements; the design, construction, and maintenance of parks and greenspace, fences, ponds, together with any ancillary structures, features, or amenities such as playgrounds, splash pads, pools, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, community signage, and any similar items located therein, along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greenspace; landscape, hardscape, and irrigation; and, the costs of establishing, administering, and operating the public improvement district; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by 26th Street on the north, 34th Street on the south, Upland Avenue on the east, and Yuma Avenue on the west, with such property being the development known as Upland Crossing, and a description and depiction of the property covered by the Petition is attached to and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the eighth (8th) day of October, 2019, at four thirty (4:30) p.m., at Fire Station 16 located at 4030 114th Street, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Upland Crossing Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Upland Crossing Public Improvement District; and

(b) That authorization of the Upland Crossing Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Upland Crossing Public Improvement District for the general purpose of financing improvements and services related to: the acquisition or construction of drainage facilities or improvements; the design, construction, and maintenance of parks and greenspace, fences, ponds, together with any ancillary structures, features, or amenities such as playgrounds, splash pads, pools, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, community signage, and any similar items located therein, along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greenspace; landscape, hardscape, and irrigation; and, the costs of establishing, administering, and operating the public improvement district; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Upland Crossing Public Improvement District through Fiscal Year 2024-25 is approximately one hundred fifty-six thousand nine hundred and ninety five dollars ($156,995) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of fifteen cents ($0.15) per one hundred dollars ($100) of valuation of property within the Upland Crossing Public Improvement District through Fiscal Year 2024-25, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Upland Crossing Public Improvement District and the City, all the Costs will be paid by the Upland Crossing Public Improvement District through assessments on the property within the boundaries of the Upland Crossing Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Upland Crossing Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council hereby creates the Upland Crossing Public Improvement District Advisory Board for the Upland Crossing Public Improvement District. The Upland Crossing Public Improvement District Advisory Board shall act as an advisory board of the City of Lubbock, and shall initially be composed of five (5) members, each of whom will represent a developer of the property within the Upland Crossing Public Improvement District. The Upland Crossing Public Improvement District Advisory Board shall follow any and all rules, regulations, policies, and procedures related to City of Lubbock advisory boards and the Criteria and Guidelines for Public Improvement Districts. The initial members of the Advisory Board for the Upland Crossing Public Improvement District shall serve a two (2) year term. The City Council may extend the term of the initial governing board beyond two (2) years. The initial Advisory Board of the Upland Crossing Public Improvement District will provide recommendations to the City Council on all matters related to the initial development of the Upland Crossing Public Improvement District, including matters related to the Costs and to the assessments on properties located within the Upland Crossing Public Improvement District. Upon the end of the term of the initial Advisory Board members of the Upland Crossing Public Improvement District, an election will be held for the Upland Crossing property owners to vote on each of the five seats. Once an election has taken place, the City Council will appoint the members of the Upland Crossing Public Improvement District Advisory Board. The PID Board shall adopt and be governed by a set of bylaws that, among other things, direct the PID Board as to its membership, its purpose, and its procedure for conducting business related to the Upland Crossing Public Improvement District.

SECTION 5: THAT the notice of this authorization for the Upland Crossing Public Improvement District shall be published in a newspaper of general circulation within the City of Lubbock, Texas and Lubbock County, Texas.

SECTION 6: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 8th **day of** October **, 2019.**

DANIEL M. POPE, MAYOR

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Brianna Gerardi, Director of Business Development

APPROVED AS TO FORM:

Amy Sims, Deputy City Attorney

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATE TO COPY OF PUBLIC RECORD

I hereby certify, in the performance of the functions of my office, that all signatures on the attached document have been verified and that the same constitutes record owners of taxable real property representing more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment under the proposal (as determined by the current roll of the Appraisal District, August 14, 2019) in the area known as Upland Crossing, as shown on the attached map, petitioners own 100% of the value; AND that the petition must be signed by the record owners of property that constitute more than fifty percent (50%) of the number of record owners or the record owners of more than fifty percent (50%) of the area within the PID, the petitioners own 100% of the total area within the proposed Upland Crossing PID; said documents appear of record in my office and that said documents are an official record from the public office of the City Secretary of the City of Lubbock, Lubbock County, State of Texas, and is kept in said office.

I further certify that I am the City Secretary of the City of Lubbock, that I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office the 20th day of August, 2019.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

EXHIBIT A
Exhibit 1

City of Lubbock TEXAS

August 16, 2019

To: Becky Garza, City Secretary

From: Cheryl Brock, Executive Director of Financial Planning and Analysis CB
Sally Still Abbe, Director of GIS and Data Services SA

CC: Blu Kostelich, Chief Financial Officer

Re: Upland Crossing Public Improvement District Petition

Recently, the City of Lubbock received petitions from Property Owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Upland Crossing development shown on the attached map. PID establishment can only be initiated by a petition of property owners who meet two tests outlined in the state statute.

The first test is that the petition is sufficient if signed by the owners of taxable real property representing more than 50% of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (August 14, 2019). Since the petitioners, Storehouse Land Company LLC and Betenbough Homes LLC, own 100% percent of the taxable real property value within the boundary, the petition passes the value test.

The second test is that the petition must be signed by the record owners of property that constitute more than 50% of the number of record owners or the record owners of more than 50% of the area within the PID. The petitioners own 100% percent of the total area within the proposed Upland Crossing PID area so they pass the area test.

The notarized signature on the Upland Crossing petitions were validated by a visual review and owners on the petitions were verified against the current tax roll received from Lubbock Central Appraisal District by the Financial Planning and Analysis Department and reviewed by Sally Abbe, Director of GIS and Data Services.

EXHIBIT A
Exhibit 1

Upland Crossing Public Improvement District
LCAD Roll 8-14-19

Property ID	Owner Name	Mailing Address	Property Address	Legal Description	2018 Market Value	2019 Taxable Value
R107874	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	BLK AK SEC 42 AB 851 TR C3B AC: 12.562	28,728	28,728
R111447	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	WILDERLAND PARK L 1	3,100	3,100
R111535	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	WILDERLAND PARK L 2	3,150	3,150
R111609	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	3202 VIOLA AVE, LUBBOCK, TX 79407	WILDERLAND PARK L 3	2,850	2,850
R111749	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	WILDERLAND PARK L 4	3,200	3,200
R111817	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	WILDERLAND PARK L 5	3,150	3,150
R111887	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	WILDERLAND PARK L 6	3,200	3,200
R120694	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	LUBBOCK 79407	BLK AK SEC 42 AB 851 TR C5 AC: 51.161	52,696	8,953
R87881	STOREHOUSE LAND CO LLC	6305 82ND ST LUBBOCK, TX 79424	2602 UPLAND AVE, LUBBOCK, TX 79407	BLK AK SEC 42 AB 1264 TR D1 & TR D3 AC: 131.787	650,935	65,018

Upland Crossing PID

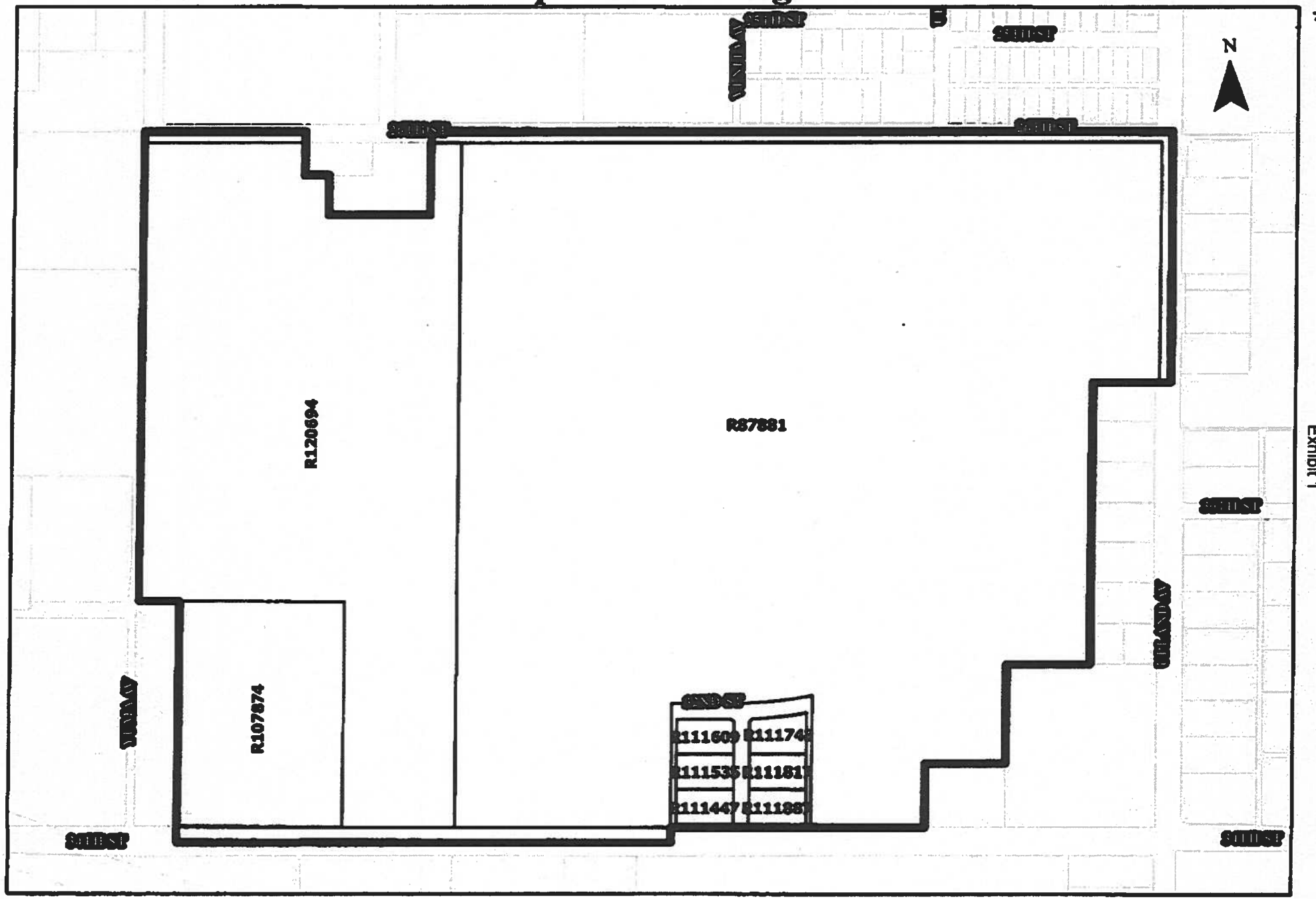


EXHIBIT A

EXHIBIT A
Exhibit 1

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO UPLAND CROSSING

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. Petitioners affirm that they are the record owners as shown in exhibit "B". In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, fences, ponds, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, community signage and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed public improvements and annual maintenance: $700,000estimated for proposed public improvements as mentioned in section 2. Annual maintenance costs - $75,000 for proposed improvements made by developer (Betenbough Homes, LLC).

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit "C".

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits

accruing to property in the District and how the costs of the public improvements are assessed to property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or a partnership between the municipality or county and the private sector, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONERS:

Storehouse Land Company, LLC

Ron Betenbough

Ron Betenbough, Vice President

Betenbough Homes, LLC

Chris Berry

Chris Berry, Authorized Agent

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 3 day of July 2019, before me, the undersigned Notary Public, personally appeared Ron Betenbough, Vice President of Storehouse Land Company, LLC, who acknowledged that he/she is the landowner and that he/she, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

KAREN ESTES
Notary Public, State of Texas
Notary ID# 12877669-7
My Commission Expires 10-20-2019

Karen Estes

Notary Public Signature

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 3 day of July 2019, before me, the undersigned Notary Public, personally appeared Chris Berry, an Authorized Agent of Betenbough Homes, LLC, who acknowledged that he/she is the landowner and that he/she, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing her name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

KAREN ESTES
Notary Public, State of Texas
Notary ID# 12877669-7
My Commission Expires 10-20-2019

Karen Estes

Notary Public Signature

EXHIBIT A
Exhibit 1

BETENBOUGH
HOMES

July 3rd, 2019

Cheryl Brock
City of Lubbock, Tx
1625 13th Street
Lubbock, Tx 79457

RE: Upland Crossing, Public Improvement District

Dear Honorable Mayor and City Council;

Upland Crossing is a residential development within the city limits of the City of Lubbock bound on the West by Yuma Ave, the East by Upland Ave, the North by 26th St, and the South by 34th Street. We are proposing to create a Public Improvement District, "PID", to maintain the public improvements for Upland Crossing

In order to comply with the "Public Improvements District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements". We are providing information regarding items 1, 5-16, as follow:

1. Betenbough has purchased 212 acres. Betenbough plans to invest approximately $700,000 in improvements for this park system before it would be deeded over to the City and the PID. This would include items such as: playscapes, benches, walking trails, landscaping, etc. (subject to change) We will be here to help keep the PID healthy and thriving. We have a heavily vested interest in making this PID healthy and self-sufficient.

5. If there is sufficient support to petition for dissolving the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the Advisory Board and with funds available to the Advisory Board. Betenbough will have been responsible for some maintenance before the park system would be deeded over. With having supported some maintenance, we feel we will have an accurate representation of cost to propose for the service plan. So far, all of our proposed service plans, does get reviewed by city staff, and approved by city council.

BETENBOUGH
HOMES

6. Map of the area is attached to this email and is to be added to the petition.

7. In regard to the procedure for the nomination of the PID Advisory Board, the process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock.

8. Addressed in Section 2 of the petition. We feel that the "park system" creates a quality of life for the homeowners. Each park will be uniquely different and interconnected through city ROW.

9. Each parcel of City-owned land will be identified as a "Tract" at time of platting.

10. General description of proposed improvements in Section 2 of the petition.

11. The estimated total cost of the improvements is approximately $700,000 and will be paid and constructed by the developer, Betenbough Homes, with no desire for any reimbursement. The estimated cost of the maintenance is approximately $75,000 per year and is to be paid for by the PID as soon as the funds are available. This is the estimated cost for the entirety of the "park system".

12. Budget is attached in the service plan.

13. Method of assessment will be based on the net taxable value of the affected properties and will be assessed at $.15 per $100.00 valuation.

14. Documentation of liability insurance will be attached to this letter.

15. Addressed in Section 6 of the petition.

16. Addressed in Section 5 of the petition.

EXHIBIT A
Exhibit 1

BETENBOUGH
HOMES

Our goal is to provide all the information requested to continue with the creation of the PID. Please let us know if you have any questions or require any additional information.

Chris Berry

Land Planning Manager

Betenbough Homes

EXHIBIT A
Exhibit 1

6310 Genoa Ave. Suite A, Lubbock TX. 79424
Phone: 806-687-1569 Fax: 806-702-8995
Texas Firm Registration No. 10087500
E-mail: info@stevenssurvey.com
norris@stevenssurvey.com

A PUBLIC IMPROVEMENT DISTRICT IN
SECTION 42, BLOCK AK,
ABSTRACTS NO. 851 AND 1264,
LUBBOCK COUNTY, TEXAS

(Exhibit Sketch attached as Sheet 2)

A tract of land located in Section 42, Block AK, Abstracts No. 851 and 1264, Lubbock County, Texas, comprised of that certain 188.5074 acre tract of land conveyed to Storehouse Land Company, LLC, described as "Tract 6" in a Warranty Deed recorded in County Clerk's File Number 2017029518 of the Official Public Records of Lubbock County, Texas, and all of Lots 1 through 6 and the streets and alleys in Wilderland Park, a subdivision in said Section 42, according to the map, plat and/or dedication deed thereof recorded in Volume 1679, Page 157 of the Deed Records of Lubbock County, Texas, and that certain 12.5643 acre tract of land conveyed to Storehouse Land Company, LLC, described in a Correction Deed recorded in County Clerk's File Number 2017045208 of the Official Public Records of Lubbock County, Texas, said tract contains 206.557 acres of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the north line of 34th Street, as described in a Dedication Deed recorded in Volume 3917, Page 293 of the Real Property Records of Lubbock County, Texas, and in the west line of that certain 1.62 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2012034420 of the Official Public Records of Lubbock County, Texas, for the most southerly southeast corner of this tract and having coordinates of Northing: 7,269,270.40 and Easting: 909,435.23, Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found near the centerline of 34th Street and in the south line of said Section 42 at the southwest corner of said 1.62 acre tract bears S. 01° 48' 16" W. a distance of 55.00 feet, and a railroad spike found at the southeast corner of said Section 42 bears S. 01° 48' 16" W. a distance of 55.00 feet and S. 88° 11' 01" E. a distance of 900.06 feet, said section corner having coordinates of Northing: 7,269,186.92 and Easting: 910,332.89, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 11' 01" W., along the north line of 34th Street, a distance of 424.40 feet pass a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the west terminus of said dedication of 34th Street and in the east plat limits of said Wilderland Park, for a corner of said 188.5074 acre tract, continuing along the north line of 34th Street, as dedicated with the plat of said Wilderland Park, for a total distance of 940.40 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the west line of the plat limits of said Wilderland Park for a corner of this tract;

THENCE S. 01° 48' 59" W. a distance of 55.00 feet to a railroad spike found in the south line of said Section 42 near the centerline of 34th Street at the southwest corner of the plat limits of said Wilderland Park for a corner of this tract;

THENCE N. 88° 11' 01" W., along the south line of said Section 42 at a distance of 1218.86 feet pass a railroad spike found near the centerline of 34th Street at the most southerly southwest corner of said 188.5074 acre tract, same being the southeast corner of said 12.5643 acre tract and having coordinates of Northing: 7,269,283.87 and Easting: 907,275.83, Texas Coordinate System of 1983 (2011), Texas North Central Zone, continuing along the south line of said Section 42 for a total distance of 1830.86 feet to a railroad spike found near the centerline of 34th Street for the most southerly southwest corner of this tract, same being the southeast corner of that certain 3.077 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2015003125 of the Official Public Records of Lubbock County, Texas;

THENCE N. 01° 57' 00" E., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "H.R. & Assocs" found in reference, continuing for a total distance of 894.33 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the west portion of the south line of said 188.5074 acre tract at the northwest corner of said 12.5643 acre tract, same being the

northeast corner of that certain 3.077 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2015003125 of the Official Public Records of Lubbock County, Texas, and a corner of this tract;

THENCE N. 88° 10' 33" W. a distance of 149.88 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northwest corner of said 3.077 acre tract and in the east line of the plat limits of Alcove Park, Tract "A", an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Plat and Dedication Number 2011012272 of the Official Public Records of Lubbock County, Texas, for the most westerly southwest corner of said 188.5074 acre tract and this tract;

THENCE N. 01° 57' 36" E., along the east lines of said Alcove Park, Tract "A", that certain 10.437 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2009014889 of the Official Public Records of Lubbock County, Texas, and that certain 16.93 acre tract of land described in a Warranty Deed recorded in Volume 8825, Page 153 of the Official Public Records of Lubbock County, Texas, a distance of 1751.28 feet to a 1/2" iron pipe found for the northwest corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of 26th Street, as currently recognized and occupied on the ground, a distance of 595.35 feet to a 1/2" iron rod found at the northwest corner of the plat limits of Garner Addition, Lot 1, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 2678, Page 45 of the Real Property Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 48' 38" W., at a distance of 32.00 feet pass the south right-of-way line of 26th Street, as dedicated with the plat of said Garner Addition, Lot 1, continuing for a total distance of 160.00 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set for the southwest corner of said Garner Addition, Lot 1, and a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of said Garner Addition, Lot 1, a distance of 90.00 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set under a concrete footing for a fence for an ell corner of that certain 3.0 acre tract of land described as a "Save and Except" tract in a Warranty Deed recorded in Volume 4712, Page 259 of the Real Property Records of Lubbock County, Texas, and a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 48' 38" W. a distance of 149.15 feet to a 1/2" iron rod found at the most southerly southwest corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E. a distance of 376.00 feet to a 1/2" iron rod found at the southeast corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE N. 01° 49' 00" E. a distance of 309.15 feet to a 1/2" iron rod found at the northeast corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of 26th Street, as currently recognized and occupied on the ground, at a distance of 2701.22 feet pass a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set in reference, continuing for a total distance of 2756.22 feet to a spindle found in the east line of said Section 42 and near the centerline of Upland Avenue at the northeast corner of said 188.5074 acre tract and this tract, having coordinates of Northing: 7,271,829.21 and Easting: 910,419.55, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 52' 43" W., along the east line of said Section 42, a distance of 934.40 feet to a railroad spike found near the centerline of Upland Avenue at the northeast corner of that certain 1.0 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2006018155 of the Official Public Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and this tract;

THENCE N. 88° 10' 47" W., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set in reference, continuing for a total distance of 290.40 feet

to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northwest corner of said 1.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 52' 43" W., along the west line of said 1.0 acre tract and the west line of six small acreage tracts of land, a distance of 1049.95 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the southwest corner of another 1.0 acre tract of land described in a Warranty Deed recorded in Volume 6961, Page 92 of the Real Property Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and the most easterly southeast corner of this tract;

THENCE N. 88° 10' 47" W. a distance of 310.46 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set for a corner of this tract;

THENCE S. 01° 48' 49" W. a distance of 369.67 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northeast corner of said 1.62 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE N. 88° 10' 10" W. a distance of 299.99 feet to a 1/2" iron rod found at the northwest corner of said 1.62 acre tract for a corner of said 188.5074 acre tract and this tract;

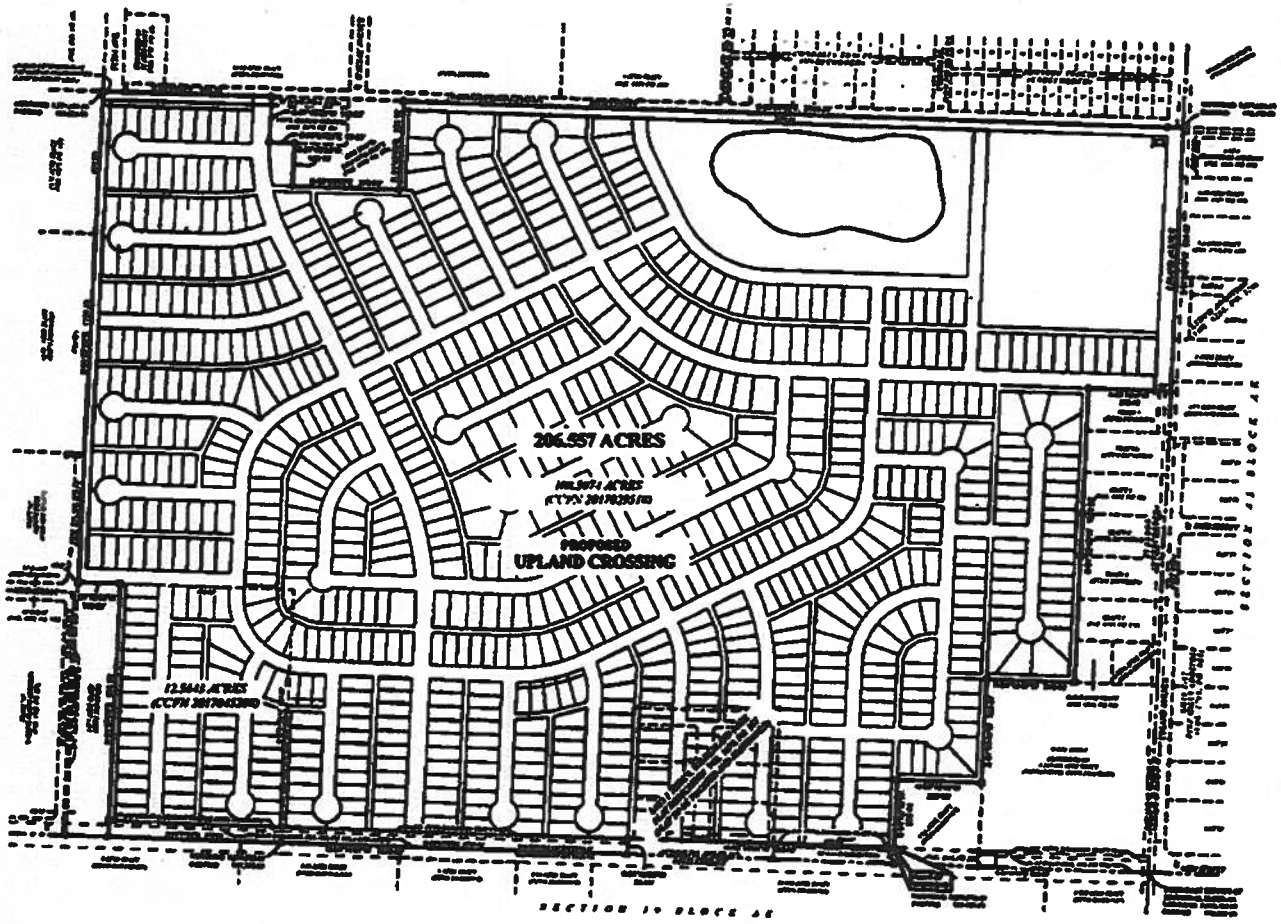
THENCE S. 01° 48' 16" W. a distance of 235.44 feet to the Point of Beginning. Bearings and Coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The Convergence angle to True North bearings is -01° 54' 07". Distances are at surface, in U.S. Survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 42 and encompassing this tract.

EXHIBIT A

A PUBLIC IMPROVEMENTS DISTRICT IN
SECTION 42, BLOCK AK,
ABSTRACT NUMBERS 851 AND 1264,
LUBBOCK COUNTY, TEXAS

(PARENT TRACTS: LOTS 1 THRU 6 AND THE ADJOINING STREETS AND ALLEYS IN WILDERLAND PARK, AN ADDITION TO THE CITY OF LUBBOCK, PLAT RECORDED IN VOLUME 1679, PAGE 157 OF THE DEED RECORDS OF LUBBOCK COUNTY, TEXAS (PLAT TO BE VACATED AND ABANDONED) AND TRACTS IN WARRANTY DEED RECORDED IN COUNTY CLERK'S FILE NOS. 2017035178 AND 2017043288 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, TEXAS)



LEGEND:
SCALE: 1" = 500'

500' 0 250' 1000'

HEAVY LINES INDICATE LIMITS OF SURVEY
⊕ = FOUND SPINDLE (FSPD).
⊕ = FOUND 1/2" IRON ROD (FIR).
⊕ = FOUND 1/2" IRON ROD (FSPD).
⊕ = FOUND 1/2" IRON PIPE (FSPD).
△ = FOUND RAILROAD SPIKE (FSPD).
• = FOUND NAIL WITH WASHER "H.R. & ASSOCS." (FSPD).
⊕ = FOUND 1/2" IRON ROD WITH CAP "H.R. & ASSOCS." (FIR).
■ = FOUND 1/2" IRON ROD WITH CAP "H.R. & ASSOCS" (FSPD).
○ = SET 1/2" IRON ROD WITH CAP "STEVENS RPLS 4389"
CM = CONTROL MONUMENT
FSPD = PHYSICAL MONUMENT OF RECORD DIGNITY.
CCFN = COUNTY CLERK'S FILE NUMBER.
PSD = PLAT AND DEDICATION NUMBER.
PREM. DED. = PREMOUSLY DEDICATED.
R.O.W = RIGHT - OF - WAY.
SAE = SAVE AND EXCEPT.
SPE = SOUTH PLAINS ELECTRIC CO-OP.
TPE = 4'x6' TRANSFORMER PAD EASEMENT
UE = UTILITY EASEMENT.

BEARINGS AND COORDINATES ARE BASED ON THE TEXAS COORDINATE SYSTEM OF 1983 (2011), TEXAS NORTH CENTRAL ZONE. CONVERGENCE ANGLE TO TRUE NORTH BEARINGS IS -0°19'19".
DISTANCES ARE AT SURFACE, IN U.S. SURVEY FEET

SHEET 2 OF 2
DESCRIPTION ATTACHED AS SHEET 1.

STEVENS SURVEYING CO., LLC.
4310 19TH AVE. SUITE A
LUBBOCK, TX 79434
806-687-1180
TEXAS FIRM NO. 10007200

©2017 ALL RIGHTS RESERVED

Exhibit 2

Upland Crossing PID

N
25TH ST
26TH ST
SENDA
VIA
VIA
VI

EXHIBIT A
Exhibit 2

STEVENS SURVEYING CO., LLC

6310 Genoa Ave, Suite A, Lubbock TX. 79424
Phone: 806-687-1569 Fax: 806-702-8995
Texas Firm Registration No. 10087500
E-mail: info@stevenssurvey.com
norris@stevenssurvey.com

A PUBLIC IMPROVEMENT DISTRICT IN
SECTION 42, BLOCK AK,
ABSTRACTS NO. 851 AND 1264,
LUBBOCK COUNTY, TEXAS

(Exhibit Sketch attached as Sheet 2)

A tract of land located in Section 42, Block AK, Abstracts No. 851 and 1264, Lubbock County, Texas, comprised of that certain 188.5074 acre tract of land conveyed to Storehouse Land Company, LLC, described as "Tract 6" in a Warranty Deed recorded in County Clerk's File Number 2017029518 of the Official Public Records of Lubbock County, Texas, and all of Lots 1 through 6 and the streets and alleys in Wilderland Park, a subdivision in said Section 42, according to the map, plat and/or dedication deed thereof recorded in Volume 1679, Page 157 of the Deed Records of Lubbock County, Texas, and that certain 12.5643 acre tract of land conveyed to Storehouse Land Company, LLC, described in a Correction Deed recorded in County Clerk's File Number 2017045208 of the Official Public Records of Lubbock County, Texas, said tract contains 206.557 acres of land, more or less, being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the north line of 34th Street, as described in a Dedication Deed recorded in Volume 3917, Page 293 of the Real Property Records of Lubbock County, Texas, and in the west line of that certain 1.62 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2012034420 of the Official Public Records of Lubbock County, Texas, for the most southerly southeast corner of this tract and having coordinates of Northing: 7,269,270.40 and Easting: 909,435.23, Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence a railroad spike found near the centerline of 34th Street and in the south line of said Section 42 at the southwest corner of said 1.62 acre tract bears S. 01° 48' 16" W. a distance of 55.00 feet, and a railroad spike found at the southeast corner of said Section 42 bears S. 01° 48' 16" W. a distance of 55.00 feet and S. 88° 11' 01" E. a distance of 900.06 feet, said section corner having coordinates of Northing: 7,269,186.92 and Easting: 910,332.89, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 88° 11' 01" W., along the north line of 34th Street, a distance of 424.40 feet pass a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the west terminus of said dedication of 34th Street and in the east plat limits of said Wilderland Park, for a corner of said 188.5074 acre tract, continuing along the north line of 34th Street, as dedicated with the plat of said Wilderland Park, for a total distance of 940.40 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the west line of the plat limits of said Wilderland Park for a corner of this tract;

THENCE S. 01° 48' 59" W. a distance of 55.00 feet to a railroad spike found in the south line of said Section 42 near the centerline of 34th Street at the southwest corner of the plat limits of said Wilderland Park for a corner of this tract;

THENCE N. 88° 11' 01" W., along the south line of said Section 42 at a distance of 1218.86 feet pass a railroad spike found near the centerline of 34th Street at the most southerly southwest corner of said 188.5074 acre tract, same being the southeast corner of said 12.5643 acre tract and having coordinates of Northing: 7,269,283.87 and Easting: 907,275.83, Texas Coordinate System of 1983 (2011), Texas North Central Zone, continuing along the south line of said Section 42 for a total distance of 1830.86 feet to a railroad spike found near the centerline of 34th Street for the most southerly southwest corner of this tract, same being the southeast corner of that certain 3.077 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2015003125 of the Official Public Records of Lubbock County, Texas;

THENCE N. 01° 57' 00" E., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "H.R. & Assocs" found in reference, continuing for a total distance of 894.33 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found in the west portion of the south line of said 188.5074 acre tract at the northwest corner of said 12.5643 acre tract, same being the

northeast corner of that certain 3.077 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2015003125 of the Official Public Records of Lubbock County, Texas, and a corner of this tract;

THENCE N. 88° 10' 33" W. a distance of 149.88 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northwest corner of said 3.077 acre tract and in the east line of the plat limits of Alcove Park, Tract "A", an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Plat and Dedication Number 2011012272 of the Official Public Records of Lubbock County, Texas, for the most westerly southwest corner of said 188.5074 acre tract and this tract;

THENCE N. 01° 57' 36" E., along the east lines of said Alcove Park, Tract "A", that certain 10.437 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2009014889 of the Official Public Records of Lubbock County, Texas, and that certain 16.93 acre tract of land described in a Warranty Deed recorded in Volume 8825, Page 153 of the Official Public Records of Lubbock County, Texas, a distance of 1751.28 feet to a 1/2" iron pipe found for the northwest corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of 26th Street, as currently recognized and occupied on the ground, a distance of 595.35 feet to a 1/2" iron rod found at the northwest corner of the plat limits of Garner Addition, Lot 1, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 2678, Page 45 of the Real Property Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 48' 38" W., at a distance of 32.00 feet pass the south right-of-way line of 26th Street, as dedicated with the plat of said Garner Addition, Lot 1, continuing for a total distance of 160.00 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set for the southwest corner of said Garner Addition, Lot 1, and a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of said Garner Addition, Lot 1, a distance of 90.00 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set under a concrete footing for a fence for an ell corner of that certain 3.0 acre tract of land described as a "Save and Except" tract in a Warranty Deed recorded in Volume 4712, Page 259 of the Real Property Records of Lubbock County, Texas, and a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 48' 38" W. a distance of 149.15 feet to a 1/2" iron rod found at the most southerly southwest corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E. a distance of 376.00 feet to a 1/2" iron rod found at the southeast corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE N. 01° 49' 00" E. a distance of 309.15 feet to a 1/2" iron rod found at the northeast corner of said 3.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 88° 09' 52" E., along the south line of 26th Street, as currently recognized and occupied on the ground, at a distance of 2701.22 feet pass a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set in reference, continuing for a total distance of 2756.22 feet to a spindle found in the east line of said Section 42 and near the centerline of Upland Avenue at the northeast corner of said 188.5074 acre tract and this tract, having coordinates of Northing: 7,271,829.21 and Easting: 910,419.55, Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE S. 01° 52' 43" W., along the east line of said Section 42, a distance of 934.40 feet to a railroad spike found near the centerline of Upland Avenue at the northeast corner of that certain 1.0 acre tract of land described in a Warranty Deed recorded in County Clerk's File Number 2006018155 of the Official Public Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and this tract;

THENCE N. 88° 10' 47" W., at a distance of 55.00 feet pass a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set in reference, continuing for a total distance of 290.40 feet

to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northwest corner of said 1.0 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 52' 43" W., along the west line of said 1.0 acre tract and the west line of six small acreage tracts of land, a distance of 1049.95 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the southwest corner of another 1.0 acre tract of land described in a Warranty Deed recorded in Volume 6961, Page 92 of the Real Property Records of Lubbock County, Texas, for a corner of said 188.5074 acre tract and the most easterly southeast corner of this tract;

THENCE N. 88° 10' 47" W. a distance of 310.46 feet to a 1/2" iron rod with a cap marked "Stevens RPLS 4339" set for a corner of this tract;

THENCE S. 01° 48' 49" W. a distance of 369.67 feet to a 1/2" iron rod with a cap marked "H.R. & Assocs" found at the northeast corner of said 1.62 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE N. 88° 10' 10" W. a distance of 299.99 feet to a 1/2" iron rod found at the northwest corner of said 1.62 acre tract for a corner of said 188.5074 acre tract and this tract;

THENCE S. 01° 48' 16" W. a distance of 235.44 feet to the Point of Beginning. Bearings and Coordinates are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. The Convergence angle to True North bearings is -01° 54' 07". Distances are at surface, in U.S. Survey feet.

This description was prepared for purposes of instituting a Public Improvement District and does not represent a survey made upon the ground. This description is compiled from information obtained in previous surveys made within said Section 42 and encompassing this tract.

EXHIBIT A

Exhibit 3

Upland Crossing PID Proposed Method of Assessment

* Properties will be assessed based on the City's 2020 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.15/$100 valuation
* All property will be assessed based on the final 2020 "net taxable value".

Upland Crossing Proposed PID Service Plan

TAX YEAR			PROPOSED					
		2019	2020	2021	2022	2023	2024	Totals
PROPERTY VALUES	Estimated # of Homes Closed			100	125	150	125	500
	Property Values* (Taxable Value)	121,349	800,000	15,816,000	34,882,320	58,079,966	77,991,566	77,991,566
	Discounted Property Values	121,349	720,000	14,234,400	31,394,088	52,271,970	70,192,409	70,192,409
FISCAL YEAR REVENUES		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
	Interest	$ -	-	-	359	1,357	1,563	3,279
0.15	Assessment @ $0.15	-	1,080	21,352	47,091	78,408	105,289	253,219
	Total	$ -	1,080	21,352	47,091	78,408	105,289	256,498
FISCAL YEAR EXPENSES		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
Park 1								
6 acre Playa park with apprx 3 acres landscaped (with 1 acre of water)		$ -	-	-	-	48,000	48,960	96,960
Park 2								
pocket park SW side along "Spine"		-	-	-	-	9,600	9,792	19,392
Signage								
Neighborhood Entry Signs		-	-	-	-	1,000	1,020	2,020
Alley Fences								
Fences that separate an alley adjacent to a street		-	-	-	-	1,000	1,020	2,020
Electric Cost for park lighting and irrigation								
Proposed parks 1 and 2		-	-	-	-	3,180	3,244	6,424
Administrative Costs		-	1,000	3,000	3,060	3,121	3,184	13,365
Annual Operation Cost (2019 is only the cost of setting 2021 assessment)		1,000	3,700	4,000	4,120	4,244	4,371	21,435
Developer Funding of Costs		(1,000)	(3,620)					(4,620)
	Total	$ -	1,080	7,000	7,180	70,145	71,590	156,995
Cash Reserves		$ -	-	14,352	54,263	62,526	96,224	96,224

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

ASSESSMENT INFORMATION
2020-2024
Assessment per $100,000

EXHIBIT B
City of Lubbock, TX
Finance Department
Upland Crossing PID 2023 Proposed Service and Assessment Plan

Assessment Plan

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.15/$100 valuation
* All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
TAX YEAR	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values* (Taxable Value)	133,380,051	190,349,760	216,656,755	239,739,890	244,534,688	249,425,382	249,425,382
Discounted Property Values - 90%	120,042,046	180,832,272	205,823,917	227,752,896	232,307,954	236,954,113	236,954,113
FISCAL YEAR REVENUES	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**FY 2027-28**	
Interest	763	5,106	9,202	8,367	12,051	15,880	$ 51,369
Assessment @ $0.15	180,063	271,248	308,736	341,629	348,462	355,431	1,805,570
Total	**180,826**	**276,354**	**317,938**	**349,996**	**360,513**	**371,311**	**$ 1,856,939**
FISCAL YEAR EXPENSES	**FY 2022-23**	**FY 2023-24**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**Totals**
Playa Lake Park - 7335 26th St	48,000	48,000	48,960	49,939	50,938	51,957	$ 297,794
Pocket Park - 7525 32nd St	-	22,000	22,440	22,889	23,347	23,814	114,489
Entry Signs	-	15,000	15,300	15,606	15,918	16,236	78,061
Public Fencing	-	15,000	15,300	15,606	15,918	16,236	78,061
Repairs	10,000	15,000	15,300	15,606	15,918	16,236	88,061
Public Improvement Project	-	10,000	10,200	10,404	10,612	10,824	52,040
Playground Equipment Maintenance	2,500	7,300	7,446	7,595	7,747	7,902	40,489
Electric Cost	2,500	3,000	3,060	3,121	3,184	3,247	18,112
Water Cost	1,000	1,100	1,122	1,144	1,167	1,191	6,724
Administrative Costs	10,605	13,422	13,690	13,964	14,244	14,528	80,454
Annual Operation Cost	6,757	9,503	9,693	9,887	10,085	10,286	56,211
Total	**81,362**	**159,325**	**162,512**	**165,762**	**169,077**	**172,459**	**$ 910,496**
Cash Reserves	**145,884**	**262,913**	**418,340**	**602,574**	**794,011**	**992,864**	**$ 992,864**

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually

Assessment Information per $100,000 Home = $150

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Upland Crossing Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, TX 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Upland Crossing Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (The "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment roll will be available for viewing 8in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, fences, ponds, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles, community signage and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is estimated at $829,134 over the next five years. The estimated annual cost rises from $159,325 in FY 2023-24 to $172,459 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.15 per $100.00 of valuation through tax year 2027.

Boundaries: The District is located within the City of Lubbock, Texas. The proposed Upland Crossing Public Improvement District (PID) generally covers a portion of an area in the City of Lubbock, Lubbock County, Texas, generally bounded by 26th Street on the north, 34th Street on the south, Upland Avenue on the east, and Yuma Avenue on the west. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Valencia Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Valencia PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Valencia PID to speak in favor of, or in opposition to, the assessment to be levied in the Valencia PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.18 per $100 valuation, and does not change from 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.18 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The assessments will go into a separate Valencia PID fund. The funds raised by the assessment will be used to provide maintenance for the public improvements in the District, as well as cover the cost of administering the PID. The projected assessment that will be collected for 2023 is $69,224.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer
Valencia PID Advisory Board

Attachments

Ordinance and Exhibits
Valencia PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATIONS FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE VALENCIA PUBLIC IMPROVEMENT DISTRICT; APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT.

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, On July 14, 2011 the City Council passed Resolution No.2011-R0310, attached here as "Exhibit A," which made certain findings concerning the advisability of creating the Valencia Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, and designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and

WHEREAS, On August 11, 2011, the City Council passed Resolution No. 2011-R0342, approving the Service and Assessment Plan (the "Plan"), which will be reviewed and revised each year when necessary. The revised 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed Roll and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired by the calling and holding of such public hearing to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District,

and approve, adopt, and file with the City Secretary the proposed assessment roll (the "Assessment Roll'), attached hereto as "Exhibit C"; and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.18 per $100 value for years 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council after review of the Plan approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: The City Council hereby approves, adopts and files with the City Secretary the Roll attached to the Plan. The Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Roll in the official City records. The Roll shall be subject to public inspection.

SECTION 4: That the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and, (5) that written or oral objections will be considered at the hearing.

SECTION 5: That the City Council finds that City staff mailed to the owners of property liable for assessment, notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act. The notice was mailed before the 10th day before the date of the hearing to the last known address of

the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: That the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State and in the proceedings of the City heretofore had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: That there shall be and is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 city net taxable value in the manner described in the assessment, attached hereto as "Exhibit B" and "Exhibit C' shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established in Section 9 together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien shall attach on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid. The lien is perfected on attachment and perfection requires no further action by the governing body.

SECTION 9: That the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this section as long as the assessment remains unpaid, regardless of whether a judgment for the delinquent

assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32, and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: That all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

SECTION 11: That the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Act, as amended.

SECTION 12: That the City may contract with the Lubbock Central Appraisal District and any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on_____, 2023.

Passed by the City Council on second reading on_____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

Ord. Valencia PID Assessment Ordinance 2023
August 22, 2023

RESOLUTION

WHEREAS, a petition has been received from the record owners of taxable real property representing more than 50 percent of the appraised value (as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District) of an area within the City of Lubbock generally bounded by generally bounded by 85th Street on the north, 88th Place on the south, Iola Avenue on the east, and Milwaukee Avenue on the west, AND owners of not less than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal; requesting establishment of a Valencia Public Improvement District under Chapter 372 of the Texas Local Government Code for the purpose of maintaining Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greens; landscaping, hardscape and irrigation; including costs of establishing, administering and operating the District; and

WHEREAS, the petition, a copy of which has been attached as Exhibit "1," was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council of the City of Lubbock, Texas (the "City"); and

WHEREAS, the boundaries of the proposed Valencia Public Improvement District within the city limits of the City of Lubbock are described in the attachment designated as Exhibit "2" and shown on the map attached hereto as Exhibit "3"; and

WHEREAS, the City has called a public hearing to hear public comments on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, notice of such public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the 15th day before the date of the public hearing stating the time and place of the hearing, the general nature of the services, the estimated cost of the services, the proposed boundaries of the proposed Valencia Public Improvement District, the method of assessment, and the apportionment of cost between the improvement district and the city as a whole; and

WHEREAS, written notice containing the information in the published notice was mailed before the 15th day before the date of the hearing to the current addresses of the owners, as reflected on the tax rolls, of property subject to assessment under the proposed public improvement district; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, on the 14th day of July, 2011, at 9:30 o'clock a.m., in the Council Chambers of the City of Lubbock, Texas; and

WHEREAS, the City, at such hearing, invited any interest person, or his/her representative, to appear and speak for or against the authorization of the Valencia Public Improvement District, the boundaries of the proposed public improvement district, whether all or a part of the territory which is described in Exhibit "2" attached hereto and depicted on the map attached hereto as Exhibit "3" should be included in such proposed Valencia Public Improvement District, the advisability of the proposed improvements, the nature of the improvements, the estimated costs of the improvements; the method of assessment, and the apportionment of costs between the district and the city as a whole; and

WHEREAS, all owners of property located with the proposed Valencia Public Improvement District and all other taxing units and other interested persons were given a reasonable opportunity at such public hearing to protest the authorization of the Valencia Public Improvement District and/or the inclusion of their property in such District; and

WHEREAS, the proponents of the Valencia Public Improvement District offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Valencia Public Improvement District, and opponents of the Valencia Public Improvement District were given the opportunity to appear to contest authorization of the district, after which the hearing was closed; **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: That the City Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on the advisability of authorizing the Valencia Public Improvement District has been properly called, held and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the proposed public improvement district.

(b) That authorization of the proposed Valencia Public Improvement District with boundaries as described in Exhibits "2" and "3" for the purpose of maintaining Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located

therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greens; landscaping, hardscape and irrigation; including costs of establishing, administering and operating the District is advisable and will result in benefits to the City, its residents and property owners in the Valencia Public Improvement District.

(c) That the total estimated cost of services and improvements proposed to be provided by the District is approximately $56,829 over the next five (5) years, and that the estimated annual cost rises from $4,500 in year two to $19,149 in year five (5). Services anticipated are maintenance of 87th Street park and median, electric costs for lights, and operational and administrative costs.

(d) That the costs are based on a proposed assessment rate of $0.11 per $100.00 of valuation through year 2019.

(e) That as to apportionment of cost between the proposed District and the City, all costs for proposed improvements will be paid by the District through assessments.

SECTION 3: That the City hereby authorizes under Sections 372.006, 372.010, and 372.041 of the Act, a public improvement district over the area described in Exhibit 2 attached hereto and depicted in the map attached hereto as Exhibit 3 and such public improvement district shall hereafter be identified as the Valencia Public Improvement District, City of Lubbock, Texas.

SECTION 4: That the City Council shall be the governing board for the Valencia Public Improvement District. The City Council may appoint an Advisory Board for management of the District in the future.

SECTION 5: That the notice of this authorization for the Valencia Public Improvement District shall be published in a newspaper of general circulation in the city.

SECTION 6: That if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council on July 14, 2011.

TOM MARTIN, MAYOR

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Andy Burcham
Chief Financial Officer

APPROVED AS TO FORM:

Linda L. Chamales,
Economic Development Attorney

as/cityatt/Linda/Valencia PID Establishment
May 18, 2011

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATE OF PUBLIC RECORD

I hereby certify, in the performance of the functions of my office, that one signature on the attached document has been verified and that the same constitutes record owners of taxable real property representing more than fifty percent (50%) of the appraised value of the property (as determined by the current roll of the Appraisal District, January 1, 2011) in the area known as Valencia, as shown on that attached map, AND owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal as required by Section 372.005(b) of the Texas Local Government Code; the one petitioner owns 100% of land; said documents appear of record in my office and that said documents are an official record from the public office of the City Secretary of the City of Lubbock, Lubbock County, State of Texas, and is kept in said office.

I further certify that I am the City Secretary of the City of Lubbock, that I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office this 16th day of May, 2011.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

EXHIBIT A
Exhibit "1"

May 5, 2011

To: Becky Garza, City Secretary
Cheryl Brock, Senior Financial Analyst
Rob Allison, Assistant City Manager

From: Sally Still Abbe, GIS Manager

Re: Valencia Petition

Recently, the City Of Lubbock received a petition dated April 8, 2011 from Drew Wegman, Vice-President of Real Property Resources, Inc., requesting that the City of Lubbock establish a Public Improvement District (PID) for the proposed Valencia development shown on the attached map. PID establishment can only be initiated by a petition of property owners who meet two tests outlined in the state statute. There is only one owner of land within the PID boundary, and the vice-president of this company signed the petition.

The first test is that the petition is sufficient if signed by the owners of taxable real property representing more than 50% of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (January 1, 2011). Since the petitioners own 100% of the property within the boundary, the petition easily passes the value test.

The second test is that the petition must be signed by the record owners of property that constitute more than 50% of the number of record owners or the record owners of more than 50% of the area within the PID. There is only one owner in the PID, who signed the petition. Real Property Resources, Inc. owns 100% of the land, so the petition passes both tests even though it is required to pass only one.

The notarized signature on the Valencia petition was validated by a visual review.

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO VALENCIA

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed maintenance of the public improvements. The general nature of the proposed public improvements is: (i) maintenance of Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, fences, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greens; landscaping, hardscape and irrigation; and (ii) costs of establishing, administering and operating the District. The improvements associated with the Public Improvement District are a benefit to the affected property and to the City of Lubbock because they visually enhance the area as well as provide a common area for residents to enjoy increasing the overall quality of life in the affected area.

Section 3. Estimated cost of the maintenance of the proposed public improvements: Annual maintenance costs - $18,000.

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit A.

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to

property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

EXHIBIT A
Exhibit "1"

PETITIONERS:

Real Property Resources, Inc.

Drew Wegman, Vice-President of Real Property Resources, Inc.

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

On this, the 8th day of April, 2011, before me, the undersigned Notary Public, personally appeared **Drew Wegman** who acknowledged that he is **Vice-President of Real Property Resources, Inc.**, and that he, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

JENNE M. BICKETT
Notary Public, State of Texas
My Commission Expires 10-13-2013

Notary Public Signature

Signature Page for Petition

EXHIBIT A

The Land

METES AND BOUNDS DESCRIPTION:

A 39.941 ACRE TRACT OF LAND SITUATED IN THAT CERTAIN 199.832 ACRE TRACT OF LAND RECORDED IN VOLUME 6937, PAGE 174 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY, INCLUDING LOT 4B OF SPECTRA LUBBOCK SOUTHWEST, AN ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN PLAT AND DEDICATION NO. 2006044435 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, AND LOCATED IN SECTION 28, BLOCK AK, LUBBOCK COUNTY, TEXAS, SAID 39.941 ACRE TRACT BEING FURTHER DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET IN THE EAST LINE OF LOT 4A, SPECTRA LUBBOCK SOUTHWEST, AN ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN PLAT AND DEDICATION NO. 2006044435 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, AND S. 01° 49' 05" W. A DISTANCE OF 175.00 FEET FROM THE SOUTHWEST CORNER OF TRACT A-1, A REPLAT OF TRACT A, MONTEREY CHURCH OF CHRIST ADDITION, AN ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 10299, PAGE 264 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE NORTHWEST CORNER OF THIS TRACT, HAVING COORDINATES OF NORTHING: 7,252,079.842 AND EASTING: 916,426.179, TEXAS COORDINATE SYSTEM, TXNC ZONE 4202, NAD 83 (CORS 96), WHENCE THE NORTHWEST CORNER OF SECTION 28 BEARS N. 01° 49' 05" E. A DISTANCE OF 1001.91 FEET, N. 01° 54' 20" E. A DISTANCE OF 55.00 FEET AND N. 88° 05' 40" W. A DISTANCE OF 1360.47 FEET, PER CALLED DISTANCES IN SAID PLAT OF TRACT A-1 AND IN PREVIOUS WARRANTY DEEDS RECORDED IN VOLUME 6937, PAGES 174 AND 178 OF THE REAL PROPERTY RECORDS OF LUBBOCK COUNTY;

THENCE S. 88° 11' 01" E., PARALLEL WITH THE SOUTH LINE OF SAID TRACT A-1 (PREVIOUS RECORD CALL: EAST), AT A DISTANCE OF 1250.20 FEET PASS A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET IN REFERENCE, CONTINUING FOR A TOTAL DISTANCE OF 1282.20 FEET TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET IN THE EAST LINE OF SAID 199.832 ACRE TRACT FOR THE NORTHEAST CORNER OF THIS TRACT;

THENCE S. 01° 45' 05" W., ALONG THE EAST LINE OF SAID 199.832 ACRE TRACT (PREVIOUS RECORD CALL: S. 00° 02' 50" E.) AND THE CENTERLINE OF IOLA AVENUE AS DEDICATED BY THE PLATS OF REGAL PARK, ACCORDING TO THE MAPS OR PLATS THEREOF RECORDED IN VOLUME 8405, PAGE 286 AND VOLUME 10114, PAGE 58 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, A DISTANCE OF 992.97 FEET TO A PK NAIL AND WASHER FOUND AT THE NORTHEAST CORNER OF THAT CERTAIN TRACT OF LAND CONVEYED TO LUBBOCK LAND INVESTMENTS I, LP RECORDED IN VOLUME 10469, PAGE 124 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE SOUTHEAST CORNER OF THIS TRACT;

THENCE N. 88° 10' 05" W., ALONG THE NORTH LINE OF SAID LUBBOCK LAND INVESTMENTS I, LP TRACT, AT A DISTANCE OF 32.00 FEET PASS A 1/2" IRON ROD WITH CAP MARKED "H. REED & ASSOCS" FOUND, CONTINUING FOR A TOTAL DISTANCE OF 1118.38 FEET (PREVIOUS RECORD CALL: N. 88° 09' 50" W., 1118.38 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "H. REED & ASSOCS" FOUND FOR A CORNER OF THIS TRACT;

THENCE N. 01° 48' 45" E., ALONG A PORTION OF THE NORTH LINE OF SAID LUBBOCK LAND INVESTMENTS I, LP TRACT, A DISTANCE OF 146.21 FEET (PREVIOUS RECORD CALL: N. 01° 48' 13" E., 146.21 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "H. REED & ASSOCS" FOUND FOR A CORNER OF THIS TRACT;

THENCE N. 88° 09' 49" W., ALONG THE NORTH LINE OF SAID LUBBOCK LAND INVESTMENTS I, LP TRACT, A DISTANCE OF 1468.08 FEET (PREVIOUS RECORD CALL: N. 88° 10' 43" W., 1467.86 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET IN THE EAST RIGHT-OF-WAY LINE OF MILWAUKEE AVENUE, AS DESCRIBED IN DEED RECORDED IN VOLUME 9735, PAGE 349 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE SOUTHWEST CORNER OF THIS TRACT;

THENCE N. 01° 43' 17" E., ALONG THE EAST RIGHT-OF-WAY LINE OF MILWAUKEE AVENUE (PREVIOUS RECORD CALL: N. 01° 43' 58" E.), A DISTANCE OF 292.00 FEET TO A 5/8" IRON ROD FOUND AT THE SOUTHWEST CORNER OF TRACT A, WALMART SUPERCENTER, AN ADDITION TO THE CITY OF LUBBOCK, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN PLAT AND DEDICATION NO. 2006024909 OF THE OFFICIAL PUBLIC RECORDS OF LUBBOCK COUNTY, FOR THE MOST WESTERLY NORTHWEST CORNER OF THIS TRACT;

THENCE S. 88° 09' 54" E., ALONG THE SOUTH LINE OF SAID TRACT A, A DISTANCE OF 915.02 FEET (PREVIOUS RECORD CALL: S. 88° 10' 10" E., 914.93 FEET) TO A 5/8" IRON ROD WITH CAP MARKED "DUNAWAY ASSOC, INC" FOUND AT THE SOUTHEAST CORNER OF SAID TRACT A AND THE SOUTHWEST CORNER OF LOT 4B OF SAID SPECTRA LUBBOCK SOUTHWEST, FOR A CORNER OF THIS TRACT;

THENCE N. 01° 49' 50" E., ALONG THE COMMON LINE OF SAID TRACT A AND LOT 4B, A DISTANCE OF 282.59 FEET (PREVIOUS RECORD CALL: N. 01° 49' 50" E., 282.78 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET AT THE WEST COMMON CORNER OF SAID LOTS 4A AND 4B FOR A CORNER OF THIS TRACT;

THENCE S. 88° 10' 10" E., ALONG THE COMMON LINE OF SAID LOTS 4A AND 4B, A DISTANCE OF 388.52 FEET (PREVIOUS RECORD CALL: S. 88° 10' 10" E., 388.47 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET AT THE EAST COMMON CORNER OF SAID LOTS 4A AND 4B FOR A CORNER OF THIS TRACT;

THENCE N. 01° 49' 05" E., ALONG THE EAST LINE OF SAID LOT 4A (PREVIOUS RECORD CALL: N. 01° 49' 14" E.), A DISTANCE OF 271.71 FEET TO THE POINT OF BEGINNING.

EXHIBIT A
Exhibit "1"

BETENBOUGH
HOMES

April 8, 2011

Cheryl Brock
City of Lubbock, TX
1625 13th Street
Lubbock, TX 79457

Re: Valencia, Public Improvement District

Dear Honorable Mayor and City Council;

Valencia is a residential development within the city limits of the City of Lubbock bound on the west by Milwaukee Avenue, the east by Iola Avenue, the north by Monterey Church of Christ, and the south by The Trails at Regal Park. We are proposing to create a Public Improvement District "PID" to maintain the public improvements for Valencia.

In order to comply with the "Public Improvement District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements". We are providing information regarding items 5-16, as follow:

5. If the there is sufficient support to petition to dissolve the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the Advisory Board and with funds available to the Advisory Board.

6. Map of the area is attached to this email to be added to the petition.

7. In regards to the procedure for the nomination of the PID Advisory Board, the process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock.

8. Addressed in Section 2 of the petition.

9. City owned land in the distinct will be "Tract A & Tract B, Valencia, an addition to the City of Lubbock".

10. General description of proposed improvements in Section 2 of the petition.

11. The estimated total cost of the improvements is $200,000.00 and will be paid by developer with no desire for any reimbursement. The estimated cost of the maintenance is $18,000 per year and is to be paid for by the PID as soon as the funds are available.

12. Budget is attached in the service plan.

EXHIBIT A

Exhibit "1"

BETENBOUGH HOMES

13. Method of assessment will be base on the net taxable value of the affected properties and will be assessed at $.11 per $100.00 valuation.

14. Documentation of liability insurance will be attached to this letter

15. Addressed in Section 6 of the petition

16. Addressed in Section 5 of the petition

Hopefully this will provide all of the information requested to continue with the creation of the PID. Please let me know if you have any questions or require any additional information.

Drew Wegman
Community Development
Betenbough Homes

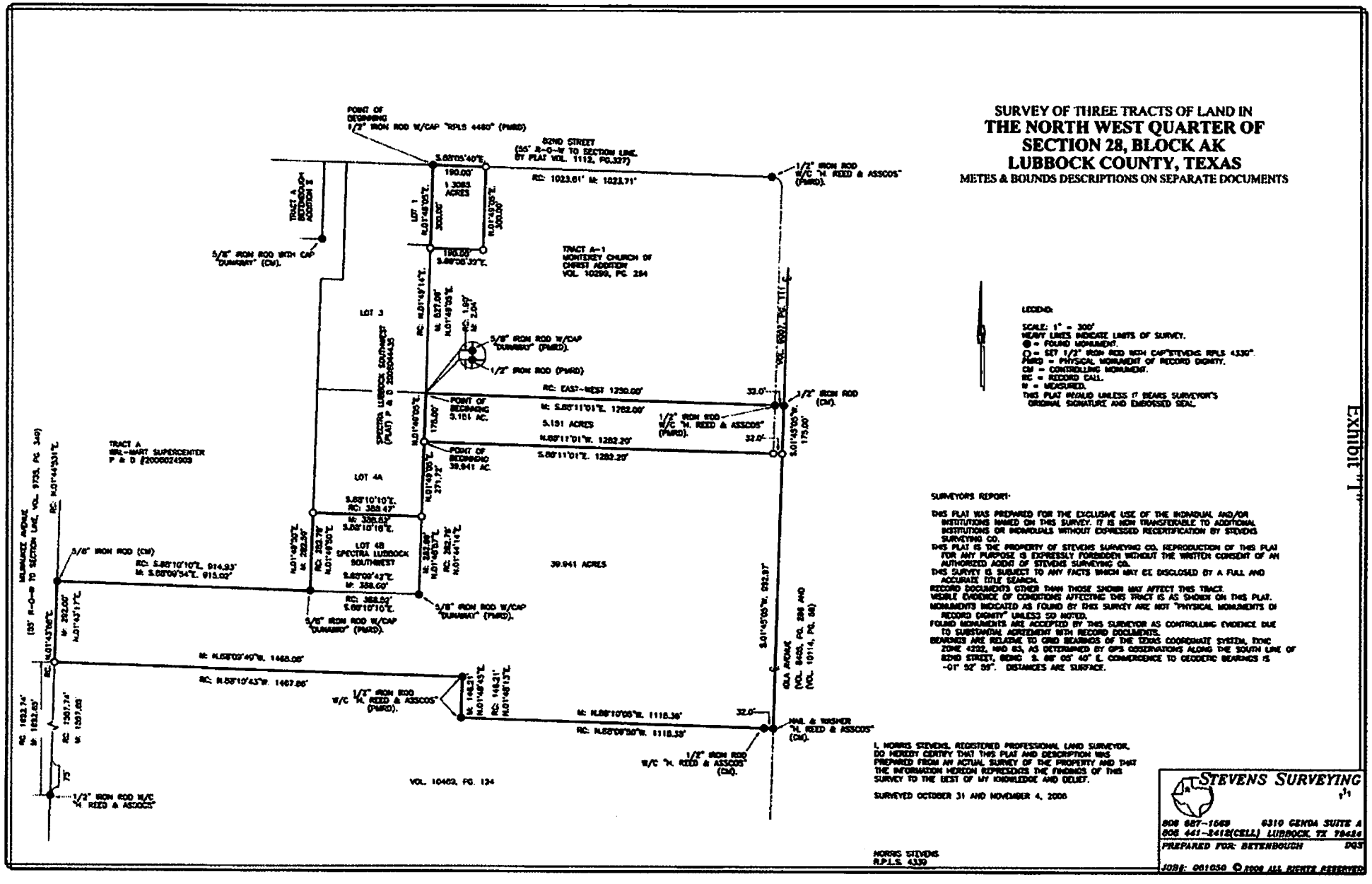

SURVEY OF THREE TRACTS OF LAND IN
THE NORTH WEST QUARTER OF
SECTION 28, BLOCK AK
LUBBOCK COUNTY, TEXAS
METES & BOUNDS DESCRIPTIONS ON SEPARATE DOCUMENTS
POINT OF BEGINNING 1/2" IRON ROD W/CAP "RPLS 4480" (PMRD)
82ND STREET (55' R-O-W TO SECTION LINE, BY PLAT VOL. 1112, PG.327)
1/2" IRON ROD W/C "H. REED & ASSCOS" (PMRD).
RC: 1023.61' M: 1023.71'
TRACT A RETENBOUGH ADDITION II
5/8" IRON ROD WITH CAP "DUNAWAY" (CM).
LOT 1
1.3083 ACRES
TRACT A-1 MONTEREY CHURCH OF CHRIST ADDITION VOL. 10239, PG. 284
LOT 3
SPECTRA LUBBOCK SOUTHWEST (PLAT) P & D 2006044435
5/8" IRON ROD W/CAP "DUNAWAY" (PMRD).
1/2" IRON ROD (PMRD)
RC: EAST-WEST 1250.00'
POINT OF BEGINNING 5.191 AC.
M: S.88°11'01"E. 1282.00'
5.191 ACRES
N.88°11'01"W. 1282.20'
S.88°11'01"E. 1282.20'
1/2" IRON ROD (CM).
1/2" IRON ROD W/C "H. REED & ASSCOS" (PMRD).
TRACT A WAL-MART SUPERCENTER P & D 2006024909
LOT 4A
POINT OF BEGINNING 39.941 AC.
S.88°10'10"E. RC: 388.47' M: 388.63' S.88°10'18"E.
LOT 4B SPECTRA LUBBOCK SOUTHWEST
S.88°09'43"E. M: 388.60'
RC: 388.50' S.88°10'10"E.
5/8" IRON ROD (CM)
RC: S.88°10'10"E. 914.93' M: S.88°09'34"E. 915.02'
5/8" IRON ROD W/CAP "DUNAWAY" (PMRD).
5/8" IRON ROD W/CAP "DUNAWAY" (PMRD).
39.941 ACRES
MONTREAT AVENUE (55' R-O-W TO SECTION LINE, VOL. 9735, PG. 349)
M: N.88°09'40"W. 1468.08'
RC: N.88°10'43"W. 1467.86'
1/2" IRON ROD W/C "H. REED & ASSCOS" (PMRD).
M: N.88°10'05"W. 1118.36'
RC: N.88°09'36"W. 1118.33'
1/2" IRON ROD W/C "H. REED & ASSCOS" (CM).
HAIL & WASHER "H. REED & ASSCOS" (CM).
1/2" IRON ROD W/C "H. REED & ASSCOS"
VOL. 10463, PG. 134
GLA AVENUE (VOL. 8405, PG. 286 AND (VOL. 10114, PG. 58)
LEGEND:
SCALE: 1" = 300'
HEAVY LINES INDICATE LIMITS OF SURVEY.
● = FOUND MONUMENT.
○ = SET 1/2" IRON ROD WITH CAP"STEVENS RPLS 4339".
PMRD = PHYSICAL MONUMENT OF RECORD DIGNITY.
CM = CONTROLLING MONUMENT.
RC = RECORD CALL.
M = MEASURED.
THIS PLAT INVALID UNLESS IT BEARS SURVEYOR'S ORIGINAL SIGNATURE AND EMBOSSED SEAL.
SURVEYORS REPORT:
THIS PLAT WAS PREPARED FOR THE EXCLUSIVE USE OF THE INDIVIDUAL AND/OR INSTITUTIONS NAMED ON THIS SURVEY. IT IS NON TRANSFERABLE TO ADDITIONAL INSTITUTIONS OR INDIVIDUALS WITHOUT EXPRESSED RECERTIFICATION BY STEVENS SURVEYING CO.
THIS PLAT IS THE PROPERTY OF STEVENS SURVEYING CO. REPRODUCTION OF THIS PLAT FOR ANY PURPOSE IS EXPRESSLY FORBIDDEN WITHOUT THE WRITTEN CONSENT OF AN AUTHORIZED AGENT OF STEVENS SURVEYING CO.
THIS SURVEY IS SUBJECT TO ANY FACTS WHICH MAY BE DISCLOSED BY A FULL AND ACCURATE TITLE SEARCH.
RECORD DOCUMENTS OTHER THAN THOSE SHOWN MAY AFFECT THIS TRACT.
VISIBLE EVIDENCE OF CONDITIONS AFFECTING THIS TRACT IS AS SHOWN ON THIS PLAT.
MONUMENTS INDICATED AS FOUND BY THIS SURVEY ARE NOT "PHYSICAL MONUMENTS OF RECORD DIGNITY" UNLESS SO NOTED.
FOUND MONUMENTS ARE ACCEPTED BY THIS SURVEYOR AS CONTROLLING EVIDENCE DUE TO SUBSTANTIAL AGREEMENT WITH RECORD DOCUMENTS.
BEARINGS ARE RELATIVE TO GRID BEARINGS OF THE TEXAS COORDINATE SYSTEM, 1NAD ZONE 4202, NAD 83, AS DETERMINED BY GPS OBSERVATIONS ALONG THE SOUTH LINE OF 82ND STREET, BEING S. 88° 05' 40" E. CONVERGENCE TO GEODETIC BEARINGS IS -01° 52' 59". DISTANCES ARE SURFACE.
I, HORRIS STEVENS, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS PLAT AND DESCRIPTION WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY AND THAT THE INFORMATION HEREON REPRESENTS THE FINDINGS OF THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.
SURVEYED OCTOBER 31 AND NOVEMBER 4, 2006
HORRIS STEVENS R.P.L.S. 4339
STEVENS SURVEYING
806 687-1669 6310 GENOA SUITE A
806 441-8418(CELL) LUBBOCK, TX 79424
PREPARED FOR: BETENBOUGH DGS
JOB#: 061050 © 2006 ALL RIGHTS RESERVED
Exhibit "A"

EXHIBIT A
Exhibit "1"

Resolution No. 2011-R0310

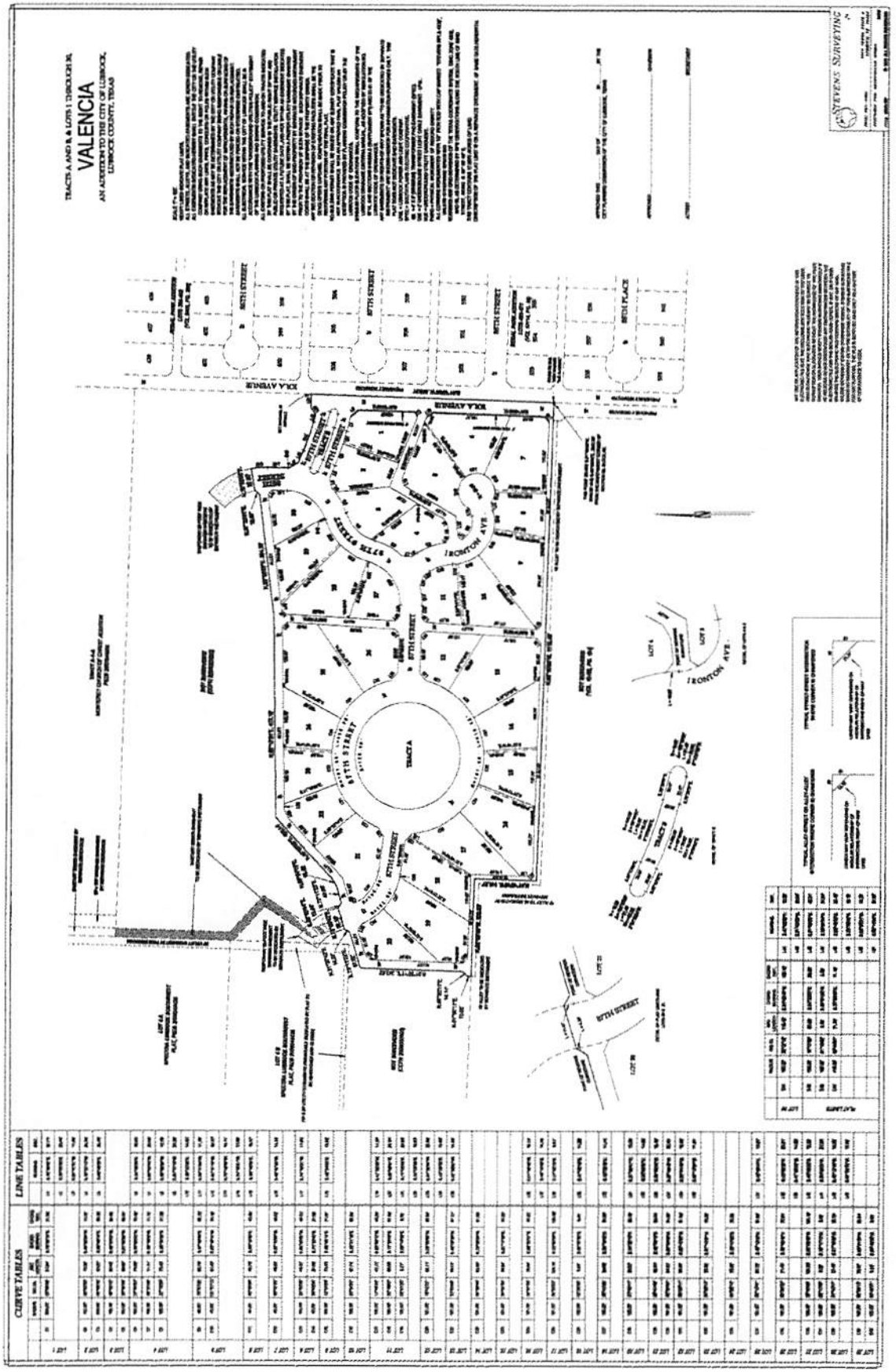


Exhibit "2"

The Land

METES AND BOUNDS DESCRIPTION:

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THENCE S. 88° 09' 54" E., ALONG THE SOUTH LINE OF SAID TRACT A, A DISTANCE OF 915.02 FEET (PREVIOUS RECORD CALL: S. 88° 10' 10" E., 914.93 FEET) TO A 5/8" IRON ROD WITH CAP MARKED "DUNAWAY ASSOC, INC" FOUND AT THE SOUTHEAST CORNER OF SAID TRACT A AND THE SOUTHWEST CORNER OF LOT 4B OF SAID SPECTRA LUBBOCK SOUTHWEST, FOR A CORNER OF THIS TRACT;

THENCE N. 01° 49' 50" E., ALONG THE COMMON LINE OF SAID TRACT A AND LOT 4B, A DISTANCE OF 282.59 FEET (PREVIOUS RECORD CALL: N. 01° 49' 50" E., 282.78 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET AT THE WEST COMMON CORNER OF SAID LOTS 4A AND 4B FOR A CORNER OF THIS TRACT;

THENCE S. 88° 10' 10" E., ALONG THE COMMON LINE OF SAID LOTS 4A AND 4B, A DISTANCE OF 388.52 FEET (PREVIOUS RECORD CALL: S. 88° 10' 10" E., 388.47 FEET) TO A 1/2" IRON ROD WITH CAP MARKED "STEVENS RPLS 4339" SET AT THE EAST COMMON CORNER OF SAID LOTS 4A AND 4B FOR A CORNER OF THIS TRACT;

THENCE N. 01° 49' 05" E., ALONG THE EAST LINE OF SAID LOT 4A (PREVIOUS RECORD CALL: N. 01° 49' 14" E.), A DISTANCE OF 271.71 FEET TO THE POINT OF BEGINNING.

Exhibit "3"

Resolution No. 2011-R0310

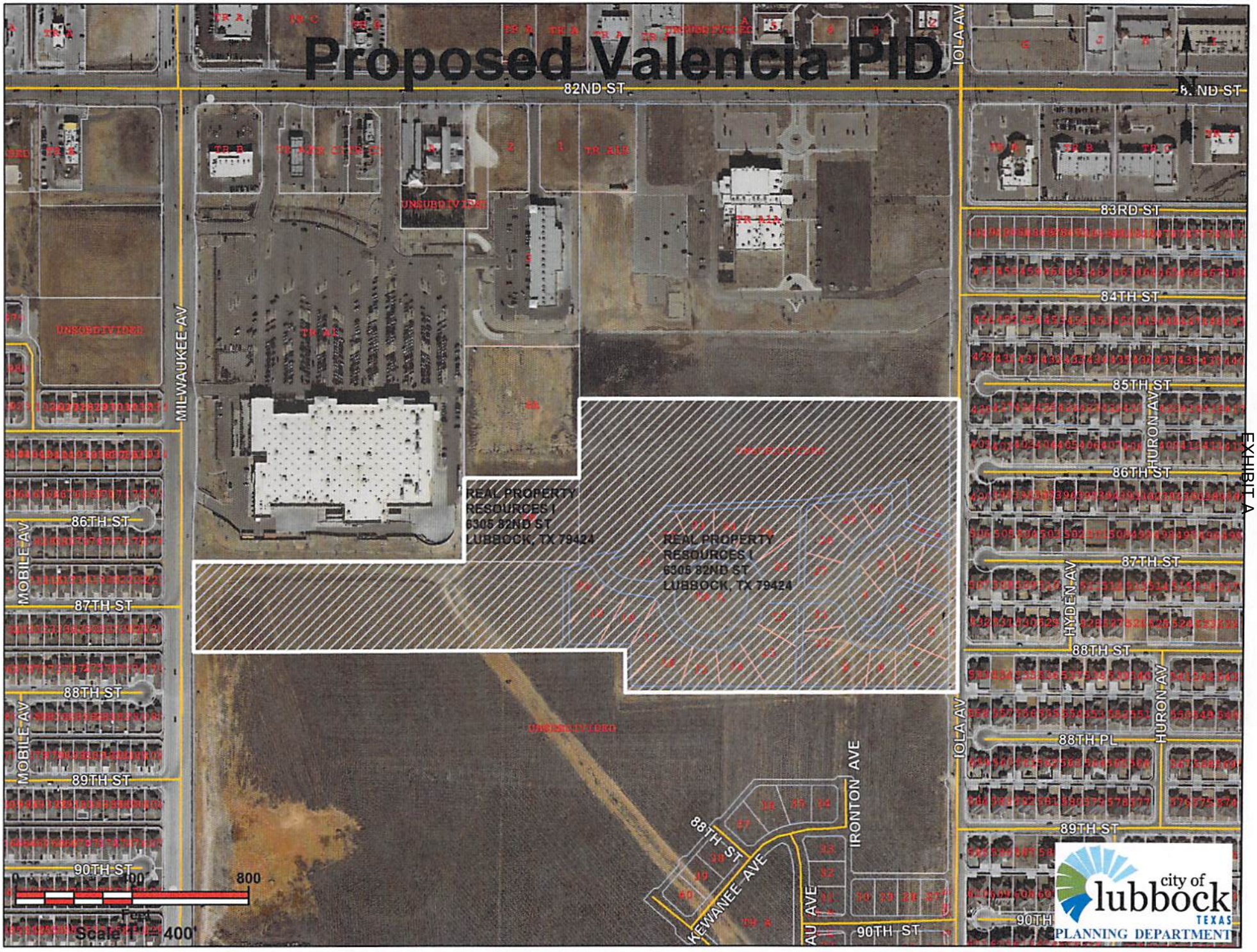

EXHIBIT A

Exhibit B

City of Lubbock, TX
Finance Department
Valencia Public Improvement District
Proposed 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to the City under Tax Code Section 26.04.
* Assessment rate will be $0.18/$100 valuation.
* All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
Tax Year	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable Values)	36,945,231	40,481,949	41,332,070	42,200,043	43,086,244	43,991,055	43,991,055
Discounted Property Values (95%)	35,097,969	38,457,852	39,265,466	40,090,041	40,931,932	41,791,503	41,791,503
Fiscal Year Revenues	**2022-23**	**2023-24**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**Totals**
Interest Earnings	982	3,037	2,955	2,869	2,778	2,683	$ 15,303
Assessment @ $0.18	63,176	69,224	70,678	72,162	73,677	75,225	424,142
Total	**64,158**	**72,261**	**73,633**	**75,031**	**76,455**	**77,907**	**$ 439,446**
Expense							
Park & Entrance Maintenance	31,000	31,930	32,569	33,220	33,884	34,562	$ 197,165
Repairs	5,000	5,000	5,100	5,202	5,306	5,412	31,020
Public Improvement Projects	23,279	10,000	10,200	10,404	10,612	10,824	75,319
Park Equipment Maintenance	2,500	1,600	1,632	1,665	1,698	1,732	10,826
Electric Costs	3,000	3,500	3,570	3,641	3,714	3,789	21,214
Water Cost	2,800	3,080	3,142	3,204	3,269	3,334	18,828
Administrative Costs	10,648	12,338	12,585	12,836	13,093	13,355	74,855
Annual Operation Cost	5,617	7,163	7,306	7,452	7,601	7,753	42,894
Total	**83,844**	**74,611**	**76,103**	**77,625**	**79,178**	**80,761**	**$ 472,123**
Cash Reserve	**86,781**	**84,431**	**81,961**	**79,366**	**76,644**	**73,790**	**$ 73,790**

* Property Value growth rate = 2.1% annually

**Expense growth rate = 2% annually

Assessment Information for $100,000 Home = $180

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Valencia Public Improvement District

Please take notice that on August 22, 2023 at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, Texas 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Valencia Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (the "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the proposed public improvements is: (i) maintenance of Parks and greens together with any ancillary structures, features or amenities such as playgrounds, athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the maintenance of such parks and greens; landscaping, hardscape and irrigation; and (ii) costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is approximately $388,279 over the next five (5) years. The estimated annual cost increases from $74,611 in FY 2023-24 to $80,761 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.18 per $100.00 of valuation through year 2027.

Boundaries. The District is located wholly within the City of Lubbock, Texas. The proposed Valencia Public Improvement District (PID) generally covers a portion of an area in the City of Lubbock, Lubbock County, Texas, generally bounded by 85th Street on the north, 88th Place on the south, Iola Avenue on the east, and Milwaukee Avenue on the west. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Public Hearing - Finance: Hold a public hearing on the proposed 2023 Assessment Rate for the Willow Bend Villas Public Improvement District (PID), and consider an ordinance reviewing classifications for the methods of assessing special benefits for the services and improvements of property in the Willow Bend Villas PID; approving, adopting, and filing with the City Secretary the assessment roll; levying 2023 assessments for the cost of certain services and improvements to be provided in the district during FY 2023-24; fixing charges and liens against the property in the district and against the owners thereof; and providing for the collection of the assessment.

Item Summary

The item includes a public hearing and once the public hearing is concluded, consideration of the Assessment Ordinance.

The purpose of the public hearing is to provide the opportunity for property owners in the Willow Bend Villas PID to speak in favor of, or in opposition to, the assessment to be levied in the Willow Bend Villas PID for 2023. The City of Lubbock is required to hold a public hearing annually to levy the assessment. A Notice of Public Hearing was published in the Lubbock Avalanche Journal, and notices were mailed to the property owners by Thursday, August 10, 2023, as required by the statute. At or on the adjournment of the hearing on proposed assessments, the governing body of the municipality must hear and pass on any objections to the proposed assessment.

The proposed assessment rate for 2023 is $0.15 per $100 valuation, and does not change from 2022. All property will be assessed for 2023.

The City Council is required to review the Service and Assessment Plan annually, hold a public hearing, and adopt an ordinance setting the assessment rate for the PID. The attached ordinance reflects the proposed rate of $0.15 per $100 valuation. The revised service and assessment plan is included in the backup. Exhibit C to the ordinance is available for viewing in the Office of the City Secretary.

Fiscal Impact

The assessments will go into a separate Willow Bend Villas PID fund. The funds raised by the assessment will be used to provide maintenance for the public improvements in the District, as well as cover the cost of administering the PID. The projected assessment that will be collected for 2023 is $73,812.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Ordinance and Exhibits

Willow Bend Villas PID Public Hearing Notice 2023

ORDINANCE NO. _____

AN ORDINANCE REVIEWING CLASSIFICATION FOR THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS OF PROPERTY IN THE WILLOW BEND VILLAS PUBLIC IMPROVEMENT DISTRICT, APPROVING, ADOPTING AND FILING WITH THE CITY SECRETARY THE ASSESSMENT ROLL; CLOSING THE HEARING AND LEVYING 2023 ASSESSMENTS FOR THE COST OF CERTAIN SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING FY 2023-24; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; AND PROVIDING FOR THE COLLECTION OF THE ASSESSMENT

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, through Resolution No. 2021-R0439 the City Council of the City (the "Council") attached hereto as Exhibit A, which made certain findings concerning the advisability of creating the Willow Bend Villas Public Improvement District (the "District"), authorized and created the District as a public improvement district under the Act, designated the Lubbock City Council as the entity responsible for the management of and provision of services and improvements to the District; and, created the initial advisory board for the PID; and

WHEREAS, On December 14, 2021, the City Council passed Ordinance No. 2021-O0170, approving the Service and Assessment Plan (the "Plan), which will be reviewed and revised each year when necessary. The revised 2023 Service and Assessment Plan (the "Plan") for the District is attached hereto as "Exhibit B;" and

WHEREAS, the Act requires that the City Council review the Plan; prepare a proposed assessment roll (the "Roll") and file it with the City Secretary; and schedule a public hearing to consider the proposed assessments and receive public comment on an annual basis; and

WHEREAS, after published and mailed notice of the hearing, pursuant to the Act, a public hearing was held August 22, 2023, to consider objections to the proposed assessments. The City Council closed the public hearing after receiving property owner's concerns and comments (both oral and written) on proposed 2023 assessments within the District and acted on any objections to proposed assessments for particular parcels; and

WHEREAS, the City desired, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located in the District to speak for or against the 2023 assessment rate for a special assessment against real property and real property improvements exclusive of public rights-of-way, to provide funding for the District for the purpose of supplemental services and improvements; and

WHEREAS, the City Council desires to review classifications and formulas for the apportionment of the costs for the services and improvements of the property in the District, and approve, adopt and file with the City Secretary the Roll which is attached hereto as Exhibit C; and

WHEREAS, the City Council finds after review that the revised service plan and assessment plan are feasible and sound and will serve the needs and desires of the property owners and that the assessment rate of $0.15 per $100.00 valuation for tax years 2023 through 2027, as determined by the Lubbock Central Appraisal District, of the property or improvements to the property located in the District; are reasonable and adequate.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: THAT the City Council, after review of the Plan, approves the method of assessing special benefits of services and improvements in the Plan. Terms relating to property taxes in this ordinance shall be used as defined in Section 1.04 of the Texas Property Tax Code. In accordance with the Plan, each property owner in the District identified for assessments in 2023 receives the same amount of service for the assessment provided. The proposed method of assessment, which specifies included or excluded classes of assessable property, is based on the net taxable value of the real property and real property improvements as determined by the Lubbock Central Appraisal District in accordance with Chapter 25 of the Texas Property Tax Code. Public rights-of-way are exempt from assessment.

SECTION 3: THAT the City Council hereby approves, adopts, and files with the City Secretary, the Assessment Roll. The Assessment Roll states an estimate of the assessment against each parcel of land in the District, as determined by the method of assessment set forth in the Plan and this Ordinance. The City Secretary shall file the Assessment Roll in the official City Records. The Assessment Roll shall be subject to public inspection.

SECTION 4: THAT the City Council finds that the notice of the City Council's intention to consider the proposed assessments at a public hearing on August 22, 2023 at 2:00 p.m. in the City Council Chamber, 1314 Avenue K, Lubbock, Texas was published in the official newspaper of the City of Lubbock, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

SECTION 5: THAT the City Council finds that City of Lubbock staff mailed to the owners of property liable for assessment, the notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act.

The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

SECTION 6: THAT the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied. The City Council finds that in each case the property assessed is specially benefited by means of the said services and improvements of the District. The City Council further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State. The City Council finds that the proceedings that the City has had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

SECTION 7: THAT there is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money calculated by applying the assessment rate to the final 2023 City net taxable value in the manner described in the assessment attached hereto in Exhibits B and C shown opposite the description of the respective parcels of property, and the several amounts assessed against the same, and the owners thereof.

SECTION 8: THAT the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate per annum established herein, together with reasonable attorney's fees and costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for ad valorem taxes and is a personal liability of and charge against the owners of the property regardless of whether the owners are named; and, with such lien being attached on January 1 of each year to the property to secure the payment of all assessments, penalties, and interest ultimately imposed for the year on the property, whether or not the assessments are imposed in the year the lien attaches and shall be effective until the assessment is paid; and, with such lien being perfected on attachment requiring no further action by the Council.

SECTION 9: THAT the assessments levied herein shall be due and payable in full on receipt of the assessment bill and are delinquent if not paid by January 31, 2024 except as provided in Sections 31.02(b), 31.03, and 31.04 of the Texas Property Tax Code. A delinquent assessment incurs a penalty of six percent (6%) of the amount of the assessment for the first (1st) calendar month it is delinquent plus one percent (1%) for each additional month or portion of a month the assessment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an assessment delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent assessment without regard to the number of months the assessment has been delinquent. A delinquent assessment continues to incur the penalty provided by this Section as long as the assessment remains

unpaid, regardless of whether a judgment for the delinquent assessment has been rendered. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including costs and attorney's fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body under Chapters 31, 32 and 33 of the Texas Property Tax Code. The owner of the assessed property may pay at any time the entire assessment on any lot or parcel, along with any interest and penalty that has accrued on the assessment.

SECTION 10: THAT all assessments herein levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

Section 11: THAT the assessments herein levied are made and levied under and by virtue of the terms powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

Section 12: THAT the City may contract with the Lubbock Central Appraisal District or any competent attorney to collect the assessments and to represent the District to enforce the collection of delinquent assessments. The attorney's compensation shall be set in the contract, but the total amount of compensation provided may not exceed twenty percent (20%) of the amount of delinquent assessment, penalty, and interest collected, as required in Section 6.03 of the Texas Property Tax Code.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____, 2023.

Passed by the City Council on second reading on _____, 2023.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

ccdocs/ORD. Willow Bend Villas Assessment 2023
August 22, 2023

Exhibit A

Resolution No. 2021-R0439
Item No. 8.5
October 26, 2021

A RESOLUTION OF THE CITY OF LUBBOCK, TEXAS, APPROVING AND AUTHORIZING THE CREATION OF THE WILLOW BEND VILLAS PUBLIC IMPROVEMENT DISTRICT

WHEREAS, the City Council (the "Council") of the City of Lubbock (the "City") has received a petition (the "Petition") with signatures from the record owners of taxable real property representing more than fifty percent (50%) of the appraised value of an area within the City as determined by the most recent certified appraisal roll of the Lubbock Central Appraisal District, and owners of more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the area covered by the Petition; and

WHEREAS, the Petition requests that the City establish a public improvement district according to Chapter 372 of the Texas Local Government Code for the general purpose of financing improvements and services related to:

(a) acquisition, construction, or drainage facilities or improvements, the design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(b) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

WHEREAS, the Petition, a copy of which has been attached to and made a part of this Resolution as "Exhibit 1", was examined, verified, found to meet the requirements of Section 372.005(b) of the Texas Local Government Code, and accepted by the City Council; and

WHEREAS, the Petition covers property within an area generally bounded by 19th Street to the North, Kelsey Avenue to the East, and railroad tracks to the south and west, with such property being the development known as Willow Bend Villas, and a description and depiction of the property covered by the Petition is attached to and made a part of this Resolution as "Exhibit 2"; and

WHEREAS, notice of the public hearing was published in the Lubbock Avalanche-Journal, a daily paper of general circulation in the City, such publication date being before the fifteenth (15th) day before the date of the public hearing, stating the time and place of the public hearing, the general nature of the services, the estimated cost of the services, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of cost between the public improvement district and the City; and

WHEREAS, before the fifteenth (15th) day before the date of the public hearing, written notice of the proposed public improvement district was mailed to the current addresses of the record owners, as reflected on the most recent certified appraisal roll of the Lubbock Central Appraisal District, of property subject to assessment under the proposed public improvement district; and

WHEREAS, the public hearing was convened at the time and place mentioned in the published notice, on the twenty-sixth (26th) day of October, 2021, at five (5:00) p.m., at Citizen's Tower, located at 1314 Avenue K, Lubbock, Texas; and

WHEREAS, in accordance with the published and mailed notices, the Council called the public hearing and heard public comment from interested persons speaking in favor or opposition to the proposed public improvement district and the Council heard a report by City staff on the advisability of the proposed public improvement district and its benefits to the City and to the property within the boundaries of the proposed public improvement district; and

WHEREAS, the proponents of the proposed public improvement district offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the proposed public improvement district, and opponents of the public improvement district were given the opportunity to appear to contest authorization of the proposed public improvement district, after which the Council closed the hearing; and **NOW THEREFORE:**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

SECTION 1: THAT the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2: THAT after conducting a public hearing, examining evidence, and hearing testimony, the City Council finds and determines the following:

(a) That the public hearing on the advisability of authorizing the Willow Bend Villas Public Improvement District has been properly called, held, and conducted and that notice of such hearing has been published and mailed as required by law and delivered to the current address of the owners of property subject to assessment under the Willow Bend Villas Public Improvement District; and

(b) That authorization of the Willow Bend Villas Public Improvement District with boundaries depicted and described in "Exhibit 2" is advisable and will result in benefits to the City, its residents, and the property owners in the Willow Bend Villas Public Improvement District for the general purpose of financing improvements and services related to:

(a) acquisition, construction, or drainage facilities or improvements, the design, construction, and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as

playgrounds, splash pads, pool(s), receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and

(b) payment of costs associated with developing and financing the public improvements listed in subdivision including costs of establishing, administering and operating the District; and

(c) That the total estimated cost of services and improvements to be paid by the assessment generated within the Willow Bend Villas Public Improvement District through Fiscal Year 2025-26 is approximately one hundred thirty six thousand eight hundred fifty two dollars ($136,852) (the "Costs"), with such Costs being described in "Exhibit 3" attached to and made a part of this Resolution; and

(d) That the Costs will be paid by the proposed assessment rate of fifteen cents ($0.15) per one hundred dollars ($100) of valuation of property within the Willow Bend Villas Public Improvement District through Fiscal Year 2025-26, with such proposed assessment being described in "Exhibit 3"; and

(e) That as to the apportionment of the Costs between the Willow Bend Villas Public Improvement District and the City, all the Costs will be paid by the Willow Bend Villas Public Improvement District through assessments on the property within the boundaries of the Willow Bend Villas Public Improvement District.

SECTION 3: THAT subject to Chapter 372 of the Texas Local Government Code, the City Council hereby authorizes a public improvement district over the area depicted and described in "Exhibit 2" and such public improvement district shall be identified as the Willow Bend Villas Public Improvement District, City of Lubbock, Texas.

SECTION 4: THAT the City Council hereby creates the Willow Bend Villas Public Improvement District Advisory Board for the Willow Bend Villas Public Improvement District. The Willow Bend Villas Public Improvement District Advisory Board shall act as an advisory board of the City of Lubbock, and shall initially be composed of five (5) members, each of whom will represent a developer of the property within the Willow Bend Villas Public Improvement District. The Willow Bend Villas Public Improvement District Advisory Board shall follow any and all rules, regulations, policies, and procedures related to City of Lubbock advisory boards and the Criteria and Guidelines for Public Improvement Districts. The initial members of the Advisory Board for the Willow Bend Villas Public Improvement District shall serve a two (2) year term. The City Council may extend the term of the initial governing board beyond two (2) years. The initial Advisory Board of the Willow Bend Villas Public Improvement District will provide recommendations to the City Council on all matters related to the initial development of the Willow Bend Villas Public Improvement District, including matters related to the Costs and to the assessments on properties located within the Willow Bend Villas Public Improvement District. Upon the end of the term of the initial Advisory Board members of the Willow Bend Villas Public Improvement District, an election will be held for the

Willow Bend Villas property owners to vote on each of the five seats. Once an election has taken place, the City Council will appoint the members of the Willow Bend Villas Public Improvement District Advisory Board. The PID Board shall adopt and be governed by a set of bylaws that, among other things, direct the PID Board as to its membership, its purpose, and its procedure for conducting business related to the Willow Bend Villas Public Improvement District.

SECTION 5: THAT if any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Passed by the City Council this 26th **day of** October **, 2021.**

DANIEL M. POPE, MAYOR

ATTEST:

Rebecca Garza, City Secretary

APPROVED AS TO CONTENT:

Brianna Gerardi, Director of Business Development

APPROVED AS TO FORM:

Kelli Leisure, Assistant City Attorney

CITY OF LUBBOCK §

COUNTY OF LUBBOCK §

STATE OF TEXAS §

CERTIFICATION OF SUFFICIENT PETITION

I hereby certify, in the performance of the functions of my office, that the attached petition, from property owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Willow Bend Villas development, has been verified and is sufficient. And, that Public Improvement Districts can only be initiated by a petition of property owners who meet a value test and an area test, pursuant to Texas Local Government Code, Sec. 372.005 (b). And, the statutory two test requirement was met: (1) petition is signed by the owners of taxable real property representing more than 50% of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (September 14, 2021), in the area known as Willow Bend Villas, as shown on the attached map; the petitioners own 100% of the area within the proposed Willow Bend Villas PID; (2) petition must be signed by the record owners of property that constitute more than 50% of the number of record owners or the record owners of more than 50% of the area within the PID; the petitioners own 100% of the total area within the proposed Northwest Passage PID area.

I further certify that I am the City Secretary of the City of Lubbock, that said documents appear of record in my office, I have legal custody of said record, and that I am a lawful possessor and keeper and have legal custody of the records in said office.

In witness whereof I have hereunto set my hand and affixed the official seal of said office the 20th day of September, 2021.

(City Seal)

Rebecca Garza
City Secretary
City of Lubbock
Lubbock County, State of Texas

City of Lubbock TEXAS

Date: September 16, 2021

To: Becky Garza, City Secretary

From: Brianna Gerardi, Business Development Director

CC: Blu Kostelich, Chief Financial Officer

Re: Willow Bend Villas Public Improvement District Petition

Recently, the City of Lubbock received petitions from Property Owners requesting the City of Lubbock establish a Public Improvement District (PID) for the proposed Willow Bend Villas development shown on the attached map. PID establishment can only be initiated by a petition of property owners who meet two tests outlined in the state statute.

The first test is that the petition is sufficient if signed by the owners of taxable real property representing more than 50 percent of the appraised value of the taxable real property liable for assessment by the current roll of the appraisal district (September 14, 2021). Since the petitioners own 100 percent of the taxable real property value within the boundary, the petition passes the value test.

The second test is that the petition must be signed by the record owners of property that constitute more than 50 percent of the number of record owners or the record owners of more than 50 percent of the area within the PID. The petitioners own 100 percent of the total area within the proposed Willow Bend Villas PID area so they pass the area test.

The notarized signature on the Willow Bend Villas petitions were validated by a visual review and owners on the petitions were verified against the current tax roll received from Lubbock Central Appraisal District by the Business Development Department and reviewed by GIS and Data Services.

Willow Bend Villas Projected Assessment Roll							
LCAD Roll 9.14.2021							
Property ID	Owner Name	Owner Address	SitusAddress	LegalDescription	Acres	TotalPropMktValue	TotalAssessedValue
R30086	BETENBOUGH HOMES LLC	6305 82ND ST LUBBOCK, TX 79424-3681	LUBBOCK 79407	BLK D6 SEC 6 AB 880 TR D12 & TR C D4 AC: 65.552 LESS ROW	63.1982	$202,107.00	$202,107.00

Willow Bend Villas Public Improvement District

Willow Bend Villas PID

Parcels

Lot-Block Lines

0 250 500 1,000 Feet

City of Lubbock TEXAS

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

5/21/2021

BETENBOUGH
HOMES

September 20, 2021

Cheryl Brock

City of Lubbock, Tx

1625 13th Street

Lubbock, Tx 79457

RE: Willow Bend Villas, Public Improvement District

Dear Honorable Mayor and City Council;

Willow Bend Villas (19th and Mackey) is a residential development within the city limits of the City of Lubbock bound on the North by 19th Street, adjacent to the East by Kelsey Ave, and adjacent to railroad tracks to the South and West. We are proposing to create a Public Improvement District, "PID", to maintain the public improvements for Willow Bend Villas (19th and Mackey).

In order to comply with the "Public Improvements District Policies and Guidelines", we are providing information as required in Section III. "Guidelines", b. "Petition Requirements". We are providing information regarding items 1, 5-16, as follow:

1. Betenbough has purchased/optioned almost 63.1982 acres. Betenbough plans to invest $250,000 in improvements for this park system before it would be deeded over to the City and the PID. We will be here to help keep the PID healthy and thriving. We have a heavily vested interest in making this PID healthy and self-sufficient.

5. If there is sufficient support to petition to dissolve the Public Improvement District certain requirements in addition to sufficient support must be met in order to dissolve the PID. Those requirements include arrangements to transfer ownership and maintenance of the City owned and PID maintained property. These arrangements are to be made by the Advisory Board and with funds available to the Advisory Board. Betenbough will have been responsible for some maintenance before the park system would be deeded over. With having supported some maintenance, we feel we will have an accurate representation of cost to propose for the service plan. So far, all of our proposed service plans, does get reviewed by city staff, and approved by city council.

6. Map of the area is attached to this email and is to be added to the petition.

BETENBOUGH
HOMES

7. In regards to the procedure for the nomination of the PID Advisory Board, the process shall be consistent with the bylaws for Public Improvement Districts for the City of Lubbock.

8. Addressed in Section 2 of the petition. We feel that the 2 pocket parks and improved basin area creates a quality of life for the homeowners. Each park area will have a different playscape but will match in color, tying the community together in the park landscaping. The basin will also have some trees on the north side along 19th street protecting the view for the public looking into the community, and for the community as a buffer for 19th street traffic.

9. Each parcel of City-owned land will be identified as a "Tract" at time of platting.

10. General description of proposed improvements in Section 2 of the petition.

11. The estimated total cost of the improvements is approximately $250,000 and will be paid and constructed by the developer, Betenbough Homes does not desire any reimbursement. The estimated cost of the maintenance is approximately $25,000 per year and is to be paid for by the PID as soon as the funds are available. This is the estimated cost for the entirety of the "park system".

12. Budget is attached in the service plan.

13. Method of assessment will be based on the net taxable value of the affected properties and will be assessed at $.15 per $100.00 valuation.

14. Documentation of liability insurance will be attached to this letter.

15. Addressed in Section 6 of the petition.

16. Addressed in Section 5 of the petition.

Our goal is to provide all of the information requested to continue with the creation of the PID. Please let us know if you have any questions or require any additional information.

BETENBOUGH
HOMES

Chris Berry

Chris Berry

Development

Betenbough Homes

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO FINANCE IMPROVEMENTS TO Willow Bend Villas (19th and Mackey)

THE STATE OF TEXAS §
§
CITY OF LUBBOCK §

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LUBBOCK:

The undersigned petitioners (the "Petitioners"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), request that the City of Lubbock create a public improvement district (the "District") in the territory described in Exhibit A attached hereto (the "Land") within the City of Lubbock, Texas (the "City"), and in support of this petition the Petitioners would present the following:

Section 1. Standing of Petitioners. In compliance with the requirements of Texas Local Government Code, Section 372.005(b), as determined by the current roll of the Lubbock Central Appraisal District, the Petitioners constitute: (i) the owners of taxable real property representing more than 50% of the appraised value of real property liable for assessment under the proposal described herein, and (ii) the record owners of taxable real property that constitutes more than 50% of the area of all taxable real property that is liable for assessment under such proposal.

Section 2. General nature of the proposed public improvements. The general nature of the proposed public improvements is: (i)acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), athletic facilities, pavilions, community facilities, irrigation, walkways, lighting, benches, trash receptacles and any similar items located there in along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (ii) payment of costs associated with developing and financing the public improvements listed in subdivision (i) including costs of establishing, administering and operating the District.

Section 3. Estimated cost of the proposed public improvements and annual maintenance: $500,000 estimated for proposed public improvements as mentioned in section 2. Annual maintenance costs - $75,000 for proposed improvements made by developer.

Section 4. Boundaries. The proposed boundaries of the District are described in Exhibit A and Exhibit B.

Section 5. Method of assessment. An assessment methodology has been prepared that will address (i) how the costs of the public improvements paid for with the assessments are assessed against the property in the District, (ii) the assessments to be collected each year, and (iii) reduction of the assessments for costs savings (pursuant to the annual review of the service plan for the District). Additionally, a report will be prepared showing the special benefits accruing to property in the District and how the costs of the public improvements are assessed to

property on the basis of the special benefits. The result will be that equal shares of the costs will be imposed on property similarly benefited.

In assessing the maintenance of the public improvements, property will be classified based on the net taxable value of the property.

The assessment methodology will result in each parcel paying its fair share of the costs of maintaining the public improvements based on the special benefits received by the property from the public improvements and property equally situated paying equal shares of the costs of the public improvements.

The annual budget is subject to review by City of Lubbock staff and final approval by the City Council. The annual assessments may be adjusted as a result of the City of Lubbock staff review and City Council approval.

Section 6. Apportionment of Cost between the City and the District. The City will not be obligated to provide any funds to finance the proposed public improvements or maintain the public improvements. All of the costs of the proposed public improvements will be paid by assessments of the property within the District and from other sources of funds, if any, available to the developer of the Land.

Section 7. Management of the District. The City will manage the District, or a partnership between the municipality or county and the private sector, to the extent allowed by law, the City may contract with either a non-profit, or a for-profit organization, including a Public Facilities Corporation created by the City pursuant to Chapter 303, Texas Local Government Code, to carry out all or a part of the responsibilities of managing the District, including the day-to-day management and administration of the District.

Section 8. Advisory board. An advisory board may be established to develop and recommend an improvement plan to the City Council of the City (the "City Council").

The signers of this petition request the establishment of the District and this petition will be filed with the City Secretary in support of the creation of the District by the City Council as herein provided.

[Signature on following page]

PETITIONERS:

Betenbough Homes LLC

Chris Berry, Land Planning Manager

THE STATE OF TEXAS §
§
COUNTY OF LUBBOCK §

KELLY D. OAKS
Notary Public, State of Texas
Notary ID# 13205344-5
My Commission Expires 06-17-2023

On this, the 8th day of SEPTEMBER 2021, before me, the undersigned Notary Public, personally appeared **Kelly Oaks** who acknowledged that he is **Community Development Manager of Betenbough Homes, LLC**, and that he, in such capacity, being duly authorized so to do, executed the foregoing petition for the purposes therein contained by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public Signature

EXHIBIT A

The Land

Description, "Tract A":

A 63.1982 acre tract of land located in the East Half (E/2) of Section 6, Block D-6, Brooks and Burleson Survey, Abstract Number 880, Lubbock County, Texas, and being situated within and a portion of that certain tract of land conveyed to HWY 179, LTD. described as "Tract 1" and all of that certain tract of land described as "Tract 2" in a General Warranty Deed recorded in Volume 10145, Page 346, and all of that certain 0.19 acre tract of land conveyed to HWY 179, LTD. described in a General Warranty Deed recorded in Volume 10394, Page 34, Official Public Records of Lubbock County, Texas, said 63.1982 acre tract, hereinafter referred to as "Tract A", being further described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with a cap marked "AMD ENG" set in place of a 1/2" iron rod with a cap marked "WSCI" found bent at the intersection of the east right-of-way line of the West Texas and Lubbock Railroad, as described in Volume 6182, Page 346 of the Real Property Records of Lubbock County, Texas, and the south right-of-way line of State Highway 114, also known as 19th Street, as described in Volume 181, Page 214 and Volume 491, Page 47 of the Deed Records of Lubbock County, Texas, at the northwest corner of said 0.19 acre tract for the northwest corner of this said Tract "A" and having coordinates of Northing: 7,274,815.61 and Easting: 897,482.48 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone, whence the northeast corner of said Section 6 bears N. 01° 48' 46" E. a distance of 65.00 feet and S. 88° 11' 14" E. a distance of 2465.72 feet, as calculated from calls in said railroad right-of-way deed;

THENCE S. 88° 11' 14" E., along said right-of-way line of State Highway 114, a distance of 911.41 feet to a 1/2" iron rod with a cap marked "HRA" found at the northwest corner of that certain 2.0 acre tract of land described in a Warranty Deed recorded in Volume 4730, Page 67 of the Real Property Records of Lubbock County, Texas, for the most northerly northeast corner of this said "Tract A";

THENCE S. 01° 51' 08" W. a distance of 370.84 feet to a 1/2" iron rod found at the southwest corner of said 2.0 acre tract for an ell corner of this said "Tract A";

THENCE S. 88° 11' 59" E. a distance of 234.91 feet to a 1/2" iron rod with a cap marked "WSCI" found at the southeast corner of said 2.0 acre tract for the most easterly northeast corner of this said "Tract A";

THENCE S. 01° 51' 30" W., along the west line of an alley and the west plat limits of Energy Circle, Lots 1 thru 40, an addition to Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 1835, Page 129 of the Deed Records of Lubbock County, Texas, at a distance of 1869.46 feet pass a 1/2" iron rod found at the end of said alley, continuing at a distance of 2204.38 feet pass a 1/2" iron rod with a cap marked "HRA" found at the southeast corner of said plat limits of Energy Circle, same being the northwest corner of that certain 11.16 acre tract of land described in a Warranty Deed recorded in County Clerk's file

number 2010001381 of the Official Public Records of Lubbock County, Texas, continuing for a total distance of 2359.76 feet to a 1/2" iron rod with a cap marked "HRA" found in the north right-of-way line of the West Texas and Lubbock railroad, as described in Volume 99, Page 459 of the Deed Records of Lubbock County, Texas, at the southwest corner of said 11.16 acre tract and the southeast corner of this said "Tract A", having coordinates of Northing: 7,272,050.90 and Easting: 898,539.46 of the Texas Coordinate System of 1983 (2011), Texas North Central Zone;

THENCE N. 70° 19' 00" W., along said railroad right-of-way line, a distance of 540.93 feet to a 1/2" iron rod with a cap marked "WSCI" found at a point of intersection at the southeast corner of that certain 8.71 acre right-of-way parcel for the West Texas and Lubbock Railroad described in Volume 6254, Page 30 of the Real Property Records of Lubbock County, Texas, for a corner of this said "Tract A";

THENCE N. 64° 25' 16" W. a distance of 103.01 to a 1/2" iron rod with a cap marked "WSCI" found at a point of intersection in the northeasterly right-of-way line of said railroad for a corner of this said "Tract A";

THENCE northwesterly, along a curve to the right and said railroad right-of-way line, an arc distance of 1049.59 feet, said curve having a radius of 904.93 feet, a delta angle of 66° 27' 17", a chord distance of 991.73 feet and a chord bearing of N. 31° 13' 29" W., to a 1/2" iron rod with a cap marked "WSCI" found at a point of tangency in the east right-of-way line of said railroad for a corner of this said "Tract A";

THENCE N. 02° 00' 10" E., along the east right-of-way line of said railroad at a distance of 1482.82 feet pass the northeast corner of said right-of-way in Volume 6254, Page 30, same being the southeast corner of said right-of-way in Volume 6182, Page 346, and the southwest corner of said 0.19 acre tract, continuing for a total distance of 1691.66 feet to the Point of Beginning. Bearings are based on the Texas Coordinate System of 1983 (2011), Texas North Central Zone. Distances are at surface, in U.S. Survey feet.

EXHIBIT B

Sketch

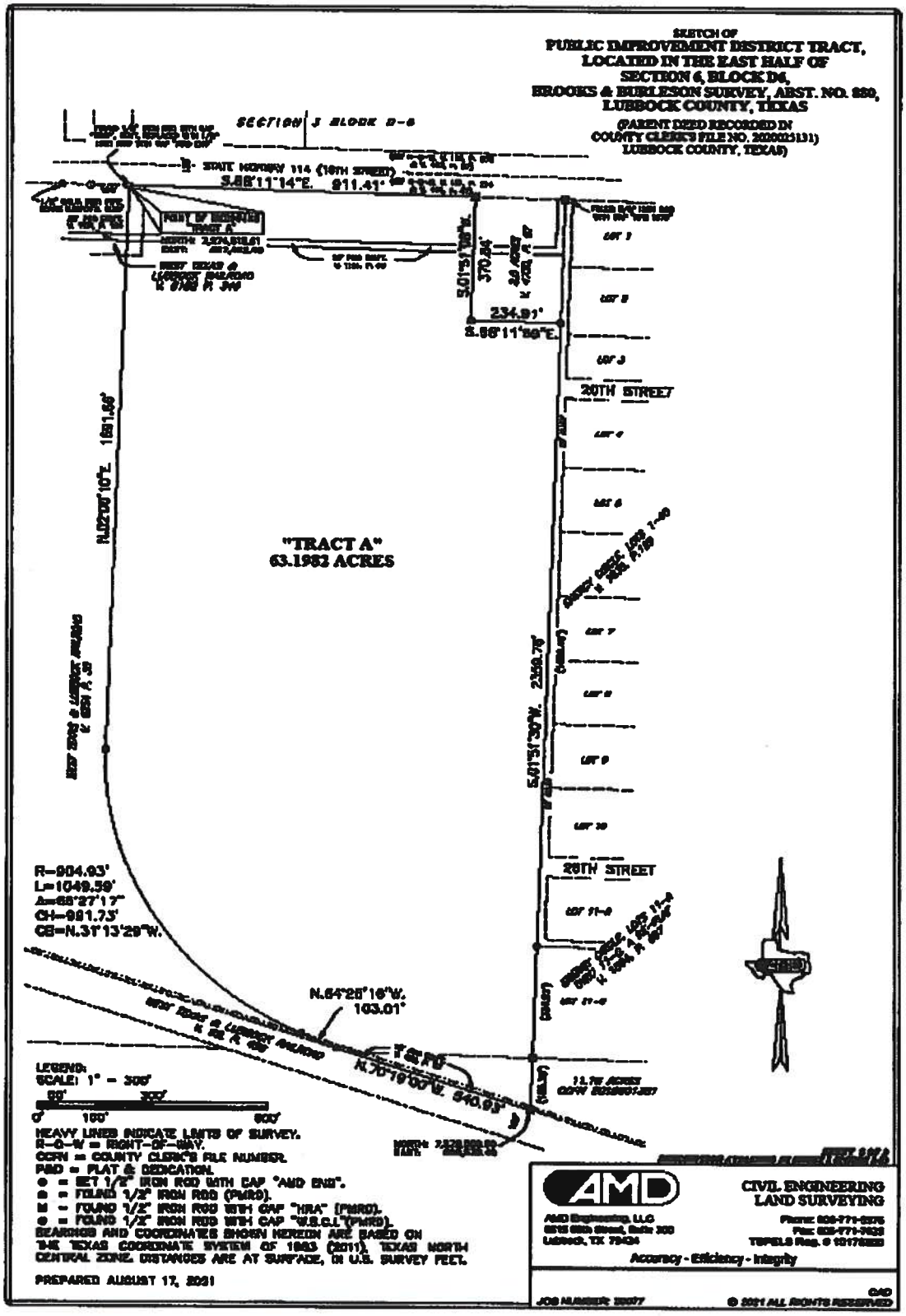
SKETCH OF
PUBLIC IMPROVEMENT DISTRICT TRACT,
LOCATED IN THE EAST HALF OF
SECTION 6, BLOCK D6,
BROOKS & BURLESON SURVEY, ABST. NO. 880,
LUBBOCK COUNTY, TEXAS
(PARENT DEED RECORDED IN
COUNTY CLERK'S FILE NO. 2020025131)
LUBBOCK COUNTY, TEXAS)
SECTION 5 BLOCK D-6
STATE HIGHWAY 114 (19TH STREET)
S.88°11'14"E. 911.41'
"TRACT A"
63.1982 ACRES
N.02°08'10"E. 1851.66'
S.01°51'30"W. 2350.76'
S.01°51'30"W. 370.84'
234.91'
S.88°11'59"E.
20TH STREET
26TH STREET
R=904.93'
L=1049.59'
Δ=66°27'17"
CH=991.73'
CB=N.31°13'29"W.
N.64°28'16"W.
103.01'
N.30°19'00"E. 940.93'
LEGEND:
SCALE: 1" = 300'
0' 150' 300' 600'
HEAVY LINES INDICATE LIMITS OF SURVEY.
R-O-W = RIGHT-OF-WAY.
OCRN = COUNTY CLERK'S FILE NUMBER.
PSD = PLAT & DEDICATION.
● = SET 1/2" IRON ROD WITH CAP "AMD ENG".
● = FOUND 1/2" IRON ROD (PMRD).
■ = FOUND 1/2" IRON ROD WITH CAP "HRA" (PMRD).
● = FOUND 1/2" IRON ROD WITH CAP "U.S.C.L" (PMRD).
BEARINGS AND COORDINATES SHOWN HEREON ARE BASED ON
THE TEXAS COORDINATE SYSTEM OF 1983 (2011), TEXAS NORTH
CENTRAL ZONE. DISTANCES ARE AT SURFACE, IN U.S. SURVEY FEET.
PREPARED AUGUST 17, 2021
AMD
CIVIL ENGINEERING
LAND SURVEYING
AMD Engineering, LLC
Lubbock, TX 79424
Accuracy - Efficiency - Integrity
JOB NUMBER: 20077
CAD
© 2021 ALL RIGHTS RESERVED

EXHIBIT A

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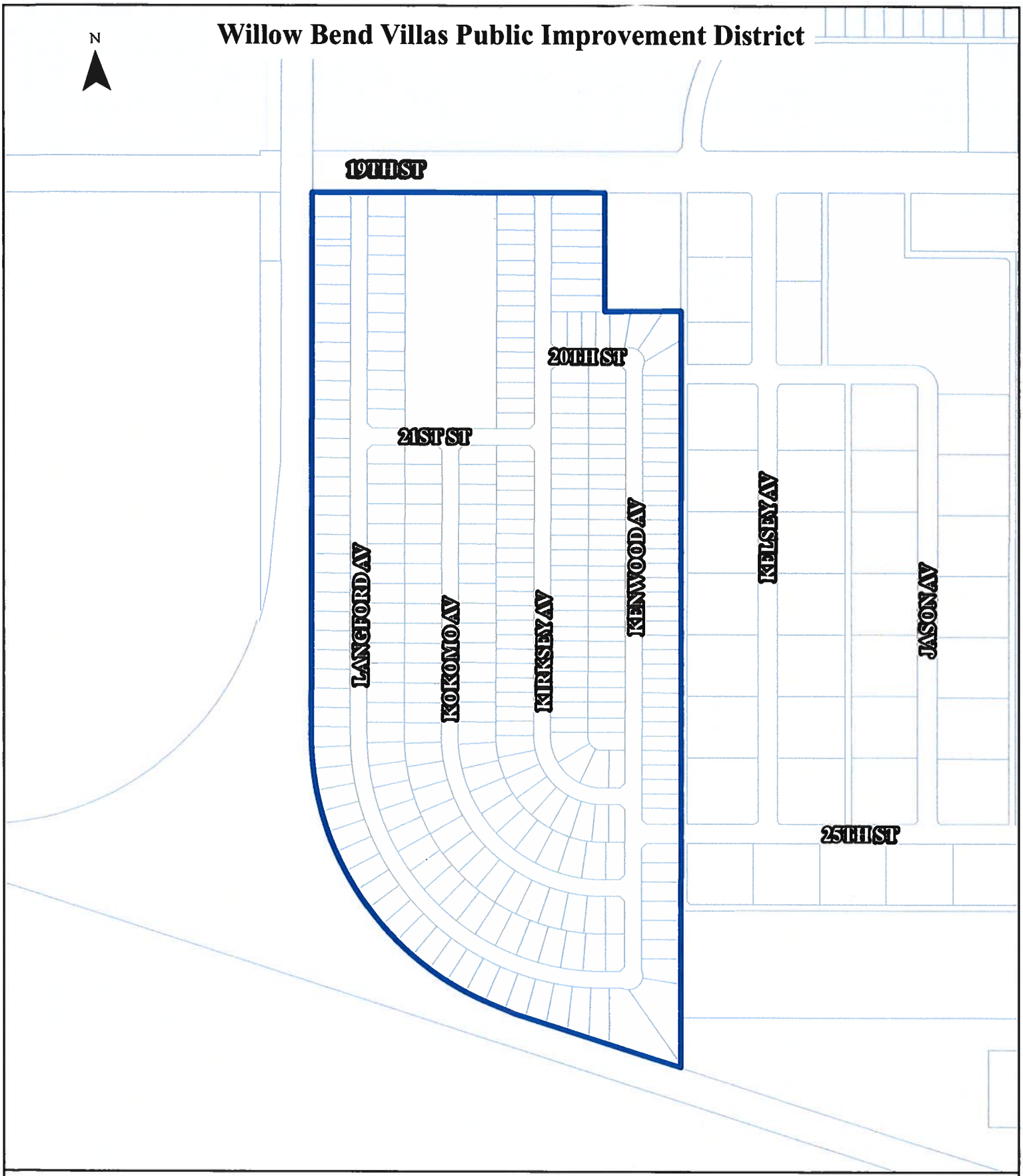
Willow Bend Villas Public Improvement District



Willow Bend Villas PID

Parcels

Lot-Block Lines

0 250 500 1,000 Feet

City of Lubbock TEXAS

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5/21/2021

Willow Bend Villas
Proposed Revenue/Expense Worksheet

Method of Assessment

* Properties will be assessed based on the City's 2022 "net taxable value" as established by the Lubbock Central Appraisal District
* Assessment rate will be $0.15/$100 valuation
* All property will be assessed based on the final 2022 "net taxable value".

Service Plan

	PROPOSED					
TAX YEAR	**2022**	**2023**	**2024**	**2025**	**2026**	**Totals**
Property Values*	8,750,000	22,050,000	37,366,000	53,863,320	54,940,586	54,940,586
Discounted Property Values	7,875,000	19,845,000	33,629,400	48,476,988	49,446,528	49,446,528
FISCAL YEAR REVENUES	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**Totals**
Interest	-	-	-	-	1,533	1,533
Assessment @ $0.15	11,813	29,768	50,444	72,715	74,170	238,909
Assessment @ $0.10	-	-	-	-	-	-
Total	**11,813**	**29,768**	**50,444**	**72,715**	**75,703**	**240,442**
EXPENSES						
Park 1						
Pocket Park (playscape and landscaping)	-	7,650	7,803	7,959	8,118	31,530
Park 2						
Pocket Park (playscape and landscaping)		7,650	7,803	7,959	8,118	31,530
Signage	-					
Neighborhood Entry Signs	-	1,020	1,040	1,061	1,082	4,204
Landscaping						
Trees along 19th st	-	1,020	1,040	1,061	1,082	4,204
Basing Landscaping						
Prolrrigation and grass establishment	-	5,100	5,202	5,306	5,412	21,020
Electric Cost for irrigation						
Proposed Parks 1 and 2	-	1,408	1,436	1,465	1,494	5,803
Administrative Costs	3,000	3,577	3,649	3,722	3,796	17,744
Annual Operating Costs	4,000	4,080	4,162	4,245	4,330	20,816
Paid by developer						
Total	**7,000**	**31,505**	**32,135**	**32,778**	**33,434**	**136,852**
Cash Reserves	**4,813**	**3,075**	**21,384**	**61,321**	**103,590**	**103,590**

*Property Value growth rate = 2% annually
**Expense growth rate = 2% annually

Assessment Information for $100,000 home **$ 150.00**

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY

(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Exhibit B

Willow Bend Villas

City of Lubbock, TX

Finance Department

Willow Bend Villas Proposed PID 2023 Service and Assessment Plan

Method of Assessment

* Properties will be assessed based on the City's 2023 "net taxable value" as established by the Lubbock Central Appraisal District and submitted to
* Assessment rate will be $0.15/$100 valuation
* All property will be assessed based on the final 2023 "net taxable value".

Service Plan

	Adopted Budget	Proposed Budget	Projected				
TAX YEAR	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**Totals**
Property Values (Taxable Value)	8,750,000	54,675,660	70,644,173	87,807,057	89,563,198	91,354,462	91,354,462
Discounted Property Values = 90%	7,875,000	49,208,094	63,579,756	79,026,351	80,606,878	82,219,016	82,219,016
FISCAL YEAR REVENUES	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**2027-28**	**Totals**
Interest	-	193	2,495	5,739	10,026	14,566	33,018
Assessment @ $0.15	11,813	73,812	95,370	118,540	120,910	123,329	543,773
Total	**11,813**	**74,005**	**97,865**	**124,279**	**130,936**	**220,113**	**659,010**
EXPENSES							
Pocket Park 1 - 2102 Kinsey Ave	-	-	-	-	-	-	-
Pocket Park 2 - 2158 Kinsey Ave	-	-	-	-	-	-	-
Basin Park - 8945 19th St	-	-	-	-	-	-	-
Entry Signs	-	-	-	-	-	-	-
Repairs	-	-	-	-	-	-	-
Park Equipment Maintenance	-	-	-	-	-	-	-
Public Improvement Projects	-	-	-	-	-	-	-
Electric Cost	-	-	-	-	-	-	-
Water Cost	-	-	-	-	-	-	-
Administrative Cost	3,000	10,439	10,648	10,861	11,078	11,300	57,325
Annual Operating Cost	4,000	6,000	6,120	6,242	6,367	6,495	35,224
Total	**7,000**	**16,439**	**16,768**	**17,103**	**17,445**	**17,794**	**92,549**
Cash Reserves	**4,813**	**62,378**	**143,475**	**250,651**	**364,142**	**566,461**	**1,391,919**

*Property Value growth rate = 2% annually

**Expense growth rate = 2% annually

Assessment Information for $100,000 home = $150.00

EXHIBIT B
2023 Service and Assessment Plan

Sec. 5.014. NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT. (a) A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, shall first give to the purchaser of the property the [~~a~~] written notice prescribed by Subsection (a-1) or (a-2), as applicable.

(a-1) Except for the notice prescribed by Subsection (a-2), the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality or county levying assessment), TEXAS CONCERNING THE FOLLOWING PROPERTY
(insert property address)

As the [~~a~~] purchaser of the real property described above, you are obligated to pay assessments [~~an assessment~~] to (insert name of [~~a~~] municipality or county, as applicable), Texas, for the costs of a portion of a public [~~an~~] improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under (insert Subchapter A, Chapter 372, Local Government Code, or Chapter 382, Local Government Code, as applicable).

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from (insert name of municipality or county, as applicable). The exact amount of each annual installment will be approved each year by (insert name of city council or county commissioners court, as applicable) in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from (insert name of [~~the~~] municipality or county, as applicable).

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(a-2) For a district described by Section 372.0035, Local Government Code, the notice required by Subsection (a) shall be executed by the seller and must, except as provided by Subsection (b), read as follows:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO (insert name of municipality levying assessment), TEXAS CONCERNING THE FOLLOWING HOTEL PROPERTY
(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to (insert name of municipality), Texas, for the costs of a portion of a public improvement or services project (the "Authorized Services") undertaken for the benefit of the property within (insert name of public improvement district) (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED SERVICES, WHICH MUST BE PAID IN FULL WITH EVERY PAYMENT BY THE HOTEL OF LOCAL HOTEL OCCUPANCY TAX REMITTANCES TO THE MUNICIPALITY. YOUR FAILURE TO PAY THE ASSESSMENT MAY RESULT IN PENALTIES AND INTEREST BEING ADDED TO WHAT YOU OWE, AND MAY INCLUDE THE PURSUIT OF ANY OTHER REMEDY THAT IS AUTHORIZED UNDER SECTION 372.0035(d), LOCAL GOVERNMENT CODE.

Information about the calculation of the assessment may be obtained from (insert name of the municipality). The exact assessment rate will be approved each year by (insert name of city council) in the annual service plan update for the district. More information about the assessments, including the assessment rate and due dates, may be obtained from (insert name of municipality).

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____ _____

Signature of Purchaser

(b) The seller or the municipality or county that created the public improvement district may provide additional information regarding the district in the notice prescribed by Subsection (a-1) or (a-2), including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments.

(c) This section does not apply to a transfer:

(1) under a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to another co-owner of an undivided interest in the real property;

(7) to a spouse or a person in the lineal line of consanguinity of the seller;

(8) to or from a governmental entity; or

(9) of only a mineral interest, leasehold interest, or security interest.

(d) For the purposes of this section, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring notice

Notice of Public Hearing for the Review of the Assessment Rate for the Willow Bend Villas Public Improvement District

Please take notice that on August 22, 2023, at 2:00 P.M., the City Council of Lubbock, Texas, will conduct a public hearing in the City Council Chamber of Citizens Tower at 1314 Avenue K, Lubbock, TX 79401. The purpose of this hearing is to consider the 2023 assessment rate for property owners in the Willow Bend Villas Public Improvement District ("District") pursuant to Chapter 372 of the Texas Local Government Code (The "Act").

All interested persons will be given the opportunity to appear and be heard at such public hearing. Written or oral objections will be considered. The Assessment roll will be available for viewing in the City Secretary's Office after August 10, 2023.

The following information is hereby provided concerning the matters to be considered at such hearing:

Nature of the Services and Improvements: The general nature of the proposed public improvements is: (i) acquisition, construction, or drainage facilities or improvements, (ii) the design, construction and maintenance of parks and green spaces, together with any ancillary structures, features or amenities such as playgrounds, splash pads, pool(s), receptacles, and any similar items located therein along with all necessary grading, drainage, and similar infrastructure involved in the construction of such parks and greens; landscaping, hardscaping and irrigation; and (iii) payment of costs associated with developing and financing the public improvements listed in subdivision, including costs of establishing, administering and operating the District. The District is to supplement and enhance services within the District, but not replace or supplant existing City services provided within the District.

Estimated Cost of the Services and Improvements: The total estimated cost of services provided by the District is estimated at $85,549 over the next five years. The estimated annual cost rises from $16,439 in FY 2023-24 to $17,794 in FY 2027-28. The District shall not incur bonded indebtedness. The costs are based on a proposed assessment rate of $0.15 per $100.00 of valuation through tax year 2027.

Boundaries: The District is located within the City of Lubbock, Texas. The proposed Willow Bend Villas Public Improvement District (PID) generally covers a portion of an area in the City of Lubbock, Lubbock County, Texas, generally bounded by 19th Street to the north, Kelsey Avenue to the east, and railroad tracks to the south and west. A detailed map of the District and a legal description as well as the Assessment Roll is available in the Business Development Department on the 9th Floor of Citizens Tower.

Public hearings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary's Office at 775-2025 or write to P.O. Box 2000, Lubbock, Texas, 79457, at least 48 hours in advance of the public hearing.

Any questions concerning the matters described in this notice should be directed to: **Brianna Brown, City of Lubbock Business Development Department at 775-3082.**

Information

Agenda Item

Resolution - Business Development: Consider a resolution authorizing the Mayor to execute City Tax Abatement Agreement No. 17471, with Dura-Line, LLC, for real property improvements and the acquisition of new machinery and equipment.

Item Summary

The City of Lubbock received an application for an industrial tax abatement from Dura-Line, LLC, for real property improvements and the acquisition of new machinery and equipment.

The property was not located in an Enterprise Zone, so a Reinvestment Zone was required for the City Council to consider a tax abatement for the real property improvements and new machinery and equipment. The public hearing for the Reinvestment Zone and the First Reading of the Ordinance creating the Reinvestment Zone were held at the June 27, 2023 City Council meeting. The Second Reading of the Ordinance creating the Reinvestment Zone was approved at the July 11, 2023 City Council meeting.

The project meets the Industrial Tax Abatement Policy and Guidelines minimum investment for a new company of $1,000,000 in real property improvements. Total investment in the contract is $19,700,000 in improvements, and $27,000,000 in new machinery and equipment.

The City Council approved the Notice of Intent to the other taxing jurisdictions at the July 11, 2023 City Council meeting, and the notice was sent to the other taxing jurisdictions at least seven days prior to this City Council meeting. Notice of the meeting at which the City Council would consider the Dura-Line, LLC Tax Abatement Agreement was given at least 30 days prior to this meeting, in the manner required by Chapter 551 of the Government Code.

Fiscal Impact

The estimated total amount of the City tax abatement will be $667,944 over the term of the abatement.

Staff/Board Recommending

D. Blu Kostelich, Chief Financial Officer

Attachments

Resolution
Contract
Exhibit A
Exhibit B
Exhibit C

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, a City Tax Abatement Agreement No. 17471 for a 5-year declining City tax abatement for a Commercial or Industrial Project in a Reinvestment Zone, by and between the City of Lubbock and Dura-Line, LLC, and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.Contract 17471 Tax Abatement Dura-Line
7.10.23

CITY OF LUBBOCK TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement, Contract No. 17471, is by and between the City of Lubbock, a Texas home rule municipal corporation, and Dura-Line LLC for the abatement of certain taxes at the property located at 904 Lubbock Business Park Boulevard, Lubbock, Lubbock County, Texas.

RECITALS

WHEREAS, on June 30, 2023, the City of Lubbock received an application for tax abatement from Dura-Line LLC concerning improvements to tangible real and personal property; and

WHEREAS, the Dura-Line LLC application for tax abatement addresses, among other things, the improvement of real property and purchase of new equipment for the property located at 904 Lubbock Business Park Boulevard, Lubbock, Lubbock County, Texas; and

WHEREAS, upon review of the Dura-Line LLC application for tax abatement, the City Council of the City of Lubbock found that the property located at 904 Lubbock Business Park Boulevard, Lubbock, Lubbock County, Texas is in the Reinvestment Zone designated by the City of Lubbock in Ordinance No. 2023-O0080; and

WHEREAS, the City Council of the City of Lubbock, through Resolution No. 2022-R0125, adopted the Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock; and

WHEREAS, the Texas Tax Code, Section 312.002, and Section IV of the Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock, recognize the improvement of an existing facility and the addition of personal property in the form of equipment as being eligible for tax abatement; and

WHEREAS, the City Council of the City of Lubbock hereby finds that the Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock have been, or will be, met by Dura-Line LLC and

WHEREAS, the City of Lubbock has complied with all the requirements set forth in the Texas Tax Code, Section 312.201, and with all of the requirements set forth in the Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock; and

NOW THEREFORE, in consideration of the promises, terms, covenants, and conditions contained in this Tax Abatement Agreement, the City of Lubbock and Dura-Line LLC agree as follows:

AGREEMENT

1. Definitions. The following terms shall have the meanings ascribed to them in this Section for purposes of this Agreement:

"*Agreement*" means this Tax Abatement Agreement, including its Recitals and Exhibits.

"*Application*" means Dura-Line LLC's application for municipal tax abatement submitted to the City, a copy of which is attached to this Agreement as "Exhibit C."

"*City*" means the City of Lubbock.

"*Company*" means Dura-Line LLC.

"*Guidelines*" means the Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock that were adopted by the City Council through Resolution No. 2022-R0125, a copy of which is attached to this Agreement as "Exhibit B" and incorporated herein.

"*Improvement Project*" means the improvements to the tangible real and personal property that are eligible for tax abatement and that are specified in Dura-Line LLC's application for municipal tax abatement, a copy of which is attached to this Agreement as "Exhibit C."

"*New Permanent Job*": A new employment position created by a business that has provided employment to an employee of at least 1,820 hours annually and intended to be an employment position that exists during the life of the abatement.

"*Site*" means the Dura-Line LLC's property located at 904 Lubbock Business Park Boulevard, Lubbock, Lubbock County, Texas, with a more particular description and depiction attached to this Agreement as "Exhibit A."

"*Term*" means the period of time in which this Tax Abatement Agreement is effective as provided in Section 3.

2. Recitals and Exhibits. The representations, covenants, and recitations which are set forth in the foregoing Recitals, and which are included in the Exhibits attached hereto, are material to this Agreement and are hereby incorporated into and made a part of this Agreement.

3. Term. This Agreement shall become effective upon the date of its execution by the Parties, and unless this Agreement is terminated earlier according to any provision contained herein, the Term of this Agreement shall be five (5) years, with such Term commencing on January 1 of the tax year after the Improvement Project is at least ninety percent (90%) complete.

4. Base Year and Assessed Value. The base year applicable to the real and personal property, which is the subject of this Agreement, shall be 2023. The assessed value of the real and personal property, which is the subject of this Agreement, shall be the assessed value of such property for 2023.

5. Base Year Taxes. The Company shall pay the base year taxes upon the personal property which is the subject of this Agreement according to the base year assessed value. Therefore, the Company hereby acknowledges that the base year taxes levied upon the personal property at the Site cannot be abated.

6. Property Ineligible for Tax Abatement. The property described and set forth in Section IV (6) of the Guidelines incorporated by reference herein as if fully set out in this Agreement and fully describes the property ineligible for tax abatement.

7. Exemption from Tax for Improvement Project. The City covenants and agrees to exempt from taxation, in accordance with the appropriate Sections above, the following:

a. All proposed new improvements to be placed upon the Site.

b. All eligible tangible personal property placed in or upon the Site. Any equipment or personal property that has already been placed in service by the Company prior to the execution of this Agreement shall not be considered "eligible tangible personal property" under this Agreement.

c. It is further understood that all items affixed to the new improvements placed upon the real property identified above and in Exhibit "A", including machinery and equipment shall be considered part of the real property improvement and taxes thereon shall be abated in accordance with the provisions of subparagraph (a) of this Section.

8. Economic Qualifications. As set forth in Section IV(3)(a) of the Guidelines, the Company agrees to expend funds necessary to qualify for the tax abatement provided by this Agreement by improving real property and purchasing new personal property to be installed at the Site. A description of the kind, number, and location of all proposed improvements is set forth in the Application attached hereto as "Exhibit C".

9. Value of Improvements. In accordance with Texas Tax Code, Section 312.204(a), the Company will expend forty-six million seven hundred thousand dollars and NO/100 ($46,700,000.00) for the improvement of real property and purchase of new equipment and machinery to be located at the Site.

After the commencement of this Agreement, the Parties agree that if the initial tax appraisal on the Site does not reflect an increase in value at the Site equal to or exceeding forty-six million seven hundred thousand dollars and NO/100 ($46,700,000.00) for the tangible real and personal property described in this Agreement, the Company shall provide to the City invoices and proof of payment for the improvement of real property and purchase of new equipment and machinery located at the Site for an amount equal to or greater than forty-six million seven hundred thousand dollars and NO/100 ($46,700,000.00), in order for the Company to maintain its eligibility for tax abatement under the terms of this Agreement.

10. Job Creation. The Company agrees to create a total of one hundred and thirty (130) New Permanent Jobs at the Site by the end of the Term according to the following schedule:

Year 1: 30 jobs
Year 2: 60 jobs
Year 3: 90 jobs
Year 4: 110 jobs
Year 5: 130 jobs

11. Portion of Tax Abated. Throughout the Term, the City agrees to abate taxes as set forth in Section 6 (above) on the Improvement Project according to the following schedule:

Year 1: 100%
Year 2: 80%
Year 3: 60%
Year 4: 40%
Year 5: 20%

12. Type of Improvements. In its Application, the Company proposes to improve existing real property and purchase machinery and equipment for the Site. The Company acknowledges that the improvement of real property and purchase of the new machinery and equipment shall commence on or before January 1, 2024, and the Company hereby guarantees that the equipment purchases as stated herein shall be completed by December 31, 2027. In the event that circumstances beyond the control of the Company necessitate additional time for the commencement of purchasing and/or completion of such purchasing, the Company may request an extension of the above date from the City and such consent shall not unreasonably be withheld. Company shall provide proof of completion within sixty (60) days of completion of such construction and purchases.

13. Limitation on Use. Throughout the Term, the Company agrees to limit the use of the Site to commercial, manufacturing, and/or industrial uses as contemplated herein, as those terms are defined in the zoning ordinances of the City, and to limit the uses of the Site to those uses consistent with the general purpose of encouraging development of the reinvestment zone.

14. Recapture. In the event of default of this Agreement by the Company, and after notice of such default and an opportunity to cure such default have been provided to the Company by the City, the Company agrees to be bound by and comply with all the terms and provisions for the recapture of abated taxes under this Agreement, pursuant to law, and as set forth in the Guidelines.

In the event that the applicant or owner has entered into a Tax Abatement Agreement and fails to create all or a portion of the number of new jobs or attain the appraised value of the property provided by the Tax Abatement Agreement then in such event the City, shall give the Company sixty (60) days written notice to cure such default. In the event such default is not cured to the reasonable satisfaction of the City within the sixty (60) days' notice period, then the Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the City by no later than January 31st of the following year. If the termination takes place within the first five years of the schedule set forth in Paragraph 12 of the agreement, taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination.

15. City Access to Property. Throughout the Term, the Company covenants and agrees that the City shall have access to the Site and to the Improvement Project upon reasonable notice, during normal business hours, and subject to the Company's reasonable security, safety, and operational standards, and that the City shall be able to inspect the Site and the Improvement Project and any documents necessary to ensure the Company's compliance with the terms and conditions of the Application and this Agreement.

16. Certification. The Company agrees to provide to the City annual, written certification that the Company is in compliance with the terms of the Agreement.

17. Compliance. In accordance with Sections IX and X of the Guidelines, the City may cancel or modify this Agreement if the Company is in default of any term of this Agreement. The City shall provide written notice to the Company specifying the basis for any such default, with said written notice providing a timeframe and procedure within which the Company may cure any default.

18. Notices. Unless otherwise altered by either Party through written notice to the other Party, any notice required to be given by this Agreement shall be in writing and sent by certified mail, return receipt requested, to the following addresses:

CITY OF LUBBOCK	**DURA-LINE LLC**
City Manager	**Sally Rawlinson, CFO**
PO Box 2000	**904 Lubbock Business Park Blvd.**
Lubbock, Texas 89457	**Lubbock, TX 79403**
	With a copy by e-mail to:
	Sally.rawlinson@duraline.com

19. Assignment. This Agreement may not be assigned without the written the approval of the City, which approval shall not be unreasonably withheld.

20. Representations. The City represents that:

a. The Site is within the Reinvestment Zone designated by Ordinance No. 2023-O0080; and

b. The City has complied with all of the requirements set forth in Texas Tax Code, Section 312.201 and with all the criteria and guidelines as set forth in the Guidelines.

21. Miscellaneous.

a. *Severability.* In the event any provision of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provisions of this Agreement.

b. *Amendments.* Any amendment to this Agreement shall be of no effect unless in writing and signed by all parties hereto.

c. *Counterparts.* This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by any other party.

d. *Venue and Applicable Law.* This Agreement is subject to all present and future valid laws, orders, rules, ordinances, and regulations of the United States of America, the State of Texas, the Parties, and any other regulatory body having jurisdiction. This Agreement shall be construed and governed according to the laws of the State of Texas. The sole venue for any action, controversy, dispute, or claim arising under this Agreement shall be in a court of appropriate jurisdiction in Lubbock County, Texas exclusively.

e. *Rights and Remedies Reserved.* The City and the Company each reserve the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, neither the City nor the Company shall be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this Agreement, the former shall control.

f. *Public Information.*

i. This Agreement is public information. To the extent, if any, that any provision of this Agreement is in conflict with Tex. Gov't. Code Ann. Chapter 552 et seq., as amended, the same shall be of no force and effect.

ii. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Company agrees that the contract can be terminated if the Company knowingly or intentionally fails to comply with a requirement of that subchapter.

iii. To the extent Subchapter J, Chapter 552, Government Code applies to this

agreement, the Company agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

g. *No Third-Party Beneficiaries.* This Agreement is entered solely by and between, and may be enforced only by and among the Parties. Except as set forth above, this Agreement shall not be deemed to create any rights in or obligations to any third parties.

h. *No Personal Liability.* Nothing in this Agreement is construed as creating any personal liability on the part of any employee, officer or agent of any public body that may be a party to this Agreement.

i. *No Joint Enterprise.* This Agreement is not intended to, and shall not be construed to create any joint enterprise between or among the parties.

j. *No Indemnification by City.* The parties expressly acknowledge that the City's authority to indemnify and hold harmless any third party is governed by Article XI, Section 7 of the Texas Constitution and any provision which purports to require indemnification by the City is invalid.

k. *Sovereign Immunity Acknowledged and Retained.* **THE PARTIES EXPRESSLY ACKNOWLEDGE THAT NO PROVISION OF THIS AGREEMENT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY ANY PARTY OF ANY IMMUNITIES FROM SUIT THAT A PARTY MAY HAVE BY OPERATION OF LAW. THE CITY RETAINS ALL OF ITS GOVERNMENTAL IMMUNITY AFFORDED UNDER TEXAS LAW TO A MUNICIPALITY THAT ENTERS INTO A CONTRACT.**

l. Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the City from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

m. No Boycott of Israel. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and (2) has a value of $100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may

not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

n. Texas Government Code 2274. By entering into this Agreement, the Company verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If the Company has 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, the Company verifies that, pursuant to Texas Government Code Chapter 2274, it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

o. The Company represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If the Company has 10 or more full-time employees and if this Agreement has a value of at least $100,000 or more, the Company verifies that, pursuant to Texas Government Code Chapter 2274, it does not boycott energy companies; and will not boycott energy companies during the term of the Agreement. This verification is not required for an agreement where a governmental entity determines that these requirements are inconsistent with the governmental entity's constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds.

22. Effective Date. Notwithstanding anything contained herein to the contrary, this Agreement shall not be effective until such time as it has been finally passed and approved by the City Council of the City.

SIGNATURES

This Tax Abatement Agreement is hereby executed on August 16 **, 2023.**

CITY OF LUBBOCK

TRAY PAYNE, MAYOR

DURA-LINE LLC

SALLY RAWLINSON, CFO

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

D. Blu Kostelich, Chief Financial Officer

APPROVED AS TO FORM:

Kelli Leisure, Assistant City Attorney

LAND SURVEYORS
CIVIL ENGINEERS

HUGO REED AND ASSOCIATES, INC.
1601 AVENUE N / LUBBOCK, TEXAS 79401 / 806/763-5642 / FAX 806/763-3891
TEXAS REGISTERED ENGINEERING FIRM F-760
TEXAS LICENSED SURVEYING FIRM 100676-00

METES AND BOUNDS DESCRIPTION of Lot 15, Lubbock Business Park, an addition to the City of Lubbock, Lubbock County, Texas, and an unplatted 3.013 acre tract located in Section 7, Block A, Lubbock County, Texas, all being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HRA" found in the South right-of-way line of Lubbock Business Park Boulevard as dedicated by plat recorded under County Clerk File Number (CCFN) 2009039502 of the Official Public Records of Lubbock County, Texas (OPRLCT), at the most Westerly Northwest corner of Lot 15, Lubbock Business Park, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat, and/or dedication deed thereof recorded under CCFN 2020047148, OPRLCT, and this tract which bears N. 88°31'36" W. a distance of 2407.58 feet and N. 01°28'24" E. a distance of 2375.46 feet from the Southeast corner of Section 7, Block A, Lubbock County, Texas;

THENCE N. 46°28'24" E., along the South right-of-way line of said Lubbock Business Park Boulevard, and the Northern boundary of said Lot 15, a distance of 73.66 feet to a "crow's foot" found at the most Northerly Northwest corner of said Lot 15 and this tract;

THENCE N. 87°39'33" E., continuing along said South right-of-way line, and the Northern boundary of said Lot 15, a distance of 59.85 feet to a 1/2" iron rod with red cap found at a corner of said Lot 15 and this tract;

THENCE S. 88°31'36" E., continuing along said South right-of-way line, and the Northern boundary of said Lot 15, a distance of 471.62 feet to a 1/2" iron rod with cap marked "HRA" found in the West right of way line of North King Avenue as dedicated by plat recorded under CCFN 2018038962, OPRLCT and street dedication deed recorded under CCFN 202047150, OPRLCT at a corner of said Lot 15 and this tract;

THENCE S. 83°07'13" E., continuing along said West right-of-way line, and the Northern boundary of said Lot 15, a distance of 55.48 feet to a 1/2" iron rod with cap marked "HRA" found at the most Northerly Northeast corner of said Lot 15 and this tract;

THENCE S. 38°28'59" E., along the West right-of-way line of said North King Avenue and the Northern boundary of said Lot 15, a distance of 71.67 feet to a 1/2" iron rod with cap marked "HRA" found at the most Easterly Northeast corner of said Lot 15 and this tract;

THENCE S. 06°09'15" W., continuing along said West right-of-way line and the Eastern boundary of said Lot 15, a distance of 97.39 feet to a 1/2" iron rod with cap marked "HRA" found at a point of curvature;

THENCE Southwesterly, continuing along said West right-of-way line and the Eastern boundary of said Lot 15, along a curve to the left, said curve having a radius of 330.00 feet, a central angle of 04°40'51", a chord distance of 26.95 feet and a chord bearing of S. 03°48'50" W. to a 1/2" iron rod with cap marked "HRA" found at a point of tangency;

THENCE S. 01°28'24" W., continuing along said West right-of-way line and the Eastern boundary of said Lot 15, at 714.84 feet pass a 1/2" iron rod with cap marked "HRA" found at the Southwest corner of said North King Avenue and the Southeast corner of said Lot 15, continuing for a total distance of 907.94 feet to a 1/2" iron rod with cap marked "6453" found at the Southeast corner of this tract;

NOTICE: This electronic file is provided for convenience purposes and is a verbatim copy of a certified description retained on file at Hugo Reed and Associates, Inc. In any case of discrepancy, the certified description governs.

THENCE N. 88°31’36” W. a distance of 679.60 feet to a 1/2” iron rod with cap marked “6453” found in the East right-of-way line of North Ivory Avenue as dedicated by plat recorded under CCFN 2021011704, OPRLCT, at the Southwest corner of this tract;

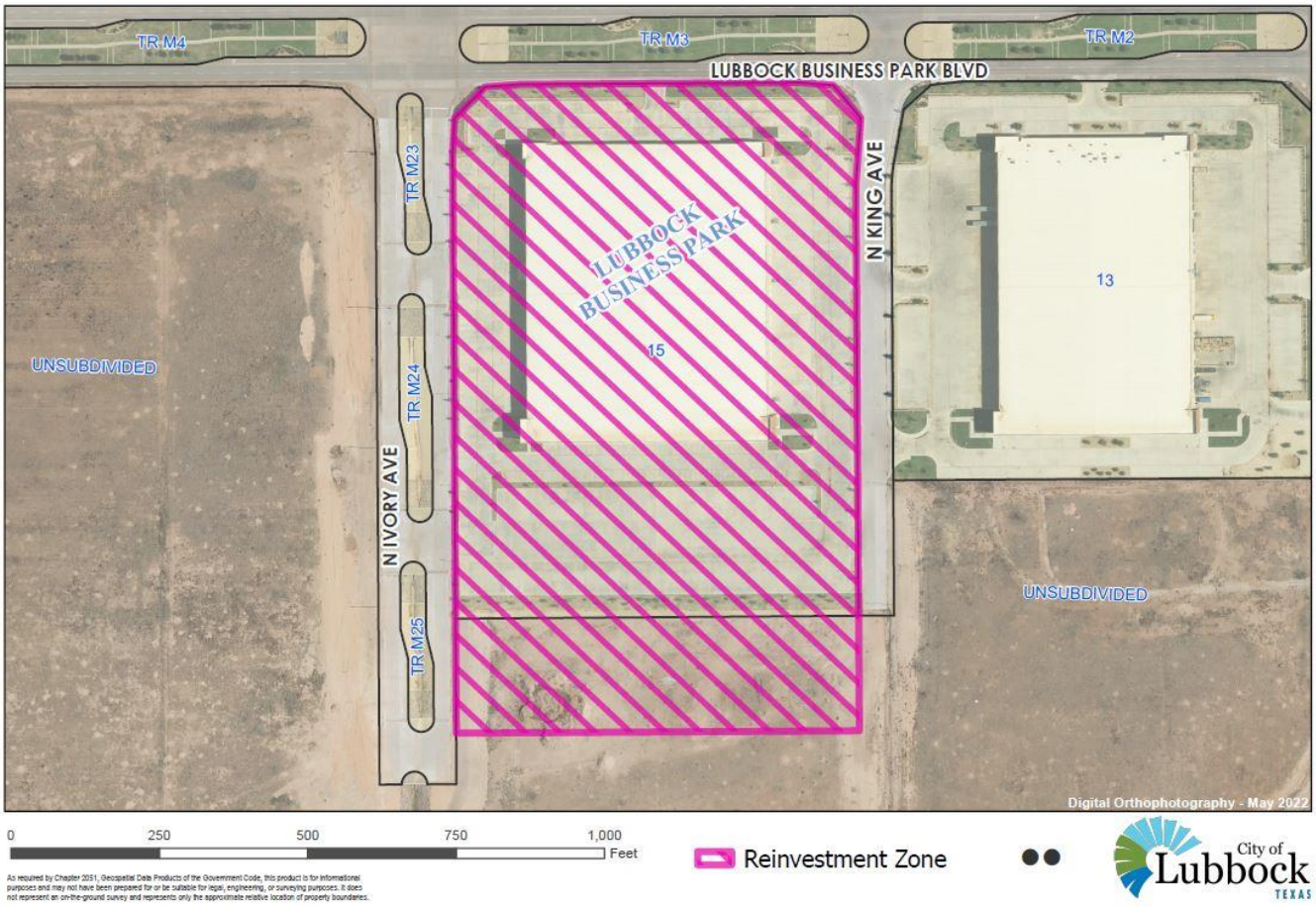
THENCE N. 01°28’24” E., along the East right-of-way line of said North Ivory Avenue, at 193.10 feet pass a 1/2” iron rod with cap marked “HRA” found at the Southwest corner of said Lot 15, continuing along the East right-of-way line of said North Ivory Avenue and the Western boundary of said Lot 15, for a total distance of 976.03 feet to a 1/2” iron rod with cap marked “HRA” found at a corner of said Lot 15 and this tract;

THENCE N. 05°16’06” E., continuing along the East right-of-way line of said North Ivory Avenue and the Western boundary of said Lot 15, a distance of 60.13 feet to the Point of Beginning.

Contains 16.978 acres.

Bearings relative to Grid North, Texas Coordinate System of 1983, North-Central Zone, (2011, epoch 2010.0).

Dura-Line Reinvestment Zone



As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

NOTICE: This electronic file is provided for convenience purposes and is a verbatim copy of a certified description retained on file at Hugo Reed and Associates, Inc. In any case of discrepancy, the certified description governs.

Exhibit B
City of Lubbock, TX
Guidelines and Criteria Governing Tax Abatement For Industrial Projects In The City of Lubbock

SECTION I. General Purpose:

The City of Lubbock (City) is committed to the promotion of high quality development in all parts of the City of Lubbock, Texas; and to an ongoing improvement in the quality of life for the citizens residing within the City. The City recognizes that these objectives are generally served by enhancement and expansion of the local economy. The City will, on a case by case basis, give consideration to providing tax abatement, as authorized by V.T.C.A., Tax Code, Chapter 312, as stimulation for economic development within the City. It is the policy of the City that said consideration will be provided in accordance with the guidelines and criteria herein set forth and in conformity with the Tax Code.

Nothing contained herein shall imply, suggest or be understood to mean that the City is under any obligation to provide tax abatement to any applicant and attention is called to V.T.C.A., Tax Code, Section 312.002(d). With the above rights reserved all applications for tax abatement will be considered on a case by case basis.

SECTION II. Definitions:

As used within these guidelines and criteria, the following words or phrases shall have the following meaning:

1. **Abatement of Taxes**: To exempt from ad valorem taxation all or part of the value of certain Improvements placed on land located in a Reinvestment Zone designated for economic development purposes as of the date specified in the Tax Abatement Agreement for a period of time not to exceed ten (10) years.

2. **Abatement Agreement:** (1) A contract between a property owner and the City for the abatement of taxes on qualified property located within a Reinvestment Zone or a designated Enterprise Zone; or, (2) a contract for the abatement of taxes between the City and a certified air carrier who owns or leases Real Property located within the Reinvestment Zone or Personal Property or both as authorized by V.T.C.A., Tax Code, Section 312.204(e)

3. **Advanced Technologies:** advanced manufacturing which requires higher skills and results in higher wages and investment.

4. **Base Year Value**: The assessed value of property eligible for tax abatement as of January 1 preceding the execution of an Abatement Agreement as herein defined.

5. **Distribution Center Facility**: A building or structure including Tangible Personal Property used or to be used primarily to receive, store, service or distribute goods or materials.

6. **Expansion of Existing Facilities or Structures**: The addition of buildings, structures, machinery or equipment to a Facility.

7. **Existing Facility or Structure**: A facility as of the date of execution of the Tax Abatement Agreement, located in or on Real Property eligible for tax abatement.

8. **Facility**: The improvements made to Real Property eligible for tax abatement and including the building or structure erected on such Real Property and/or any Tangible Personal Property to be located in or on such property.

9. **Information and Data Center**: Facility used to house computer systems and associated components, such as telecommunications and storage systems. The main purpose of the facility

is running applications that handle the core business and operational data of organizations, off-site backups and other informational operations.

10. **Improvements to Real Property or Improvements**: Shall mean the construction, addition to, structural upgrading of, replacement of, or completion of any facility located upon, or to be located upon, Real Property, as herein defined, or any Tangible Personal Property placed in or on said Real Property.

11. **Manufacturing Facility**: A Facility which is or will be used for the primary purpose of the production of goods or materials or the processing or change of goods or materials to a finished product.

12. **Medical Services**: Facilities such as hospitals, specialty hospitals and other like facilities that are classified under North American Industrial Classification System Code 622.

13. **Modernization/Renovation of Existing Facilities**: The replacement or upgrading of existing facilities.

14. **New Facility**: The construction of a Facility on previously undeveloped Real Property eligible for tax abatement.

15. **New Permanent Job**: A new employment position created by a business that has provided employment to an employee of at least 1,820 hours annually and intended to be an employment position that exists during the life of the abatement.

16. **Other Basic Industry**: A Facility other than a distribution center facility, a research facility, a regional service facility or a manufacturing facility which produces goods or services or which creates new or expanded job opportunities and services a market of which 50% of revenues come from outside of Lubbock County, Texas.

17. **Owner:** The record title owner of Real Property or the legal owner of Tangible Personal Property. In the case of land leased from the City or buildings leased from a private party or tax exempt property, the lessee shall be deemed the owner of such leased property together with all improvements and Tangible Personal Property located thereon.

18. **Productive Life**: The number of years a Facility is expected to be in service.

19. **Real Property**: Land on which improvements are to be made or fixtures placed.

20. **Regional Services Facility**: A Facility, the primary purpose of which is to service or repair goods or materials and which creates job opportunities within the affected jurisdictions.

21. **Reinvestment Zone**: Real Property designated as a Reinvestment Zone under the provisions of V.T.C.A., Tax Code, Section 312.202.

22. **Research Facility**: A Facility used or to be used primarily for research or experimentation to improve or develop new goods and/or services or to improve or develop the production process for such goods and/or services.

23. **Tangible Personal Property**: Any Personal Property, not otherwise defined herein and which is necessary for the proper operation of any type of Facility.

SECTION III. Intent of Criteria and Guidelines:

The Intent of the criteria and guidelines, as herein set forth, is to establish the minimum standards which an applicant for tax abatement must meet in order to be considered for such status by the City.

SECTION IV. Criteria and Guidelines for Tax Abatement:

Any type of Facility will be eligible for tax abatement consideration provided such Facility meets the following guidelines and criteria:

1. To qualify for Tax Abatement, the company must meet **both** of the following criteria:

    a) The modernization or expansion of an existing facility of any type as herein defined **or** construction of a new facility of any type as herein defined.

    b) Producer, manufacturer or distributor of goods and services of which 50 percent or more are distributed outside of Lubbock County.

2. In addition to the aforementioned, the City will consider abatement only if the company meets **one of the following criteria:**

    a) One of the following target industries:

        i) Advanced Technologies and Manufacturing

        ii) Value-added Agricultural Production including Food Processing and Machinery

        iii) Research and Development

        iv) Medical Services (as defined in Section II Definitions)

        v) Warehouse/Distribution

        vi) Corporate Headquarters of a Regional/National Service Center

        vii) Information and Data Centers

    b) The project is not included as a target industry, but has the potential of generating additional, significant economic development opportunities to Lubbock.

3. The company must meet one of the following criteria:

    a) The project will add at least $1 million in Real Property improvements, **or** $2 million in new Personal Property, **or** 25 new permanent jobs if the facility is a **new company to Lubbock.**

    b) The project will add at least $500,000 in Real Property improvements, **or** $1 million in new Personal Property, **or** 15 new permanent jobs if the facility is **an existing company**.

4. New or existing facilities of any type herein defined, located in a designated Enterprise Zone, Reinvestment Zone, or upon Real Property eligible for such status will be eligible for consideration for tax abatement status provided that all other criteria and guidelines are satisfied.

5. Improvements to Real Property and on-site raw materials, works in progress, supplies, and tools are eligible for tax abatement status.

6. The following types of Property shall be ineligible for tax abatement status and shall be fully taxed:

   a) Real Property;

   b) finished goods;

   c) furnishings and other forms of movable personal property;

   d) vehicles;

   e) aircraft;

   f) housing (single family and multi-family);

   g) boats;

   h) hotel accommodations;

   i) motel accommodations;

   j) retail businesses;

   k) property owned by the State of Texas or any State agency; and,

   l) property owned or leased by a member of the City Council who did not have an active tax abatement in place before becoming a member of the governing body.

7. In order for a Facility to qualify for abatement, the following conditions must apply:

   a) The owner or leaseholder of Real Property must make eligible improvements to the real property; and,

   b) In the case of lessees, the leaseholder must have a lease commitment of at least five (5) years.

8. In Reinvestment Zones, the amount and term of abatement shall be determined on a case by case basis, however, in no event shall taxes be abated for a term in excess of ten (10) years. The amount of the taxable value of improvements to be abated and the term of the abatement shall be determined by the City in all cases where the property for which tax abatement is applied for is within the City limits of the City. A Reinvestment Zone that is a State Enterprise Zone is designated for the same period as a State Enterprise Zone as provided by Chapter 2303, Government Code. The authority of all other taxing units shall be as set forth in V.T.C.A., Tax Code, Section 312.206.

   In Enterprise Zones, the governing body of each taxing jurisdiction may execute a written agreement with the owner of the property. The agreement may, but is not required to, contain terms that are identical to those contained in the agreement with the municipality, county, or both, whichever applies, and the only terms for the agreement that may vary are the portion of

the property that is to be exempt from taxation under the agreement and the duration of the agreement.

9. No property shall be eligible for tax abatement unless such property is located in a Reinvestment Zone in accordance with V.T.C.A., Tax Code, Section 312.202 or a designated Enterprise Zone as provided by V.T.C.A Gov. Code, Chapter 2303, and the tax abatement application is filed with the City before construction begins.

10. Taxability:

    a) The portion of the value of improvements to be abated shall be abated in accordance with the terms and provisions of a Tax Abatement Agreement executed between the City and the owner of the Real Property and/or Tangible Personal Property, (which agreement shall be) in accord with the provisions of V.T.C.A., Tax Code, Section 312.205.

    b) All ineligible property, if otherwise taxable as herein described, shall be fully taxed.

11. The Lubbock City Council shall have total discretion as to whether tax abatement is to be granted. Such discretion, as herein retained, shall be exercised on a case by case basis. The adoption of these guidelines and criteria by the Lubbock City Council does not:

    a) Limit the discretion of the Lubbock City Council to decide whether to enter into a specific Tax Abatement Agreement;

    b) Limit the discretion of the Lubbock City Council to delegate to its employees the authority to determine whether or not the Lubbock City Council should consider a particular application or request for tax abatement; or,

    c) Create any property, contract, or other legal right in any person to have the Lubbock City Council consider or grant a specific application or request for tax abatement.

12. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. The City shall have full authority to request any additional information from the applicant that the Lubbock City Council deems necessary to assist it in considering such application.

SECTION V. <u>Criteria and Guidelines for Creation of Reinvestment Zone</u>:

1. No Property shall be eligible for tax abatement unless such property is located in a Reinvestment Zone designated as such in accordance with V.T.C.A., Tax Code, Section 312.202. To be designated as a Reinvestment Zone an area must meet one of the following:

    a) Substantially arrest or impair the sound growth of the municipality or county creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:

        1. a substantial number of substandard, slum, deteriorated, or deteriorating structures;

        2. the predominance of defective or inadequate sidewalks or streets;

        3. faulty size, adequacy, accessibility or usefulness of lots;

4. unsanitary or unsafe conditions;

5. the deterioration of site or other improvements;

6. tax or special assessment delinquency exceeding the fair value of the land;

7. defective or unusual conditions of title;

8. conditions that endanger life or property by fire or other cause; or,

9. any combination of these factors;

b) Be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality;

c) Be in a federally assisted new community located in a home rule municipality or in an area immediately adjacent to a federally assisted new community located in a home rule municipality;

d) Be located entirely in an area that meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. Section 5318);

e) Encompass signs, billboards, or other outdoor advertising structures designated by the governing body of the municipality for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the municipality, which the legislature declares to be a public purpose; or,

f) Be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality.

2. For purposes of this Section, federally assisted new community is a federally assisted area:

a) That has received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act (12 U.S.C., Section 1749aa et seq); and,

b) A portion of which has received grants under Section 107 (a)(1) of the Housing and Community Development Act of 1974, as amended.

3. The Lubbock City Council, as required by Section 312.201, shall hold a public hearing on the designation of an area within its jurisdiction as a Reinvestment Zone. The burden shall be on the owner of the property sought to be included in the zone or applicant for the creation of the Reinvestment Zone to establish the following:

a) That the requirements of Subsection 1 of this Section have been met.

b) That the improvements sought are feasible and practical.

4. No later than the seventh day before the date set for the above public hearing notice of such hearing shall be:

a) Published in a newspaper having general circulation in the City.

b) Delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries Real Property that is to be included in the Reinvestment Zone.

5. At the public hearing above described in Section 3 above, any interested person is entitled to speak and present evidence for or against the designation of such Reinvestment Zone.

6. At the conclusion of the hearing described in Section 3 above, the Lubbock City Council shall enter its findings as follows:

   a) That the applicant or owner has or has not met his burden as hereinabove set forth, and/or,

   b) That the improvements sought are or are not feasible and practical.

   c) That the proposed improvements sought will or will not be a benefit to the land to be included in the Reinvestment Zone and to the City after the expiration of an agreement entered into under V.T.C.A., Tax Code, Section 312.204.

7. An application for the creation of a Reinvestment Zone shall not be granted unless the City enters affirmative findings to Subsections a, b, and c of Section 6 above set forth.

8. At the conclusion of the public hearing herein required and upon the affirmative finding of the Lubbock City Council as required by Section 7 above set forth, the governing body may designate a Reinvestment Zone in accordance with the provisions of V.T.C.A., Tax Code, Sections 312.201.

9. The designation of a Reinvestment Zone expires five years after the date of the designation and may be renewed for periods not to exceed five years, except that a Reinvestment Zone that is a State Enterprise Zone is designated for the same period as a State Enterprise Zone as provided by Chapter 2303, Government Code. The expiration of the designation does not affect an existing Tax Abatement Agreement made in accordance with V.T.C.A., Tax Code, Section 312.201 through Section 312.209.

10. Designation of an area as an Enterprise Zone under the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government Code, constitutes designation of the area as a Reinvestment Zone under Subchapter B of the Property Redevelopment and Tax Abatement Act without further hearing or other procedural requirements other than those provided by the Texas Enterprise Zone Act, Chapter 2303, Subchapter C, Texas Government Code.

SECTION VI. <u>Tax Abatement Agreement</u>:

1. After the creation of a Reinvestment Zone as hereinabove authorized a Tax Abatement Agreement may be executed between the owner and City. A Tax Abatement Agreement shall:

   a) Establish and set forth the Base Year assessed value of the property for which tax abatement is sought.

   b) Provide that the taxes paid on the base year assessed value shall not be abated as a result of the execution of said Tax Abatement Agreement.

c) Provide that ineligible property as subscribed in Section IV(6) hereinabove shall be fully taxed.

d) Provide for the exemption of improvements in each year covered by the agreement only to the extent the value of such improvements for each such year exceeds the value for the year in which the agreement is executed.

e) Fully describe and list the kind, number and location of all proposed improvements to be made in or on the Real Property.

f) Set forth the estimated value of all improvements to be made in or on the Real Property.

g) Clearly provide that tax abatement shall be granted only to the extent:

   1. The improvements to Real Property increase the value of the Real Property for the year in which the Tax Abatement Agreement is executed; and,

   2. That the Tangible Personal Property improvements to Real Property were not located on the Real Property prior to the execution of the Tax Abatement Agreement.

h) Provide for the portion of the value of the improvements to Real Property of improvements to be abated. This determination is to be made consistent with the provisions of Section IV(6) of these guidelines and criteria as hereinabove set forth.

i) Provide for the commencement date and the termination date. In no event shall the commencement date occur prior to 90 percent completion of the project (both Real and Personal Property). In no event shall the termination date exceed a period of ten years from the commencement date.

j) Describe the type and proposed use of the improvements to Real Property or improvements including:

   1. The type of facility.

   2. Whether the improvements are for a new facility, modernization of a facility, or expansion of a facility.

   3. The nature of the construction, proposed time table of completion, a map or drawings of the improvements above mentioned.

   4. The amount of investment and the commitment for the creation of new jobs.

   5. A list containing the kind, number and location of all proposed improvements.

   6. Any other information required by the City.

k) Provide a legal description of the Real Property upon which improvements are to be made.

l) Provide access to and authorize inspection of the Real Property or improvements by employees of the City, who have executed a Tax Abatement Agreement with owner to insure improvements are made according to the specifications and conditions of the Tax Abatement Agreement.

m) Provide for the limitation of the uses of the Real Property or improvements consistent with the general purpose of encouraging development or redevelopment of the zone during the period covered by the Tax Abatement Agreement.

n) Provide the contractual obligations in the event of default by owner, violation of the terms or conditions by owner, recapturing property tax revenue in the event owner defaults or otherwise fails to make improvements as provided in said Tax Abatement Agreement, and any other provision as may be required or authorized by State Law.

o) Contain each term agreed to by the owner of the property.

p) Require the owner of the property to certify annually to the Lubbock City Council that the owner is in compliance with each applicable term of the agreement.

q) Provide that the Lubbock City Council may cancel or modify the agreement if the property owner fails to comply with the agreement.

2. Not later than the seventh day before the City enters into an agreement for tax abatement under V.T.C.A., Tax Code, Section 312.204, the Lubbock City Council or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the taxing units in which the property to be subject to the agreement is located, a written notice that the City intends to enter into the agreement as required by V.T.C.A Tax Code, Section 312.2041. The notice must include a copy of the proposed Tax Abatement Agreement.

3. A notice, as above described in Section 2, is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.

4. Failure to deliver the notice does not affect the validity of the agreement.

SECTION VII. <u>Application</u>:

1. Any present owner of taxable property located within an affected jurisdiction may apply for tax abatement by filing an application with the City of Lubbock. The application has to be filed with the City prior to the construction start.

2. The application shall consist of a completed application form accompanied by:

a) A general description of the improvements to be undertaken.

b) A descriptive list of the improvements for which tax abatement is requested.

c) A list of the kind, number and location of all proposed improvements of the Real Property Facility or Existing Facility.

d) A map indicating the approximate location of improvements on the Real Property Facility or Existing Facility together with the location of any or all Existing Facilities located on the Real Property or Facility.

e) A list of any and all Tangible Personal Property presently existing on the Real Property or located in an existing facility.

f) A legal description of property.

g) Address of property.

h) A proposed time schedule for undertaking and completing the proposed improvements.

i) A general description stating whether the proposed improvements are in connection with:

1. the modernization of a facility (of any type herein defined); or,

2. construction of a new facility (of any type herein defined); or,

3. expansion of a facility (of any type herein defined); or,

4. any combination of the above.

j) A statement of the additional value to the Real Property or Facility as a result of the proposed improvements.

k) A statement of the assessed value of the Real Property, Facility or Existing Facility for the Base Year.

l) Information concerning the number of new jobs that will be created or information concerning the number of existing jobs to be retained as result of the improvements undertaken.

m) A statement certifying that the business, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker.

n) Any other information which the City of Lubbock deems appropriate for evaluating the financial capacity of the applicant and compatibility of the proposed improvements with these guidelines and criteria.

o) Information that is provided to the City in connection with an application or request for tax abatement and which describes the specific processes or business activity to be conducted or the equipment or other property to be located on the property for which tax abatement is sought is confidential and not subject to public disclosure until the Tax Abatement Agreement is executed. Information in the custody of the City after the agreement is executed is not confidential. (V.T.C.A., Tax Code, Section 312.003).

p) The City shall determine if the property described in said application is within a designated Reinvestment Zone. If the City determines that the property described is not within a current Reinvestment Zone then they shall so notify the applicant and said application shall then be considered both as an application for the creation of a Reinvestment Zone and a request for tax abatement to be effective after the zone is created.

SECTION VIII. Investment/Jobs Documentation

1. The investment commitment in the Tax Abatement Agreement will be verified as follows:

a. The City will request the value of the Real and Personal Property from the Lubbock Central Appraisal Value, and if the value minus the base year, meets the agreement commitment, it will service as verification that the investment met the requirement in the agreement; or

b. If the Lubbock Central Appraisal District value, minus the base year value, does not meet the investment commitment in the agreement, the Company will provide invoices documenting the actual investment to verify the investment met the investment commitment in the agreement.

2. Confirmation of the job creation requirement:

   a. The company will provide the City with a copy of the State Employment report filed with the State of Texas for the quarter ending after the date in the agreement that the jobs are required to be created.

3. Job creation will be audited annually to assure retention of jobs. Each year during the City audit of Tax Abatement Agreements, the company will provide the City with the 4th quarter employment report filed with the State of Texas to confirm job retention. If the employment in the 4th quarter report does not meet the requirement for retention of the created jobs, the City may request the quarterly reports for the 1st, 2nd, and 3rd quarters of that audit year to determine compliance. The City may request and the company shall promptly provide any additional information that the City deems necessary to confirm that the company is in compliance with the terms of the Tax Abatement Agreement.

SECTION IX. Default Options

1. In the event that the applicant, owner or lessee has entered into a Tax Abatement Agreement to make improvements as defined in Section IV(2) above, but fails to undertake or complete such improvements; fails to create all or a portion of the new jobs provided by the Tax Abatement Agreement; or is in default of any of the terms or conditions contained in the Tax Abatement Agreement; then in such event the City shall give the applicant or owner sixty (60) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the City above mentioned that the applicant or owner has commenced to cure such failure within the sixty (60) days above mentioned. In the event the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, the City shall have three options:

   (a) The City may renegotiate the Tax Abatement Agreement with the applicant or owner in which case the current Guidelines and Criteria Governing Tax Abatement for Industrial Projects in the City of Lubbock shall apply to the new Agreement; or

   (b) The City may determine that good cause exists to cancel the Tax Abatement Agreement and all abatement of taxes shall terminate immediately; or

   (c) The City may terminate the Tax Abatement Agreement and recapture taxes abated under Section X, Recapture.

2. In any of the three options in Paragraph 1 above, the City shall determine whether default has occurred by the applicant or owner in the terms and conditions of the Tax Abatement Agreement and shall so notify all other affected jurisdictions.

SECTION X. Recapture

1. In the event that any type of facility is completed and begins producing goods or services, but subsequently discontinues producing goods or services for any reason, excepting fire, explosion or other casualty or accident or natural disaster or other event beyond the reasonable control of applicant or owner for a period of 180 days during the term of a Tax Abatement Agreement, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination. The burden shall be upon the applicant or owner to prove to the satisfaction of the City that the discontinuance of producing goods or services was as a result of fire, explosion, or other casualty or accident or natural disaster or other event beyond the control of applicant or owner. In the event that applicant or owner meets this burden and the City is satisfied that the discontinuance of the production of goods or services was the result of events beyond the control of the applicant or owner, then such applicant or owner shall have a period of one year in which to resume the production of goods and services. In the event that the applicant or owner fails to resume the production of goods or services within one year, then the Tax Abatement Agreement shall terminate and the abatement of all taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination. The one year time period, hereinabove mentioned, shall commence upon written notification from the City to the applicant or owner.

2. In the event that the applicant or owner has entered into a Tax Abatement Agreement to make improvements to a facility of any type described in Section 1 above, but fails to undertake or complete such improvements provided by the Tax Abatement Agreement, then in such event the City shall give the applicant or owner sixty (60) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the City, above mentioned, that the applicant or owner has commenced to cure such failure within the sixty (60) days above mentioned. In the event that the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, then in such event the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination.

3. In the event that the applicant or owner has entered into a Tax Abatement Agreement and fails to create all or a portion of the number of new jobs or does not attain the appraised value of the property provided by the Tax Abatement Agreement then in such event the City, shall give the applicant or owner sixty (60) days notice of such failure. The applicant or owner shall demonstrate to the satisfaction of the City, above mentioned, that the applicant or owner has commenced to cure such failure within the sixty (60) days above mentioned. In the event that the applicant or owner fails to demonstrate that he is taking affirmative action to cure his failure, the Tax Abatement Agreement shall terminate, and the City shall recapture all or a portion of the property tax revenue lost before such termination at such amount as set forth in the Tax Abatement Agreement.

4. In the event that the City determines that the applicant or owner is in default of any of the terms or conditions contained in the Tax Abatement Agreement, then in such event the City, shall give the applicant or owner sixty (60) days written notice to cure such default. In the event such default is not cured to the satisfaction of the City within the sixty (60) days notice period,

then the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination.

5. In the event that the applicant or owner allows ad valorem taxes on property ineligible for tax abatement owed to the City, to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such even the Tax Abatement Agreement shall terminate and all abatement of taxes shall likewise terminate. Taxes abated during the calendar year in which termination, under this Section, takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination.

6. In the event that the applicant or owner, who has executed a Tax Abatement Agreement with the City, relocates the business for which tax abatement has been granted, to a location outside of the designated Reinvestment Zone, then in such event, the Tax Abatement Agreement shall terminate after sixty (60) days written notice by the City to the applicant or owner. Taxes abated during the calendar year in which termination, under this Section takes place shall be payable to the City by no later than January 31st of the following year. Taxes abated in years prior to the year of termination shall be payable to the City within sixty (60) days of the date of termination.

7. The date of termination as that term is used in this Section IX shall, in every instance, be the 60th day after the day the City sends notice of default, in the mail to the address shown in the Tax Abatement Agreement to the applicant or owner. Should the default be cured by the applicant or owner within the sixty (60) day notice period, the applicant or owner shall be responsible for so advising the City and obtaining a release from the notice of default from the City, failing in which, the abatement remains terminated and the abated taxes must be paid.

8. In every case of termination set forth in Paragraphs 1, 2, 3, 4, and 5 above, the City shall determine whether default has occurred by the applicant or owner in the terms and conditions of the Tax Abatement Agreement and shall so notify all other affected jurisdictions.

9. In the event that a Tax Abatement Agreement is terminated for any reason whatsoever and taxes are not paid within the time period herein specified, then in such event, the provisions of V.T.C.A., Tax Code, Section 33.01 will apply.

SECTION XI. <u>Miscellaneous</u>:

1. Any notice required to be given by these criteria or guidelines shall be given in the following manner:

   a) To the applicant or owner: written notice shall be sent to the address appearing on the Tax Abatement Agreement.

   b) To the City: written notice shall be sent to the address appearing on the Tax Abatement Agreement.

2. The Chief Appraiser of the Lubbock Central Appraisal District shall annually assess the Real and Personal Property comprising the Reinvestment Zone. Each year, the applicant or owner receiving tax abatement shall furnish the Chief Appraiser with such information as may be

necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the City which levies taxes of the amount of assessment.

3. Upon the completion of improvements made to any type of Facility as set forth in Section VIII(1) of these criteria and guidelines a designated employee or employees of the City having executed a Tax Abatement Agreement with applicant or owner shall have access to the Facility to insure compliance with the Tax Abatement Agreement.

4. A Tax Abatement Agreement may be assigned to a new owner but only after written consent has been obtained from the City.

5. These guidelines and criteria adopted by the City Council are effective for two years from the date adopted and shall remain in force for two years. At the end of the two year period these guidelines and criteria may be readopted, modified, amended or rewritten as the conditions may warrant.

6. Each affected jurisdiction shall determine whether or not said affected jurisdiction elects to become eligible to participate in tax abatement. In the event the affected jurisdiction elects by resolution to become eligible to participate in tax abatement, then such affected jurisdiction shall adopt guidelines and criteria by separate resolution forwarding a copy of both resolutions to all other affected jurisdictions.

7. These guidelines only apply to the City of Lubbock and any company wishing to apply for tax abatement from other taxing jurisdictions will need to contact the applicable taxing jurisdiction for their criteria and guidelines and requirements for applying for tax abatement.

8. In the event of a conflict between these guidelines and criteria and V.T.C.A., Tax Code, Chapter 312, then in such event the Tax Code shall prevail and these guidelines and criteria interpreted accordingly.

9. The guidelines and criteria once adopted by the City may be amended or repealed by a vote of three-fourths (3/4) of the members of the Lubbock City Council during the two-year term in which these guidelines and criteria are effective.

City of Lubbock
Application for Industrial Tax Abatement

This application should be filed prior to the beginning of construction or the purchase of equipment. If applying for a tax abatement in a jurisdiction other than City of Lubbock, a separate application must be completed for all other taxing jurisdictions. This application will become part of the Tax Abatement Agreement and any knowingly false representations will be grounds for the voiding of the agreement. An original copy of this request should be submitted to Mrs. Cheryl Brock, Capital Program Manager, Finance Department, City of Lubbock, 1625 13th Street, 2nd Floor, Lubbock, TX 79401.

Part I - Applicant Information

Application Date 08 / 10 / 2023

Company Name: Dura-Line LLC

Physical Address: 904 Lubbock Business Park Blvd Lubbock TX 76403

Telephone: 1-800-847-7661

Current Number of Employees: 0

Annual Sales: $3,606,000,000

Employees in City Limits: 0

Mailing Address: 11400 Parkside Drive, Suite 300 Knoxville, TN 37934

Years in Lubbock: 0

☑ Corporation ☐ Partnership ☐ Proprietorship

Attachment 1: Attach a description of the Applicant Company, including a brief history, corporate structure, business plan, and annual statement, if available.

Part II - Project Information

Location Address: 904 Lubbock Business Park Blvd Lubbock TX Zipcode: 79403

School District: Lubbock ISD

Legal Description: LUBBOCK BUSINESS PARK L 15 (Property ID: R533675-00000-00150-000)

Attachment 2: Attach site map showing project location and showing proposed construction if applicable

Project Description: ☑ New Construction ☐ Expansion ☐ Modernization

Attachment 3: Attach statement fully explaining project, describe existing site and improvements, describe all proposed improvements and provide list of improvements and equipment for which abatement is requested, and list of any tangible personal property presently existing on the Real Property if it is an existing facility.

Is the site located in an Enterprise Zone? ☐ Yes ☑ No

Section A – Facility Information

Type of Facility/abatement:

☑ Advanced Technologies and Manufacturing
☐ Warehouse/Distribution
☐ Research and Development
☐ Value-added Agriculture Production
☐ Medical Services
☐ Information and Data Centers
☐ Corporate Headquarters – Regional/National Service Center
☐ The project is not included as a target industry, but has the potential of generating additional, significant economic development opportunities to Lubbock

Describe product or service to be provided: and connectivity infrastructure solutions that serve telecommunications

Is the company a producer, manufacturer, or distributor of goods and services of which 50 percent or more are distributed outside Lubbock. ☑ Yes ☐ No

Attachment 4: Provide documentation demonstrating that the facility will distribute or manufacture goods and services of which 50 percent or more are distributed outside of Lubbock County,

Is the company applying for tax abatement ☑ New Company to Lubbock ☐ Existing Company

The project meets one of the criteria in the Guidelines and Criteria Governing Tax Abatement for Industrial Projects, Section IV. 3. ☑ Yes ☐ No

Section B – Base Year Value
Attach a statement of the assessed value of the Real Property, Facility, or existing facility for the base year from the Lubbock Central Appraisal District.
Attachment 5 – Lubbock Central Appraisal District Assessed Value

Section C - Variance
Is the applicant seeking a variance? ☐ Yes ☑ No
If "yes," attach letter requesting and justifying the variance, with supplemental information.

PART III - ECONOMIC INFORMATION
Construction Estimate:

Start Date: September 2023 Contract Amount: 46,700,000

Completion Date: October 2024 Peak Construction Jobs: 0

Modernization:

Estimated current economic life of structure 10 Plus years

Added economic life from modernization 5-15 years

Permanent Job Creation/Retention:

Current employment: 0 Jobs to be Retained: 0

Jobs created at opening: 0 By year 20 28 130

If existing facility, what is the current plant payroll: $N/A

Estimated amount of new payroll: $7,100,000

Estimated Appraised Value On Site	Land	Improvements	Personal Property
Value on January 1 preceding abatement	608,417	15,800,360	
Estimated value of new abatable improvements	NA	19,700,000	27,000,000
Estimated value of properties not subject to abatement			
Estimated value of property after improvements	608,417	35,500,360	27,000,000

Do you certify that this business (including any branch, division, or department of this business) does not currently, and will not knowingly in the future, employ an undocumented worker? ☑ Yes ☐ No

Company Representative to be Contacted:

Robert A Woods Jr.
Name

President
Title

CFG Consulting 6300 Powers Ferry Rd
Address

Suite 600-309 Atlanta, Ga 30339
Address

rowoods@cfgconsulting.com
e-mail

Authorized Company Official:

Authorized Signature

Sally Rawlinson, Chief Financial Officer
Name & Title

1-800-847-7661
Phone Number

sally.rawlinson@duraline.com
e-mail

City of Lubbock Application For Industrial Tax Abatement
Attachment I: Description of the Applicant Company
June 2023

About Orbia

Orbia is a company driven by a shared purpose: to advance life around the world. Orbia operates in the Polymer Solutions (Vestolit and Alphagary), Building and Infrastructure (Wavin), Precision Agriculture (Netafim), Connectivity Solutions (Dura-Line) and Fluorinated Solutions (Koura) sectors. The five Orbia business groups have a collective focus on expanding access to health and wellness, reinventing the future of cities and homes, ensuring food and water security, connecting communities to information and accelerating a circular economy with basic and advanced materials, specialty products and innovative solutions. Orbia has a global team of over 23,000 employees, commercial activities in more than 110 countries and operations in over 50, with global headquarters in Boston, Mexico City, Amsterdam and Tel Aviv. The company generated $9.6 billion in revenue in 2022. To learn more, visit: orbia.com.

About Orbia Connectivity Solutions (Dura-Line)

Orbia's Connectivity Solutions business, Dura-Line, is a leading manufacturer and distributor of telecommunications conduit, cable-in-conduit and other high-density polyethylene (HDPE) and connectivity infrastructure solutions that serve telecommunications, transportation and network electrical markets. With more than 50 years of experience and a long-standing reputation for the safety, efficiency and durability of its products and installations, Dura-Line's more than 1.6 million feet of essential and innovative infrastructure produced annually line the physical pathways for fiber and network technologies that connect cities, homes and people worldwide. Dura-Line has 1,700 employees and 17 manufacturing facilities across the U.S., Canada, India, Oman and Europe, serving over 50 countries through a global sales and distribution network.

Notice: this document is an English translation of a Spanish-language document and is provided for information purposes only. In the event of any discrepancy, the text of the original Spanish language document shall prevail. The Spanish-language document is available on the following websites: https://www.orbia.com/investor-relations/ and www.bmv.com.mx

ANNUAL REPORT 2021

SUBMITTED PURSUANT TO THE GENERAL PROVISIONS APPLICABLE TO ISSUERS OF SECURITIES AND OTHER MARKET PARTICIPANTS

FOR THE YEAR ENDING 31 DECEMBER 2021

Orbia Advance Corporation, S.A.B. de C.V.

Financial figures presented in millions of US dollars ($)
Avenida Paseo de la Reforma 483, piso 47,
Colonia Cuauhtémoc,
Alcaldía Cuauhtémoc,
Ciudad de México, 06500
Tel. (**52 55** 5366 4000

Orbia Advance Corporation, S.A.B. de C.V. securities listed on the Bolsa Mexicana de Valores, S.A.B.de C.V. (**Mexican Stock Exchange**).

I. Orbia Advance Corporation, S.A.B. de C.V.- ("Orbia", the "Company" or "Issuer") lists Series One, Class "I" and "II" shares representing the fixed part of its capital stock without right of withdrawal and the variable part of its capital stock, respectively. The shares confer the same corporate and patrimonial rights to their holders.

Ticker Symbol: ORBIA*

The ORBIA * Series shares (sole) are registered in the National Securities Registry (RNV - acronym in Spanish) and are listed on the Bolsa Mexicana de Valores, S.A.B. de C.V. They are traded in BMV and on the Bolsa Institucional de Valores, S.A. de C.V.

The credit risk rating assigned to the ORBIA by Standard & Poor's is "BBB-" on a global scale and "mxAA/mxA-1+" on a short- and long-term national scale, respectively, with a stable outlook.

The credit risk rating by Moody's is "Baa3" on a long-term global scale with a stable outlook.

Registration in the National Securities Registry does not imply certification of the quality of the securities, the solvency of the Issuer or the accuracy or veracity of the information contained in the Annual Report, nordoes it validate any acts that may have been carried out in contravention of the laws.

II. **Orbia Advance Corporation, S.A.B. de C.V,** has in circulation debt instruments denominated in Dollars and Euros at an international level, which are described below:

As of December 31, 2021, some financings and the Senior Notes or International Bonds issued in 2012, 2014 and 2017, as well as the Bonds Linked to Sustainability in 2021, are guaranteed by the Company's subsidiaries called Mexichem Brasil Industria de Transforma□□o Pl□stica Ltda., Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited, Mexichem Ecuador, Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.

Sustainable Bonds 2026

Debt series	Sustainability-Linked Bonds amounting to $600 million U.S. dollars.
Date of issue	2021-05-11
Due date	2026-05-11
Issuance term	5 years
Interest / Yield calculation procedure.	Annual Fixed Rate 1.875%.
Periodicity in the payment of interest.	Payable semi-annually on May 11 and November 11.
Place and method of payment of interest and principal.	At 10:00 am. New York time, no later than one business day prior to each Payment Date on any applicable Series Note, the Company will deposit with the paying agent a sum sufficient to pay principal and interest.
Subordination of titles, if any	Does not apply
Amorti□ation and early amorti□ation / early maturity, if any.	ND
Warranty, if any.	□uarantors: Mexichem Brasil Industria de Transformaci□n Pl□stica Ltda, Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited., Mexichem Ecuador, Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.
Trustee, if any-	Deutsche Bank Trust Company Americas
Qualification granted by a qualifying institution:	Fitch Ratings: BBB Moody's: Baa3 Standard □ Poor's: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Sustainable Bonds 2031

Debt series	Sustainability-Linked Bonds amounting to $500 million U.S. dollars.
Date of issue	2021-05-11
Due date	2031-05-11
Issuance term	10 years
Interest / Yield calculation procedure.	Annual Fixed Rate 2.875%.
Periodicity in the payment of interest.	Payable semi-annually on May 11 and November 11.
Place and method of payment of interest and principal.	At 10:00 am. New York time, no later than one business day prior to each Payment Date on any applicable Series Note, the Company will deposit with the paying agent a sum sufficient to pay principal and interest.
Subordination of titles, if any	Does not apply
Amorti□ation and early amorti□ation / early maturity, if any.	ND
Warranty, if any.	□uarantors: Mexichem Brasil Industria de Transformaci□n Pl□stica Ltda, Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited., Mexichem Ecuador, Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.
Trustee, if any-	Deutsche Bank Trust Company Americas
Qualification granted by a qualifying institution:	Fitch Ratings: BBB Moody□s: Baa3 Standard □ Poor□s: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Senior Notes 2027

Debt series	Senior Notes 2027 amounting to $500 million U.S. dollars.
Date of issue	2017-10-04
Due date	2027-10-04
Issuance term	10 years
Interest / Yield calculation procedure	Annual Fixed Rate 4.0%
Periodicity in the payment of interest	Payable semi-annually on April 4 and October 4.
Place and method of payment of interest and principal	At 10:00 am. New York time, no later than one business day prior to each Payment Date on any applicable Series Note, the Company will deposit with the paying agent a sum sufficient to pay principal and interest (including any amounts under Section 4.7).
Subordination of titles, if any	Does not apply
Amorti□ation and early amorti□ation / early maturity, if any	At the option of the Company, in whole or in part, on any Interest Payment Date, by notifying the Holders not less than 30 days or more than 60 days of said redemption.
Warranty: if applicable	□uarantors: Mexichem Brasil Ind□stria de Transforma□□o Pl□stica Ltda, Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited., Mexichem Ecuador, S.A., Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.
Trustee, if any	Deutsche Bank Trust Company Americas
Qualification granted by a rating institution.	Fitch Ratings: BBB. Moody□s Investor Services: Baa3 Standard □ Poor□s: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Senior Notes 2042

Debt series	Senior Notes 2042 amounting to $400 million U.S. dollars.
Date of issue	2012-09-19
Due date	2042-09-19
Issuance term	30 years
Interest / Yield calculation procedure	Annual Fixed Rate 6.75%
Periodicity in the payment of interest	Payable semi-annually on March 19 and September 19.
Place and method of payment of interest and principal.	No later than 10:00 a.m. (New York City time), not later than one business day prior to any payment date, the Company will irrevocably deposit with the Trustee or Paying Agent sufficient money to pay said principal and interest.
Subordination of titles, if any.	Does not apply.
Amorti□ation and early amorti□ation / early maturity, if any.	Each Series of Bonds may be redeemed, at the option of the Company, in whole or in part, on any Interest Payment Date, by notifying the Holders not less than 30 days or more than 60 days (such notice must be irrevocable), at a Redemption Price, calculated by the Company, equal to the greater of (i) 100% of the principal amount of the relevant Series of Notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (excluding accrued interest at the redemption date) discounted at the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus (a) 50 basis points for the 2022 Bonds, and (b) 50 basis points for the 2042 Bonds, plus, in each case, accrued interest at the date of redemption and any additional Amounts payable with respect thereto.
Warranty, if any.	□uarantors: Mexichem Brasil Industria de Transformaci□n Pl□stica Ltda., Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited, Mexichem Ecuador.
Trustee, if any.	Deutsche Bank Trust Company Americas.
Qualification granted by a qualifying institution:	Fitch Ratings: BBB Moody□s: Baa3 Standard □ Poor□s: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Senior Notes 2044

Debt series	Senior Notes 2044 amounting to $750 million U.S. dollars.
Date of issue	2014-09-17
Due date	2044-09-17
Issuance term	30 years
Interest / Yield calculation procedure.	Fixed Annual Rate of 5.875%.
Periodicity in the payment of interest.	Payable semi-annually on March 17 and September 17.
Place and method of payment of interest and principal.	No later than 10:00 a.m. (New York City time), not later than one business day prior to any payment date, the Company will irrevocably deposit with the Trustee or Paying Agent sufficient money to pay said principal and interest.
Subordination of titles, if any.	Does not apply.
Amorti□ation and early amorti□ation / early maturity, if any.	At the option of the Company, in whole or in part, on any Interest Payment Date, by notifying the Holders not less than 30 days or more than 60 days of said redemption.
Warranty, if any.	□uarantors: Mexichem Brasil Industria de Transformaci□n Pl□stica Ltda, Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited, Mexichem Ecuador, Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.
Trustee, if any.	Deutsche Bank Trust Company Americas.
Qualification awarded by a qualifying institution:	Fitch Ratings: BBB Moody□s: Baa3 Standard □ Poor□s: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Senior Notes 2048

Debt series	Senior Notes 2048 amounting to $500 million U.S. dollars.
Date of issue	2017-10-04
Due date	2048-01-15
Issuance term	30 years
Interest / Yield calculation procedure.	Fixed Annual Rate of 5.50%.
Periodicity in the payment of interest.	Payable semi-annually on April 4 and October 4.
Place and method of payment of interest and principal.	No later than 10:00 a.m. (New York City time), not later than one business day prior to any payment date, the Company will irrevocably deposit with the Trustee or Paying Agent sufficient money to pay said principal and interest.
Subordination of titles, if any.	Does not apply.
Amorti□ation and early amorti□ation / early maturity, if any.	At the option of the Company, in whole or in part, on any Interest Payment Date, by notifying the Holders not less than 30 days or more than 60 days of said redemption.
Warranty, if any.	□uarantors: Mexichem Brasil Industria de Transformaci□n Pl□stica Ltda, Mexichem Derivados, S.A. de C.V., Mexichem Resinas Vin□licas, S.A. de C.V., Mexichem Fl□or, S.A. de C.V., Mexichem Resinas Colombia, S.A.S., Mexichem Soluciones Integrales, S.A. de C.V., Mexichem Compuestos, S.A. de C.V., Mexichem UK Limited., Mexichem Ecuador, Mexichem Fluor, Inc., Mexichem Fluor Comercial, S.A. de C.V.
Trustee, if any.	Deutsche Bank Trust Company Americas.
Qualification awarded by a qualifying institution:	Fitch Ratings: BBB Moody□s: Baa3 Standard □ Poor□s: BBB-
Common Representative	Does not apply
Depositary	Does not apply
Tax Regime	Does not apply
Remarks	Does not apply

Policies related to changes of control, corporate restructuring (including mergers, acquisitions and spin-offs), sale and/or constitution of liens on essential assets of the Issuer, during the term of the broadcast debt:

As of December 31, 2021, some financing and the Senior Notes or International Bonds issued in the years 2012, 2014, 2017, as well as the Sustainable Bonds issued during 2021, establish certain restrictions, among which are restrictions on the encumbrance or mortgage of properties, the sale and subsequent lease of assets and limitations on the consolidation, merger or transfer of assets of the Issuer.

Prohibited activities outlined in the provisions of current financing of the Company include those that are usual for this type of corporate financing, such as:

(i) Control change: credit acceleration clauses in case of change of Control, in accordance with the Applicable Legislation.

(ii) Corporate restructuring: certain restrictions focused on limiting the consolidation, merger and/or transfer of various assets of the Issuer.

(iii) Essential assets: various restrictions related to the granting or imposition of liens on certain properties, as well as the imposition of liens on the assets of the Company.

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1. □ENERAL INFOR□ATION

a) □lossary of terms and definitions

The terms used in this Annual Report and listed below shall have the meanings given below. They shall apply equally to the singular and plural forms, which shall be used throughout this document to refer to this glossary:

Hydrochloric acid: An aqueous hydrogen chloride solution, which is the second most commonly used acid in the chemicals industry after sulfuric acid. It is used to descale metals, make cleaning products, and as a neutrali□er, reduce and intermediate in organic and inorganic synthesis in the chemical industry**.**

Hydrofluoric acid or HF: A chemical compound produced by mixing calcium fluoride (fluorite) withsulfuric acid mainly used to produce refrigerant gases and fluoropolymers.

Phthalic anhydride: The chemical product used as a raw material to produce plastici□ers for plastics, mainly PVC (polyvinyl chloride). It is also used to manufacture polyester resins, alkyd resins, polyols and pigments. Orbia produces phthalic anhydride at its Altamira petrochemical complex.

ANIQ: Acronym for National Association of the Chemical Industry (Asociaci□n Nacional de la Industria Qu□mica) in Mexico.

A□EA: Acronym for the Africa, Middle East and Asia region.

A□ANCO: Acronym for Mexichem Amanco Holding, S.A. de C.V., a holding company of PVC pipe producers andLatin America□s leader in water conduction systems.

APAC: Acronym for the Asia-Pacific region.

AST□: Acronym for the American Society for Testing Materials.

International Bonds, Notes or □Senior Notes□: Debt instruments issued by the Company in Dollars in different international markets and not registered in the RNV. (See Section II of the Cover of this Annual Report) Senior Notes have a preferential payment priority over the rest of the Company□s unsecured sovereign debt and are unconditionally secured by certain subsidiaries of the Company**.**

B□V: Acronym for Bolsa Mexicana de Valores, S.A.B. de C.V. (the Mexican Stock Exchange)

Building □ Infrastructure (□ avin): Business group that is redefining the pipes and fittings industry today thanks to the creation of innovative solutions with longer shelf life and less installation work. This group, with customers in five continents, also develops sustainable technologies for water management systems, as well as home waterheating and cooling systems.

Camesa: □rupo Industrial Camesa, S.A. de C.V.

Stock Exchange Certificates or CEBURES: The negotiable instruments placed for public investorson the Mexican stock market, representing the individual participation of their holders in a collective debt oflegal entities or trust property.

CFE: Acronym for the Federal Electricity Commission (Comisi□n Federal de Electricidad), which is the agency in charge of generating, transmitting, distributing, and marketing electricity in Mexico.

Single Issuer Circular: The general provisions applicable to issuers of securities and other participants in the CNBV-issued securities market.

Clinker: An intermediate cement product made by mixing limestone, clay and calcined iron oxide ina kiln at about 1,450 degrees Celsius. One metric ton of clinker is used to make approximately 1.1 metric tons of gray Portland cement.

Chlorine: A pale green, gaseous chemical element belonging to the halogen group. Chlorine is used mainly to manufacture PVC, paint, insecticides, paper and dyes, as well as to kill bacteria in water.

CNBV: Acronym for the National Banking and Securities Commission (Comisi□n Nacional Bancaria y de Valores), a decentrali□ed agency of the Ministry of Finance and Public Credit that supervises and regulatesfinancial institutions and issuers of securities o ensure their stability and proper functioning in Mexico.

Compounds: Physical mixtures of different materials made to achieve combinations of properties that cannot be obtained from the original materials. In the case of Orbia, at least one of the components in the compounds is polymer matrices, mainly PVC, but polyolefins, styrenes, and engineering plastics can also be used.

Acid grade concentrate or acid grade fluorite: Fluorite mineral (calcium fluoride) from which impurities are removed through a process of selective milling / flotation to comply with a chemical specification of calcium fluoride, 97% minimum content□silica (SiO2), 1.1% maximum content□calcium carbonate (CaCO3), 1.2% maximum content. It also complies with a physical particle si□e specification. Acid grade concentrate is used to manufacture HF (base for producing refrigerants), aluminum trifluoride, ceramics, propellants, nonstick coatings, among others.

Control (Control □roup): The ability of a person or group of persons to perform any of the following acts:

a) Make, directly or indirectly, decisions at general meetings of shareholders, partners or equivalentbodies, or appoint or remove a ma□ority of the directors, administrators or equivalent of a legal entity.

b) Maintain ownership of rights, directly or indirectly, to vote in respect of more than fifty percent of a legal entity□s share capital.

c) Directing, either directly or indirectly, the administration, strategy, or ma□or policies of a legal entity,whether through ownership of securities, by contract or by any other means.

Copolymer: The result of a two-monomer polymeri□ation. The most common polymeri□ation in the vinyl industry is the combination of vinyl chloride monomer with vinyl acetate monomer. The products obtained from this polymeri□ation are called copolymers because two different types of monomer are linked. Copolymers impart different properties to homopolymers, the main one being a reduction in the softening point of a product for better processing and greater flexibility. It is used mainly to make floor tiles, packagingsheets and carpet bases.

Cracker: The system in which different petrochemical products are separated using steam at very high temperatures.

Coupon: The interest paid to bondholders on the face value of the bond.

Dollars: The legal tender of the United States, which is the Company□s functional and reporting currency.

Data Communications (Dura-Line): Business group operating with the conviction that each organi□ation, community and inhabitantof the planet deserves the chance to benefit as much as possible from modern technology. The Company produces over 400 million meters of essential and innovative infrastructure a year, including conduits, FuturePath, cables-in-conduit and fittings, which create the physical routes for fiber optics and other network technologies that connect cities, homes and people. Dura-Line is the global leader in the manufacture anddistribution of these products in a highly dynamic industry.

EBITDA: Acronym for earnings before interest, taxes, depreciation and amorti□ation.

ECU: Acronym for electrochemical unit consisting of one unit of chlorine and 1.1 units of caustic soda.

EDC: Acronym for ethyl dichloroethane. It is a chlorinated hydrocarbon. It is a colorless liquid with a chloroform-like odor. The most common use of this is in the production of vinyl chloride, which is used to make polyvinyl chloride (PVC).

USA.: Acronym for the United States of America.

E□ EA: Acronym for the Europe, Middle East and Africa region.

Ethylene: A gaseous, colorless and flammable hydrocarbon. It is widely used in the petrochemical industryas a raw material for manufacturing polyethylene and PVC resins, as well as ethylene oxide.

Euro or □: The legal tender of the European Union.

Eurostat: The Eurostat Economist Intelligence Unit.

Exploration: Work performed in the ground to identify mineral deposits, and to quantify and assess anyeconomically exploitable reserves they contain.

Exploitation: Work to prepare and develop the area comprising mineral deposits, as well as work to separate and extract mineral products in the deposits.

Fluorite: The trade name of the mineral calcium fluoride. It is an important industrial mineral composed of calcium and fluorine (CaF2). It is used in a wide variety of chemical, metallurgical, and ceramic processes.

Fluorita de □ □xico or FD□: Fluorita de M□xico, S.A. de C.V.

Fluorocarbons: Chemical compounds containing carbon-fluorine bonds.

Aluminum Fluoride or AlF3: Aluminum trifluoride, an inorganic compound used in the electrolytic production of aluminum to lower its melting point, and as a flux.

Phosphates: Phosphoric acid salts or esters used in various industries, such as soap, soft drinks, food and water treatment.

eosynthetics: Materials composed primarily of polymers such as polypropylene, polyester, polyamide and polyethylene that are transformed into sheets, mantles or three-dimensional structures to beused in contact with soils or other geotechnical materials for different purposes in the world of construction,such as road works, hydraulic works, erosion control systems and environmental activities, among others. The most common types of geosynthetics used in engineering are geotextiles, geogrids, geomembranes, geonets, geocomposites and mantles for erosion control.

etallurgical grade: Fluorite ore selected for its calcium fluoride content and subected to reduction in si e and classification, defined in accordance with customer requirements, and used to produce steel andcement.

RI: The lobal Reporting Initiative, an organi ation created in 1997 by the Coalition of Environmentally Responsible Economies (CERES) and the United Nations Environment Programme (UNEP). The RI developed the Sustainability Reporting Standards to improve the quality, rigor and usefulness of sustainability reports to be comparable to that of financial reports based on the triple bottom line of economic, social and environmental factors. In2016, the RI launched the first global standards for sustainability reporting that allow all organi ations to publicly report on their economic, environmental and social impacts and to show how they contribute to sustainable development.

Business group: The Company s divisions made up of one or more of the Company s businesses, as defined separately, with the shared commonality of solutions offered to meet macro demands such as water and food supply.

P or P Index: Acronym for lobal-warming potential which is a relative measure of how much heat can be trapped by a given greenhouse gas, compared to a reference gas, usually carbon dioxide.

Sodium hypochlorite: A clear, slightly yellow (amber), aqueous solution with a characteristic penetrating and irritating odor, containing sodium hydroxide and sodium carbonate. It is widely used for cleaning products.

HDPE: Acronym for high density polyethylene. It is a commonly used thermoplastic and the most used of the three polyethylene s for a wide range of applications.

HIS-PVC: Acronym for suspension PVC resin with high-impact suspension-PVC properties.

Homopolymer: The product generated by combining or polymeri ation of several molecules ofa single type or monomer and which may have different characteristics in accordance with their chemical nature. In the case of PVC resins, the monomer used for polymeri ation is vinyl chloride (VCM), whose molecules, when oined together, produce what is called a homopolymer (many molecules of a monomer of the same type chemically linked to each other).

ICIS: Acronym for the Independent Chemical Information Service.

IFRS: Acronym for the International Financial Reporting Standards as adopted by the International Accounting Standards Board.

IHS arkit: Provider of information and analysis for the chemical and petrochemical sectors, among others.Formerly called CMAI and SRI.

Ingleside: Ingleside Ethylene LLC.

Invenergy: Invenergy Clean Power LLC.

ISO 9001: A standard developed by the International Standard Organi ation that applies to quality management systems (QMS), focusing on every aspect of quality management that a company needs tohave to manage and improve the quality of its products or services.

ISO 14001: A standard developed by the International Standard Organi□ation specifying the requirements for an environmental management system (EMS), to allow an organi□ation to formulate its policies andob□ectives considering legal requirements and significant environmental impacts. It applies to environmental aspects that an organi□ation can control and can expect to influence. It does not establish specific environmental performance criteria.

ISR: Income Tax.

□**V or □oint Venture:** means co-investment □oint businesses.

□**alu□:** means Kalu□, S.A. de C.V.

Fluorinated Solutions (□oura): World leader in the development, manufacture and supply of fluorinated products and solutions. It is the largest producer of Fluorite in the world and has a leading position in the industry of hydrofluoric acid, aluminum trifluoride (AlF3), refrigerant gases and medical propellants. Fluorinated Solutions has also started supplying fluorinated products to the energy storage industry. Fluorine plays a critical role in a wide range of industries, including automotive, chemical, semiconductor, communications, construction, and pharmaceuticals, among others. It has also become relevant as a key feedstock for various decarboni□ation solutions, such as lithium-ion batteries, renewable energy, and low-□WP refrigerants for mobile and stationary applications**.**

L□ V: Acronym for the Securities Market Act.

LIBOR: Acronym for the London Interbank Offered Rate.

□**exico:** The United Mexican States.

□**etspar:** A key raw material in steel production, that, when added to slag, becomes a competitive solution in removing impurities (such as sulfur) bringing benefits to high-end stainless steel. Metspar is a valuable additive in the production of clinker for the cement industry, increasing productivity and product yield.

Business: The organi□ation of several companies and/or functions of the Company that together manufacture and market products, services and solutions under criteria of vertical integration, lower volatilityof their raw materials, a focus on specialty products and higher profitability. Each Orbia business has a clearmission and the resources to be more responsive, act quickly and be closer to its customers.

Precision Agriculture (Netafim): Business group that helps the world grow more with less. Netafim□s state-of-the-art irrigation systems, services and digital agricultural technologies allow farmers to achieve significantly higher yields and better-quality food while using less water, fertili□ers and other supplies. By helping them to grow more with less, Netafim enables farmers from across the world to feed the planet more efficiently and sustainably.

OECD: Acronym for the Organi□ation for Economic Co-operation and Development.

ORBIA□: The stock ticker symbol for the Company□s shares on the BMV.

Orbia, the Issuer, the Company, the Entity, the Company or the □roup: means Orbia Advance Corporation, S.A.B. de C.V. and its subsidiaries.

OxyChem: Occidental Chemical Corporation.

PE□ EX: Petr□leos Mexicanos and/or any of its subsidiaries.

Pemex TRI (formerly Pemex Petroqu□mica or PPQ): Pemex Transformaci□n Industrial is a subsidiary company of Petr□leos Mexicanos. Its main purpose is the refining, transformation, processing, import, export, marketing, retail, preparation and sale of hydrocarbons, petroleum products, natural gas andpetrochemicals.

Peso, Pesos or □exican Pesos: The legal tender in Mexico.

□**DP:** □ross Domestic Product.

Plastisol: A mixture of an emulsion-type resin (PVC), a plastici□er and other additives in a viscous liquid state (paste) at room temperature that has visco-elastic properties and, depending on the reference resin used, may behave like a dilatant or pseudoplastic. It is usually whitish in color, but this depends to a large extent on the additives used.

P□V: Petroqu□mica Mexicana de Vinilo, S.A. de C.V. which was a □oint venture between Orbia and PEMEXuntil November 16, 2018, and is now a subsidiary of the Company.

Polymer Solutions: Business group that is as universal and dynamic as the materials it produces. It focuseson the production of general and special PVC resins, and other vinyl polymers with a wide range of applications, creating solutions that support its customers□everyday life, such as pipes, cables, floors, autoparts, household appliances, clothing, packaging and medical devices.

PROFEPA: The Federal Attorney for Environmental Protection, a decentrali□ed administrative body of theMexican federal government□s Ministry of the Environment and Natural Resources (SEMARNAT).

Stock Exchange Certificates Program: refers to (i) the program for issuing and placing a revolving Stock Exchange Certificates program for an amount of up to ten billion Mexican pesos or the equivalent in UDIs,authori□ed by the CNBV on March 15, 2012, through official notice number 153/8167/2012, for a term of upto 5 years and (ii) the program for issuing and placing revolving stock for an amount of up to 10,000 millionMexican pesos or the equivalent in UDIs authori□ed on November 3, 2017, by the CNBV through official document number 153/10875/2017, for 5 years (maturity date: November 3, 2022). These certificates were cancelled during 2021.

Basis point: A common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%.

PVC or Polyvinyl Chloride: A thermoplastic resin obtained from the polymeri□ation of vinyl chloride. PVC can be produced using four different processes: suspension, emulsion, mass and solution. PVC resins areused mainly in the construction industry for cable and wire insulation, door and window frames, water and sewer ducts and pipes, floors, tiles, etc. It is also used to make, among other things, dolls, balls and inflatabletoys. In the automotive industry, it is used in door panels, dashboards, seat upholstery, moldings, electrical cables, air and oil filters, automotive sealants and harnesses. In the textile industry, it is used to make synthetic leather and canvases. In the packaging industry, it is used to manufacture cylinders and bottles for purifiedwater and cleaning products, films for food wrappers, sheeting for medicine packaging. In the medical sector,it is the main material used to make bags for serum and blood, as well as other accessories for healthcare.

Quimir: Quimir, S.A. de C.V., a subsidiary of Orbia, part of the Polymer Solutions business group, which produces industrial and food phosphates.

Reais, □Real□or □R□□: means the legal tender of Bra□il.

Regulation S: means Regulation S under the US Securities Act.

Rule 144-A: means Rule 144-A under the US Securities Act.

Refrigerants: gases used for refrigeration and air conditioning. They are compounds or mixtures of organicchemical compounds containing mainly hydrogen, carbon, fluorine and chlorine.

Credit risk: the possibility of loss of different economic agents due to non-compliance with the payment obligations contracted by the counterparty that requested monetary resources.

RNV or Registry: means the National Securities Registry of the CNBV.

PVC Resins or Vinyl Resins: plastic resins produced by polymeri□ation of vinyl monochloride (VCM).

Extender Resins: PVC resins used in Plastisols as an additive with two functions: to help lower viscosity and reduce formulation costs without affecting Plastisol properties.

Roskill Consulting: □lobal metals and minerals research company.

Brine: An aqueous solution saturated with sodium chloride or common salt.

SEC: US Securities and Exchange Commission, the US federal agency in charge of regulating the country□s financial markets.

Petrochemical sector: The predominant sector of companies and/or public and/or private entities engagedin the manufacture and marketing of petroleum products and/or natural gas.

Chemical sector: The predominant sector of companies and/or public and/or private entities manufacturingchemical products in general.

Senior Notes: means A type of bond that takes precedence over other debts in the event that the company declares bankruptcy and is forced into liquidation.

Caustic soda: The trade name of sodium hydroxide, NaOH, which is widely used in the alumina, soap and detergent industry and the chemical industry in general.

Suspension: The system in which small particles of a solid or liquid are suspended within a liquid or gas. Inthe case of PVC resins, this refers to the production process in which vinyl monochloride (VCM) is suspended in small droplets in water to polymeri□e and produce PVC resins.

T-Bill: Treasury Bond of the United States of America: A Treasury bill is a short-term debt obligation of the US government, backed by the Department of the Treasury with a maturity of one year or less.

Holder(s): The holders and/or owners of the various securities issued by the Company, including but not limited to outstanding shares, Stock Exchange Certificates, Sustainable Bonds and/or Senior Notes.

TIIE: Acronym for Interbank Interest Rate of Equilibrium, which is published by Banco de M□xico and servesas a reference for credit contracting in Mexico.

TPA: Acronym for metric tons per year (one metric ton is equal to 1,000 kilograms or 2,204.6 pounds).

UDIS: Investment Units, ad□usted by the inflation rate recogni□ed by Banco de M□xico.

European Union or EU: The EU is a unique economic and political union comprising 27 European countriescovering a large part of the continent, including Austria, Belgium, Bulgaria, Croatia, Cyprus, C□ech Republic,Denmark, Estonia, Finland, France, □ermany, □reece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

VC□ or □CV: stands for vinyl chloride monomer. It is an important chemical intermediate used almost exclusively to produce polyvinyl chloride (PVC) resins.

Vestolit: Vestolit, □mbH, a subsidiary of Orbia, part of the Polymer Solutions □roup and speciali□ing in the manufacture and marketing of resins and derivatives.

□ **VA:** stands for World Vinyl Analysis of IHS Markit Chemical World Analysis - Vinyls.

b) Executive Summary

This summary does not purport to contain all the information that may be relevant for making investment decisions regarding the securities mentioned herein. Investors should therefore read the whole Annual Report, including financial information and related notes before making an investment decision. This summary has been prepared in accordance with and sub□ect to the detailed information and financial statements contained in this Annual Report. It is recommended that special attention be paid to the □Risk Factors□section of this Report in order to assess an investment decision in the securities issued by Orbia (*See section 5 "Capital Markets", item b, "Stock Market Performance*□of this Annual Report).

The Company publishes its financial statements in Dollars. Unless otherwise specified, references in this Annual Report to □$□, □Dollars□or □dollars□shall be understood in United States dollars, and references to □Peso□or □Pesos□shall be understood in Mexican pesos.

The audited consolidated financial statements as of December 31, 2021, 2020, and 2019 and for the yearsthen ended have been prepared in accordance with IFRS. The accounting standards comprise various provisions known as IAS (International Accounting Standard), IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standard Interpretation Committee).

The figures included in this Annual Report have been rounded to millions of dollars (except as otherwise indicated), whereas the figures presented in the Company□s financial statements that form part of this Annual Report have been rounded to thousands of dollars (unless otherwise indicated) for convenience ofpresentation. The percentage figures in this Annual Report have not, in all cases, been calculated based on those rounded figures, but instead are based on the amounts before rounding. For this reason, the percentage figures in this Annual Report may vary from those obtained by making the same calculations using the figures in the financial statements. Certain figures shown as totals in certain tables may not be the arithmetic sum of the figures preceding it, as a result of rounding.

This Annual Report includes forward-looking statements. Such statements are subject to certain known andunknown risks, uncertainties and other factors, some of which are beyond the issuer's control, and could cause the results, performance or achievements expressed or implied in such forward-looking statements to differ materially from actual results. Forward-looking statements feature terms such as "considers," "expects," "forecasts," "projects," "plans," "estimates," "anticipates," and other similar expressions and are contained, among others, in the *"Executive Summary," "Risk Factors," "Discussion and Analysis of FinancialPosition and Operating Results by Management"* and *"Business Overview"* sections.

As a result of the new strategy and global reorganization undertaken by Orbia, and the need to re-launch anidentity and image consistent with the mission, vision, philosophy and worldwide presence of the Company,on August 26, 2019, the Extraordinary General Shareholders' Meeting of Mexichem, S.A.B. de C.V., decidedto approve the change of its corporate name to ORBIA ADVANCE CORPORATION, S.A.B. de C.V., as such, the investing public should consider that for the purposes of this Annual Report, the new corporate name is used even for events, information, stock quotes, and circumstances that occurred before August 26, 2019.

1. The Company

Orbia is a Mexican shareholding business corporation, domiciled in Mexico City. Its main address is Avenida Paseo de la Reforma 483, piso 47, Colonia Cuauhtémoc, Alcaldía Cuauhtémoc, Ciudad de México, Código Postal 06500. Mexico.

Driven by purpose and unified by values, Orbia chooses to work on the toughest challenges—from field to table, ground to home, mine to market and lab to everyday life, we rely on our collective ingenuity and our integrated supply chain to transform basic and advanced materials into greener, smarter, more efficient solutions.

The Orbia businesses and affiliated commercial brands have a collective focus on ensuring food security, reducing water scarcity, connecting communities to data infrastructure, reinventing the future of cities and homes and expanding access to health and wellness with basic and advanced materials. The Company's business groups are Precision Agriculture, Building & Infrastructure, Fluorinated Solutions, Polymer Solutions and Data Communications that collectively seek human-centered solutions for global challenges. Orbia has commercial activities in more than 110 countries and operations in 50, with offices in Mexico City, Boston, Amsterdam and Tel Aviv.

The Company's strategy is to 1) harness the power of material, science and innovation to serve customer needs, address critical world problems, and provide sustainability solutions 2) invest in growth, leveraging our uniquely advantaged positions to bring differentiated and value-added solutions to market 3) maximize the value of integration across Orbia and the value chains in which we participate and 4) create value as good stewards of capital and disciplined operators.

Each business group is discussed in more detail below:

i) Polymer Solutions (Vestolit and Alphagary, represented 39% of Orbia's sales in 2021). Polymer Solutions is as universal and dynamic as the materials it produces. It focuses on the production of general and special PVC resins and other vinyl polymers with a wide variety of applications, generating solutions that support the daily lives of its customers such as pipes, cables, floors, auto parts, appliances, clothing, packaging and medical devices.

ii) Building and Infrastructure (Wavin, represented 33% of Orbia's sales in 2021). This Business Group is redefining today's pipe and fittings industry by creating innovative solutions with longer life and less installation work. This group, with clients on five continents, also develops sustainable technologies for water management systems, as well as systems for heating and cooling water in homes.

iii) Precision Agriculture (Netafim, represented 13% of Orbia's sales in 2021). Precision Agriculture helps the world to grow more with less. Precision Agriculture's cutting-edge digital farming technologies, services and irrigation systems enable farmers to achieve significantly higher yields and better-quality food while using less water, fertilizer and other inputs. By helping farmers grow more with less, Precision Agriculture enables farmers around the world to feed the planet more efficiently and sustainably.

iv) Data Communications (Dura-Line, represented 11% of Orbia's sales in 2021). Data Communications operates under the belief that every organization, every community, and every inhabitant on the planet deserves the chance to benefit to the fullest from modern technology. The Company annually produces more than 400 million meters of essential and innovative infrastructure, including conduit, FuturePath, cables-in-conduit and accessories, which create the physical pathways for fiber optics and other network technologies that connect

cities, homes and people. Data Communications is the world leader in the manufacture and distribution of such products in a highly dynamic industry. Data Communications is the world leader in conduit and a leading company in HDPE based products for cable and fiber optics, as well as pressuri□ed pipes from natural gas and other solutions.

v) Fluorinated Solutions (Koura, represented 8% of Orbia□s sales in 2021). Fluorinated Solutions provides products, technologies and other applications of fluorinated materials that support modern life in countless ways. With the world□s largest fluorite mine, solid knowledge and vast production experience, this group develops value-added chemicals, as well as propellants and advanced materials used in a wide range of applications, including automotive, infrastructure, health and medicine, HVAC and food cold chain.

For more information on market shares see Section 2, "The Issuer", item b, "Business Description" for each business group, of this Annual Report.

In 2021, Orbia□s net revenues of $8,783 million increased 37% as compared to 2020. Primary drivers of the year over year increase included high PVC prices in Polymer Solutions and higher demand in Building □ Infrastructure.

In 2021, Orbia□s EBITDA of $2,047 million increased 55% as compared to 2020 and EBITDA margin increased approximately 280 basis points to 23.3%. The increase in EBITDA was largely driven by Polymer Solutions and Building □ Infrastructure.

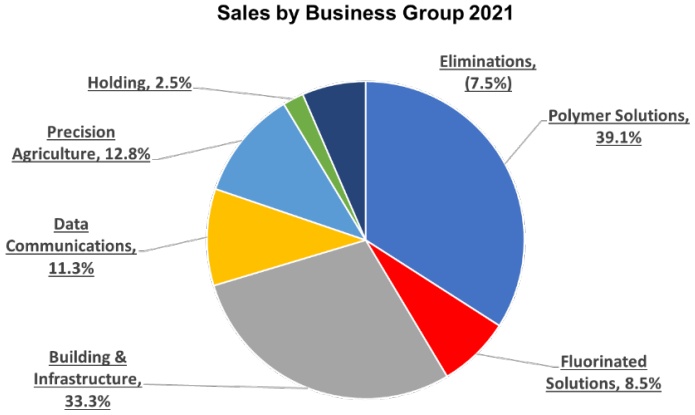
In 2020, Orbia□s net sales were $6,420 million. Revenue decreased by 8% from the previous fiscal year due to the adverse impact of the COVID-19 pandemic, mainly in the second quarter, which was not fully compensated by the strong recovery in the second half.

In 2020, EBITDA was $1,318 million, a decrease of 3% from 2019 due to the adverse impact of the COVID-19 pandemic. This impact was mitigated by the sustained recoveryduring the last half of the year, led by Polymer Solutions and Building □ Infrastructure, complemented by costmanagement initiatives in all the businesses. EBITDA margin increased 100 basis points to 20.5%.

In 2019, Orbia□s net revenues of $6,987 million decreased by 3% as compared to 2020.The decrease was driven primarily by challenging market conditions in Polymer Solutions, which caused lower prices for caustic soda and PVC, lower sales in Building □ Infrastructureand Data Communications, and Fluorinated Solutions being affected by illegal imports of refrigerant gases to Europe.

The 2019 EBITDA was $1,365 million, 2% lower than that achieved in 2018, due to a reduction in sales, partially offset by a better product mix in both Data Communications and Precision Agriculture and lower raw material costs. In 2019, the EBITDA margin was 19.5%, or 14 basis points better than the level achieved in 2018.

The following graphs show the breakdown of the percentage share by business group in total sales for the year 2021, after inter-company eliminations within Orbia.



	Year Ended 31st December:		
	Sales (1)		
Business group	**2021**	**2020**	**2019**
Polymer Solutions	3,438	2,171	2,334
Building □ Infrastructure	*2,922*	2,071	2,239
Data Communications	*994*	732	749
Precision Agriculture	*1,126*	972	1,063
Fluorinated Solutions	744	698	805
Controller	215	184	97
Eliminations	(656)	(408)	(300)
Total Orbia Sales	**8,783**	**6,420**	**6,987**

(1) Figures in millions

The products manufactured and marketed by Orbia□s five business groups hold leading market positions in the markets of countries where the Company has a presence.

2. Select Financial Information

The consolidated financial statements have been prepared based on the International Financial Reporting Standards (IFRS) or IFRS (International Financial Reporting Standards, for its acronym in English) and have been prepared on the basis of historical cost, except for the revaluation of certain long-term assets and financial instruments that are valued at their fair values.

The following tables present selected financial information of Orbia for each of the periods indicated. This information should be read together with the Company□s audited financial statements as of December 31, 2021, 2020, and 2019, including the related disclosures, that are attached to this Report.

Consolidated statements of income			
(Figures in millions of US Dollars)	**2021**	**2020**	**2019**
Continuous operations:			
Net sales	**8,783**	**6,420**	**6,987**
Cost of sales	6,156	4,651	5,114
ross profit	**2,627**	**1,769**	**1,873**
Selling and development expenses	573	507	539
Administrative expenses	600	508	468
Other costs, net	6	33	43
Exchange gain	(78)	(102)	(49)
Exchange loss	110	104	68
Interest expense	248	239	272
Interest income	(16)	(10)	(14)
Change in fair value of redeemable non-controlling interest	28	10	18
Monetary position profit	4	1	-
Participation in the results of associates	(1)	(1)	(4)
Income before income taxes	1,154	479	533
Income taxes	381	151	206
Income from continuing operations	773	328	327
discontinued operations:			
Income (loss) from discontinued operations, Net	-	(10)	-
Consolidated net income for the year	**772**	**319**	**327**
Consolidated net income for the year:			
Controlling interest	657	195	207
Noncontrolling interest	115	124	120
Continuous operations:	**772**	**319**	**327**
Earnings per share of the controlling interest	$0.33	$0.10	$0.10
eighted average number of shares outstanding	1,992,657,096	2,024,791,839	2,067,362,601

Consolidated statements of financial position	As of December 31:		
(Figures in millions of US dollars)	2021	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	$782	$875	$586
Accounts receivable, net	1,595	1,325	1,352
Accounts receivable from related parties	1	5	5
Inventories, Net	1,292	861	834
Advance payments	50	60	65
Derivative financial instruments	3	20	0
Assets held for sale	3	10	9
Total current assets	**3,724**	**3,156**	**2,852**
Non-current assets:			
Property, machinery and equipment, Net	3,051	3,186	3,349
Right-of-use assets	346	323	337
Investment in shares of associates	40	39	3. 4
Other assets, Net	104	69	89
deferred taxes	174	200	126
Employee benefit asset	17	13	14
Intangible assets, Net	1,617	1,734	1,766
□oodwill	1,514	1,491	1,492
Total non-current assets	**6,862**	**7,055**	**7,205**
Total assets	**10,587**	**10,211**	**10,057**
Liabilities and stockholders□equity			
Current liabilities:			
Bank loans and current portion of long-term debt	240	495	322
Providers	1,046	788	679
Letters of credit to suppliers	459	538	585
Accounts payable to related parties	1	1	101
Other accounts payable and accrued liabilities	521	467	478
dividends payable	1	3	134
Provisions	29	33	52
Employee benefits	226	160	128
Short-term lease liabilities	86	82	78
Derivative financial instruments	34	14	13
Liabilities associated with assets held for sale	-	6	6
Total current liabilities	**2,643**	**2,588**	**2,577**

Consolidated statements of financial position	As of December 31:		
(Figures in millions of US dollars)	2021	2020	2019
Non-current liabilities:			
Bank loans and long-term debt	3,280	3,131	3,129
Employee benefits	221	274	229
Long-term provisions	17	21	-
Other long-term liabilities	41	31	36
Redeemable non-controlling interest	316	274	264
Derivative financial instruments	17	95	67
deferred taxes	318	314	335
Long-term finance leases	281	263	267
Long-term income tax	49	42	35
Total non-current liabilities	**4,539**	**4,444**	**4,385**
Total liabilities	**7,182**	**7,032**	**6,963**
Stockholders equity:			
Contributed capital			
Social capital	256	256	256
Premium on issuance of shares	1,475	1,475	1,475
Update of share capital	24	24	24
	1,755	**1,755**	**1,755**
Earned Capital			
Accumulated utilities	966	1,108	1,059
Redeemable non-controlling interest	(241)	(227)	(227)
Reserve for acquisition of own shares	851	400	296
Other comprehensive income	(594)	(543)	(508)
	981	**738**	**620**
Total controlling interest	**2,737**	**2,493**	**2,375**
Total non-controlling interest	668	687	719
Total Stockholders Equity	**3,404**	**3,180**	**3,094**
Total liabilities and stockholders equity	**10,587**	**10,211**	**10,057**

Financial indicators
(Figures in millions of US dollars)

Indicators	2021	2020	2019
Investments in property, plant and equipment	286	204	261
Depreciation and amorti ation for the year	598	598	542
EBITDA	2,047	1,318	1,365
Accounts receivable turnover (days)	48	53	51
Average supplier payment term (days)	61	61	48
Inventory turnover (days)	63	66	60

3. Information on the performance of the securities issued by Orbia in the stock market.

During the last three fiscal years included in this Annual Report, ORBIA* shares have been part of the BMV's Price and Quotation Index ("IPC"). Due to the significant daily trading volume of the Company's shares in the Mexican stock market, as of March 2022, the shares remain in the HI□HLY TRADED category. (See section 5, "Equity Market" item b, "Performance of shares in the Stock Market", of this Annual Report).

Additionally, ORBIA* shares are part of relevant indices such as:

Sustainability Index of the Mexican Stock Exchange
FTSE4□ood Emerging Markets Sustainability Index
S□P/BMV-INDU RT
S□P/BMV-INDU
S□P/BMV-CONST RT
S□P/BMV IRT MidCap
S□P/BMV IRT CompMx
S□P/BMV IRT
S□P/BMV IPC MidCap
S□P/BMV IPC CompMx
S□P/BMV IPC
S□P/BMV INMEX
S□P/BMV DIBOL
S□P/BMV DDBOL
MSCI EM
BURSA OPTIMO RT

4. Outstanding events in the period 2021-2019.

2021:

- On January 7, 2021, Orbia announced that, as it had reported on several occasions, in the ordinary course of business, the Company continually explores opportunities to create value for its shareholders, including potential alliances, mergers, acquisitions, sales and other strategic transactions. Accordingly, Orbia evaluated value creation opportunities, including the possible sale and/or strategic alliances in relation to its Polymer Solutions (Vinyl Business). Orbia did not enter into any binding contract to carry out any specific transaction and has no current plans to do so.

- In early 2021, Orbia announced a partnership with the Resilient Cities Network (R-Cities), the world's leading network of cities. Through the Building □ Infrastructure, Precision Agriculture and Data Communications groups, Orbia will work with R-Cities members to develop innovative solutions to current challenges such as transportation infrastructure, water supply, urban food systems and connectivity, which can improve the quality of urban life. These initiatives will contribute to the Company's progress towards three Sustainable Development □oals.

- On January 19, 2021, Orbia announced the appointment of Sameer S. Bharadwa□as the new □eneral Director effective February 1, 2021, after Daniel Mart□ne□-Valle resigned from said position by mutual agreement with the Board of Directors. Management.

- On February 25, 2021, Orbia informed the investing public that CAPEX would be between $350 to 400 million for the year.

- On March 15, 2021, Orbia reported that Precision Agriculture signed a definitive agreement for the acquisition of □akon Horticultural Pro□ects, the Dutch leader in turnkey greenhouse pro□ects. The acquisition is synergistic, combining the global presence and expertise of Precision Agriculture and □akon's greenhouse technology. □akon brings unique experience in all aspects of greenhouse pro□ect execution, greenhouse manufacturing capabilities and a proven track record in key verticals.

- In April 2021, the Company entered into an agreement to purchase all of the shares of □akon Holding B.V and □akon S.p.□.o (□akon).

- On May 6, 2021, Orbia Advance Corporation, S.A.B. of C.V. carried out the issuance and placement of Bonds Linked to Sustainability in the international capital markets: it issued $600 million dollars in senior notes maturing in 2026 (5 years) at an annual rate of 1.875%, and $500 million dollars in senior notes maturing in 2031 (10 years) at

an annual rate of 2.875%. The issue received a Baa3 credit rating from Moody's, BBB- from S□P and BBB from Fitch Ratings.

- Orbia applied the resources obtained to prepay existing debt and for general corporate purposes. With this, Orbia's debt profile improved significantly by extending the average maturity of the Company's credit liabilities to 14 years, with no significant maturities before 2026.

- On May 13, 2021, Orbia announced the acquisition of a ma□ority stake in Shakun Polymers Private Limited (□Shakun□), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the Indian subcontinent, Middle East, Southeast Asia and Africa. The acquisition took place on June 22, 2021. Shakun's product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. In addition, Shakun's semiconductive and cross-linkable compounds extend Alphagary's product portfolio and offer a platform for growth to meet customer requirements, which should bring synergies to the operations of the Polymer Solutions group. Orbia has fully consolidated Shakun's results into the Polymer Solutions business group.

- On May 26, 2021, the Company made an advance payment of $328 million of its $70 million issuance of Senior Notes, which would otherwise mature on September 19, 2022. These notes paid an annual interest rate of 4.875% in semi-annual installments.

- On June 10, 2021, Orbia made the total early amorti□ation of the ORBIA 12 Stock Certificates (formerly □MEXCHEM 12□) dated March 21, 2012. The early amorti□ation price was $3,068,891,451.23 M.N.

- On July 21, 2021, at the Issuer's □eneral Ordinary Shareholders□Meeting, the Board of Directors accepted the resignation of the Director, Anil Menon, and agreed to appoint Mihir A. Desai, a prominent economist from Brown University and Harvard University, to replace him.

- On August 23, 2021, Orbia announced the appointment of James P. Kelly as Senior Vice President of Finance (Chief Financial Officer). Mr. Kelly commenced his duties at Orbia on August 30, 2021, and is located at Orbia's corporate headquarters in Boston, Massachusetts. Mr. Kelly replaced Edgardo □uillermos Carlos, who announced his resignation on June 17, 2021.

- On August 23, 2021, Orbia reported that it made the first issuance of Euro Commercial Paper for an amount of □30 million (thirty million euros), through the placement of promissory notes, at a cost of 0.35%, with a maturity date up to September 23, 2021. The notes were issued under the Euro Commercial Paper Program established by Orbia on June 2, 2021, for an amount of up to □750 million (seven hundred and fifty million Euros) with issues that will be valid for less than one year and will not be listed on any stock exchange (the □Program□).

- Orbia carried out the repurchase of shares for an amount of $37 million. In accordance with the approval granted by its shareholders, Orbia also cancelled 90 million treasury shares.

- On September 21, 2021, Orbia completed the prepayment of the remainder of its senior note of $750 million due in 2022.

- On November 1, 2021, Orbia's Fluorinated Solutions business acquired Silatronix, a Madison, Wisconsin-based Company. Silatronix has expertise in fluorosilane additives for Lithium-ion batteries and has an industry-wide reputation for developing innovative solutions that deliver improved battery safety and performance in a range of applications, from electric vehicles to stationary, grid-scale storage.

2020:

- On January 10, 2020, the Company informed the investing public that, as part of its strategy, it continuously seeks business opportunities, as well as options for acquisitions, sales, mergers and any other financial transactions that allow it to maximi□e shareholder value. In this context, the Company announced that it was in the process of analy□ing divestiture options or strategicalliances with third parties for its Polymer Solutions business, without there being certainty or approval on the completion of any transaction at the time.

- On March 5, 2020, the Company notified its agent bank with which it had entered into a $1.5 billion Revolving Line of Credit agreement on June 21, 2019, that the line of credit would be reduced by $500 million, leaving a remaining available balance of $1 billion. The revolving line of credit bears monthly interest at LIBOR plus 1.05%. The loan principal is repayable in a single installment upon maturity on June 21, 2024. On March 27, 2020, the Entity drew down the remaining full amount of the available line of credit, which was repaid during 2020 as follows: $400 million on September 30, $350 million on October 30, $175 million on November 30 and $ 75 million on December 30.

- In March 2020, the World Health Organi□ation (□WHO□) declared Coronavirus disease (□COVID-19□) a global pandemic. Orbia took comprehensive measures to protect employees, customers and communities from the risks

associated with the COVID-19 pandemic, including those summari□ed below:

- It maintained strict health and safety measures at all its operating sites.
- It introduced staggered back-to-work protocols, when applicable, for essential sites and facilities.
- It continued restricting all non-essential business travel, as well as promoting remote working for a large section of employees at a global level.
- It continued using digital tools to work efficiently and drove innovation while improving digital infrastructure to adapt, increase volume and satisfy customer needs.
- It increased online training and learning, while extending remote medical support and healthcare access to all employees.
- It implemented the employee assistance program in certain regions to offer medical and psychological support, which will continue after the COVID-19 pandemic.

The ma□ority of Orbia□s facilities and plants remained in operation through the pandemic, and the supply chain was practically unaffected. The Company also adapted its production processes, streamlining prototype creation periods to supply essential medical equipment and materials, including the thousands of inhalers that use its propellants or adaptable critical care equipment, rapid COVID-19 test devices, sanitation tents and health evaluations□as well as medical grade personal protective equipment manufactured with its plastics.

The most significant effects on Orbia□s financial performance included a decrease in sales resulting from a decline in demand mainly during the months of April and May 2020. Orbia also made use of lines of credit as precautionary measures in the face of the uncertainty resulting from the COVID-19 emergency.

- On May 29, 2020, Orbia informed the investing public that, due to the impact of the COVID-19 pandemicon the world economy and capital markets, it had decided to pause efforts related to a possible divestitureor other strategic option for its Polymer Solutions business. The Company stated that it had decided to wait for a stable environment that would allow it to maximi□e its shareholder value in a potential transaction, adding that the Company believes that Polymer Solutions is a solid business with aunique global position and strong cash flow generation and that will continue to drive its sustainable and profitable growth.

- On September 16, 2020, the Company set up a U.K. Commercial Paper Program for □300 million PoundsSterling through the issuance of promissory notes with the Bank of England and Her Ma□esty□s Treasury (HM Treasury) under the Covid Corporate Financing Facility. These promissory notes expired on May 18, 2021□the annual cost of the equivalent line in US dollars was 0.74%, and they were not listed on any stock exchange. The Company gained access to this financing option offered by the Bank of England during the COVID-19 pandemic due to its operations and presence in the United Kingdom. This trade paper program reduced the Company□s overall cost of financing and the uncertainty caused by the pandemic.

- On November 18, 2020, Orbia completed its first corporate venture capital transaction through an investment in SeeTree, a leading start-up in the agricultural technology sector with a focus on tree cultivation. SeeTree uses military grade telecommunications, surface sensors, artificial intelligence and machine learning in an integrated manner to prevent pests in trees and to maximi□e productivity at a lowcost. Precision Agriculture is partnering with SeeTree to incorporate the company□s advanced technology into its solutions offering. This investment represents a significant step for Orbia and Precision Agriculture towards driving the development of conscious and profitable agriculture.

- On December 31, 2020, the Company recorded a reserve of $25 million in connection with the investigation of Vestolit □mbH by the European Union competition authorities. On January 15, 2021, a fine of □22.367 million was paid to the European Union competition authorities, putting an end to the matter.

- In April 2020, to better enable operational and financial decision making and analysis, the Company redefined its business group structure from Vinyl, Fluor and Fluent, to Building and Infrastructure, Data Communications, Precision Agriculture, Fluorinated Solutions and Polymer Solutions.

2019:

- On August 26, 2019, at the Company□s Shareholder□s Meeting, the Shareholder□s approved the change of the Company□s corporate name to Orbia Advance Corporation, S.A.B. de C.V. to reflect the new strategy and global reorgani□ation and restructuring undertakenby the Company, and to align its image in accordance with its mission, vision and philosophy.

- On June 24, 2019, the Company informed the investing public that it had signed the renewal of itsrevolving credit line for $1,500 million dollars, with a 5-year maturity and upgrading different clauses and conditions in line with its investment grade rating based on the Standard □ Poor□s ratings (□BBB-□global scale and □MXAA/MXA-1□□national scale), Fitch Ratings (□BBB□global scale and □AA□(mex)□national scale) and Moody□s (□Baa3□global scale). The revolving credit can be used for anycompany purpose, including acquisitions, debt refinancing and the financing of

commercial transactions, among others. This arrangement replaced a 2014 arrangement with a term of 5 years with a syndicate of 10 of the most globally renowned banks.

5. Subsequent events (2022)

- On February 1, 2022, Orbia's Building and Infrastructure business, Wavin, acquired 67% of the shares of Vectus Industries Limited ("Vectus"), a privately held manufacturer of plumbing and drainage pipes and the market leader in water storage tanks in India for $132 million paid in $108 million of cash and $24 million of other consideration at closing, subject to customary working capital and net indebtedness adjustments.

  With this acquisition, Orbia's Building and Infrastructure businesses will operate at the forefront of India's quickly growing water management industry, supplying customers in the residential, commercial, industrial, infrastructure and agricultural sectors.

  The Company began consolidating Vectus's results as of February 1, 2022.

c) Risk Factors

When deciding whether to invest in securities issued by Orbia, investors must carefully consider, analyze, and evaluate all the information contained in this Annual Report, and in particular, the risk factors described below, which could have a material adverse effect on Orbia's performance and profitability, its financial situation, or the results of its operations and its liquidity.

The risks and uncertainties described below are not an exhaustive list. Additional risks and uncertainties of which the Company's management have no knowledge could also affect business operations. Any of the following risks, should they arise, could adversely and materially affect the business, it results of its operations, prospects and financial condition. In such a case, the market price of the Company's CEBURES (Stock Exchange Certificates, if any are outstanding), Senior Notes and the shares of ORBIA* may decline and investors may lose all or part of their investment.

(a) **Risk Factors related to Orbia's business**

The cyclical nature of the global chemical industry can decrease business results and margins

Some industries in which the Company operates, including the markets in which the Company competes, are cyclical. Such industries are sensitive to changes in supply and demand and are affected by the political and economic conditions prevailing in the different countries and regions of the world in Orbia has a presence. This cyclical trendcan reduce the Company's net sales and margins, especially:

- Unfavorable economic changes in business and the general economy may cause demand for the Company's products to fall, particularly those in the residential, commercial or industrial construction industry being strongly tied to the stability or instability that prevails in each country.
- Considering the competitive environment in which Orbia operates, lower demand can put pressure onthe prices of its products.
- The market dynamics of supply and demand for both its products and its raw materials, and the otherraw materials that affect them, may result in fluctuations in the prices of some or all of its products or its raw materials, which could affect its sales or margins

Due to the cyclical nature of the global chemical industry, historically the international chemical market hasexperienced changing periods of limited supply, which has caused prices to increase and profit margins to increase, followed by an expansion of production capacity, resulting in oversupply with lower prices and profit margins. Orbia sets prices for the products the Company sells based on international market prices. The chemical industries in Europe and Latin America have become increasingly integrated with the global chemical industry for a variety of reasons, including increased demand and consumption of chemicals in these regions, as well as the continued integration of regional and global product markets. The Issuer's net sales and gross margins are tied to global industry conditions that it cannot control. The Company is particularly sensitive to the economic cycles that affect the construction, infrastructure, agricultural and automotive industries.

Throughout history, demand has been vulnerable to such circumstances. This vulnerability can lead to significant changes in the Issuer's quarterly operating results or its annual results, limiting its ability to forecast its operating performance, cash flows and financial position.

The Company's operations are heavily dependent on the energy and petrochemical industries.

The energy and petrochemical industries, including the markets in which the Company operates, are cyclical and have historically undergone periods of slowdown and sometimes recession. The demand for some of its products and services, as well as the supply of some of its raw materials depend on the level of investment by companies in the energy industry, which in turn depends in part on the overall price levels of oil, natural gas and other energy sources. Oil prices have been highly volatile in recent years. A continued decline in its customers investments in this industry, whether due to a decrease in oil or natural gas prices, could cause delays in its customers pro ects, and thus demand for some of its products and services or a lack of supply of some of the raw materials and cause pressure on the expected prices of its products or costs of its raw materials, which in turn could have a material adverse effect on Orbia s operating results, cash flows and financial position.

Some of Orbia s customers or suppliers also depend on oil and natural gas production levels. Interruptions or decreases in the production of such supplies, due to various circumstances beyond the Company s control, including adverse weather conditions, accidents, decreased access to the financial system, labor contingencies, work stoppages, strikes, or others, may cause delays in customers investment pro ects or increases in the production costs of it s the Company s raw materials which may impact the Company s results from operations, cash flows and financial position.

The Company's inability to meet market needs due to lack of development of new products, production technologies, access to new technologies, or development of substitutes could adversely affect its competitive position.

The markets for many of the products produced by the Company require continuous improvements in quality and performance. To remain competitive, the Company must develop and market products that meet market needs in a timely manner. Additionally, rapid changes in the marketplace may shorten the life cycle of the Company s existing products, thus impairing the Company s ability to recover its investments in those products. If the Company is unable to keep pace with technological improvements and market demand, its operating results and financial position could be adversely and significantly affected.

In addition, development of new technologies could result in the creation of new products or raw materials that will replace those we currently produce or use. If the Company is unable to compete with such new products or access new needed raw materials, its results of operations could be adversely and materially affected.

The Issuer s success in the industries in which it operates depends largely on improvements in the products it develops, implements and that are accepted in the marketplace. its ability to adapt quickly and to develop new products and technologies that can be updated according to the evolution of the industry and to offer reasonable prices to its customers will determine its competitiveness within the markets in which it operate and to this effect the Company invested in research and development activities. However, competitors may develop disruptive products or technologies that are superior, or they may develop more efficient or effective methods for providing related products and services, or they may adapt more quickly than the Company to new products or related technologies or changing customer demands. If Orbia s products and technologies are not able to gain market acceptance because it fails to innovate them or because its competitors offer more attractive products, this may adversely affect its business, financial position and operating results.

The Company's business is subject to risks generally associated with international commercial operations and its net earnings and sales could be adversely affected by the economic conditions and outlook in the countries in which we operate

Orbia markets its products in more than 110 countries. The Company participates in manufacturing and other commercial activities on six continents. As a result, the Company is, and will continue to be, sub ect to the risks generally associated with international manufacturing and distribution, the adverse economic conditions and other political, social and regulatory conditions in the countries where it conducts business that may impact the demand for its products and, ultimately, its net earnings and sales, including:

- overnment regulations on manufacturing and/or foreign investment activities
- Modifications to policies on customs or trade tariffs on import or export from and to countries
- Changes in social, political and economic conditions
- Freight delays
- Blackouts or shortages of electricity and other public services
- Restrictions on currency conversion and volatility in foreign exchange markets
- Restrictions on skilled labor and changes in local working conditions
- Restrictions related to the sale of products, including trademarks, in connection with third party intellectual property rights

- Difficulties in complying with contractual obligations in jurisdictions outside of Mexico, as well as in
- collecting accounts abroad
- Environmental regulations
- Tax reforms and other laws and regulations
- Recessionary conditions or negative or slow economic growth rates
- Changes in local or international interest rates that affect the exchange rate and
- Austerity measures and reduction or elimination of subsidies and incentives to the industries in which we operate.

Some of the countries in which Orbia operates have experienced political and social instability in the past and interruptions or cessation of operations may occur at any of the production facilities or distribution networks in those countries. Additionally, other potential economic risks include: inflation and monetary policies to support it, high energy and raw material prices, supply disruptions, global economic deceleration and potential recession in Europe, economic deceleration ahead of expectations in some markets, volatility in financial markets, the impact of financial and economic sanctions against Russia, the political uncertainty and geopolitical risks around the world.

The foregoing factors, as well as government regulations applicable to foreign investment and/or the import, export or sale of products and market protectionist measures could adversely affect sales and operations results, and in the past have caused distributors, intermediaries and customers to reduce their spending and to delay or stop purchasing products, which could have an adverse effect on net sales, operating results, and cash flows.

Orbia faces intense competition from other suppliers of similar products

The markets for Orbia products are highly competitive. The Company generally has no or limited control over the prevailing pricing on international markets of the chemical products it sells that are treated with basic products or raw materials, such as chlorine, caustic soda, resin and fluorite compounds, and fluorite. The competitiveness of these products is based on price, performance, product quality, product delivery, and customer service. It is difficult to protect the Company's market position for many of its basic products by differentiating them by being of standardized quality, and the Company may not be able to pass on the cost and price increases associated with those products to customers. In many cases, the competitive environments for its various chemicals may vary significantly at any time, and its ability to adjust the product mix based on market conditions may be limited due to inherent restrictions on production processes. Orbia's competitors include larger companies or those well positioned within international chemical markets, including those in Europe and Latin America, or companies that have greater competitive advantages due to a combination of several factors, such as greater access to financial resources, benefits derived from integration and economies of scale, availability of raw materials at lower costs, diversification and risk management. Its main competitors have received considerable capital investments, which have enabled them to obtain and maintain a significant market share. Such situations, as well as increased competition, may have adverse effects on its operating results, cash flow or financial condition.

Fluctuations in the prices of the principal raw materials, including natural gas, electric power, sulfur, ethane, ethylene, resins, among others, may adversely affect the Company's business and operating results.

In recent years, the prices of electricity, natural gas, sulfur, ethane, ethylene, resins, among other raw materials and supplies, have experienced significant fluctuations in local and international markets. These fluctuations cause variations in production and sales costs, which in turn are reflected in the margins of the products the Company manufactures and markets. In addition, prices of petroleum and petroleum products have been volatile, affecting the selling price of products such as ethylene, VCM and PVC, as well as their production and sales costs.

Although Orbia generally transfers any price increase in raw materials to its customers, it is not always possible to do so, so future fluctuations in the prices of electric power, natural gas, ethane, ethylene and sulfur, resins, among others, which it uses in manufacturing processes and which have recently experienced volatility, could result in variations in the cost of the supplies the Company uses to produce its products, while variations in the price of oil could, as they have done in the past, impact the prices of some of its products, which in turn could negatively affect our operating results and financial position.

Any interruption in the supply of raw materials could affect Orbia's operations

Orbia's ability to achieve its strategic objectives continues to depend, in a large part, on the successful, timely and cost-effective acquisition of electric power and raw materials such as natural gas, ethane, ethylene, electricity, VCM, PVC, Polyethylene and other plastic resins. Currently, the Issuer relies on a limited number of suppliers for the production and delivery of these supplies. Management cannot ensure the stability of the gas supply, nor the availability of supplies at reasonable prices or that suppliers will continue to supply them. Therefore, in the event of any interruption, discontinuance or other disruption in the markets or the supply of raw materials or electric power, including a substantial increase in the costs thereof, could adversely affect the Company's financial condition and operating results. Similarly, a decrease in the supply of certain raw materials, or in the number of raw material suppliers, may result in an increase in the prices paid for the supply of these raw materials, in which case the operating results and financial position could also be adversely affected.

Production capacity improvements, maintenance and investment in acquired companies, generally require significant expenditures and the Company cannot guarantee it will achieve the expected return on these.

Orbia has recently made significant capital investments related to the maintenance of its production capacities, environmental protection and safety, worker and facility safety, efficiency and modernization of its plants. For example, during the years 2021, 2020, and 2019, the Company made investments in assets of $286 million, $204 million, and $261 million, respectively.

In addition, the Company has acquired or established and plans to continue acquiring or establishing companies or joint ventures to increase its production capacity, although the current strategy is aimed at organic business growth, complemented by potential one-off and complementary acquisitions.

For more information on acquisitions, see "Select Financial Information. Establishment and acquisition of new businesses.

Orbia may not be able to obtain the expected return on its investments if unfavorable conditions arise in its product markets. Decisions regarding the timing or manner in which such investments are executed are based on future projections of market demand and other factors that may be inaccurate, and it may not obtain sufficient resources to make certain necessary investments, which could have an adverse effect on the Company's operating results, including expenses due to impairment of assets. Furthermore, the Company may not be able to meet its financing obligations if it does not obtain the expected return on its investments.

Current projects may not be completed on time or at all due to factors such as the inability to obtain financing, regulatory changes, lack of compliance or availability of contractors and subcontractors and logistical problems, which could have a material adverse effect on the operating results of the Company including the impairment of assets,

Orbia is exposed to the risk of possible expropriation or nationalization of the assets in some of the countries in which it operates.

Orbia is exposed to the potential risk of expropriation or nationalization of its assets located in the different countries in which it operates.

Some of the countries in which it operates have been subject to volatile political conditions in the recent past and the Company cannot guarantee that local governments will not impose retroactive changes that could affect its business or eventually force it to renegotiate existing contracts with such governments. These events could materially affect the Company financial position and operating results.

The Issuer's customer base has a certain degree of dependence on certain large customers and the loss of all or part of the business with some important customers may adversely affect its operating results

In 2021, Orbia's top ten customers combined accounted for 10.9% of its total net sales. The largest singlecustomer accounted for 2.1% of the total net in the same year. Because Orbia's profitability depends on maintaining a high-capacity utilization rate, the loss of all or a substantial portion of an important customer or end user's sales volume could have a negative effect on its sales or operating results. In the event that any of its major customers face financial difficulties, this could affect the operating results by reducing sales or resulting in the inability to collect accounts and recover the investment made in its production facilities. In addition, a consolidation of Orbia's customers could reduce net sales and profitability, particularly if one of its most important customers were to be acquired by a company relatedto any of its competitors.

Accordingly, any negative financial impact resulting from the loss of sales from Orbia's major customers could adversely affect the Company's operating results and financial position.

Inability to effectively manage growth could adversely affect the Company's business, operating results and financial position.

As a result of the acquisition of new companies and organic growth, the Issuer's EBITDA, has undergone a growth rate of up to double digits. In addition, the operating income and cash flows have increased substantially, which provides the Company's management with flexibility to continue to grow. This has resulted, and will continue to result, in a significant effort in the Company administrative, operational and financial infrastructure.

The integration of Orbia's new businesses and their operations is a complex and demanding process. Prior to each acquisition, the acquired companies operated independently, with their own business plans, corporate culture, locations, employees and systems. Any integration of another business with Orbia's own could involve significant difficulties, costs and delays, including: (1) de-concentration of the management of day-to-day operations (2) a possible incompatibility

of corporate cultures and (3) the inability to achieve planned synergies, in addition to costs and delays in implementing common systems and processes.

Similarly, the Company believes that additional growth will be required to expand the scope of its operations and the size of its customer base. Orbia's success will depend in part on the ability of its key executives to effectively manage this growth.

To manage the business and grow effectively, Orbia must continue to improve its operational, financial and administrative processes, controls, systems and procedures, as well as its reporting systems and procedures. In addition, hiring new staff will increase costs, which could make it difficult, in the short term, to offset such expenses against revenues. If it is unable to manage its growth effectively, expenses will increase more than expected, revenues may decrease or increase at a slower rate than anticipated, and it may not be able to implement its business strategy, which could affect its operations, financial position and results.

Orbia has recently made and may make important acquisitions that, if not properly integrated, could adversely affect its operating results

Orbia has recently made significant acquisitions, and may consider making additional important acquisitions, to continue its growth. For more information regarding these acquisitions, see the section "Investments made in the last three fiscal years".

Acquisitions themselves involve risks, including the following:

- Acquired businesses may not achieve the expected results;
- Changes in the economic context with a growth expectation within the markets where the acquired companies are present;
- Failure to achieve expected synergies and not achieving the expected savings;
- Increases in costs, supplies and energy;
- Difficulties encountered in the integration of operations, technologies and control systems;
- Possible inability to hire or retain key personnel for acquired operations;
- Possible inability to achieve the expected economies of scale;
- Unforeseen liabilities;
- Exercising minority rights in transactions that are not 100% acquired; and
- Unforeseen economic competition and regulatory considerations.

The Company faces, and may face in the future, difficulties in the integration of operations, accounting systems and internet technology systems of some of its acquired companies. If the Company is unable to successfully integrate or manage the acquired operations, it may not achieve the expected cost savings, increased revenues and levels of integration necessary to offset the significant expenses associated with the integration of the acquired companies. This could result in lower profitability or impairment charges.

Orbia is exposed to product risks that could cause harm to third parties

The Company may be exposed to risks or damages derived from civil liability before third parties, resulting from the use of its products, as well as litigation of the resulting judicial process, regardless of whether said products are used in a manner contrary to what is indicated. instructions. The Company may also be exposed to damages related to the use of its products in medical-grade applications and for the beverage and food and beverage industries.

Orbia has tailored market standard insurance coverage for this type of product risk. However, the safety measures taken to prevent product risks and insurance coverage may not be adequate to mitigate the risk of all damages that may occur, in which case the Company's operating results or its financial condition could be adversely affected.

Impacts related to climate change could result in additional regulatory or legal requirements, as well as investments not foreseen by the Company

The Company has carried out different analyses to determine the degree of vulnerability of its operations with the possible effects of climate change.

The effects of climate change identified within the different areas where it operates or has market share are: desertification and drought, rising sea levels, changes in rainfall patterns, decreased water availability, deforestation and disease, all phenomena that could affect operating results and financial position, among other factors, due to the need for additional investments to adapt operations to the new conditions, the increase in the price of supplies and energy, the closure of affected operations and relocation of suppliers, protection measures as a result of natural phenomena (for example: construction of dikes in marine installations, flood or fire protection) and the relocation of facilities to sites with more favorable conditions and higher environmental regulatory requirements.

Natural disasters, production hazards, extreme weather and other events could adversely affect the Company's operations

Natural disasters, such as storms, hurricanes and earthquakes, could disrupt operations, damage infrastructure or adversely affect the Company's production plants. In addition, Orbia is vulnerable to acts of vandalism or revolts that could affect the infrastructure and/or its distribution network. Any of these events could increase its expenses or investments and/or result in a force majeure event under some of its contracts and consequently affect its operating results and financial position.

Orbia's operations are subject to hazards such as fires, explosions and other accidents related to the manufacture, storage and transportation of chemicals. These hazards can range from personal injury to loss of life, property damage and/or destruction of equipment and assets, as well as environmental damage. A material incident at one of its plants or storage facilities could result in the temporary suspension of operations and could result in significant compensatory costs and loss of net sales revenue.

Extreme weather events can also have a serious impact on the Company's logistics. Its production facilities could be isolated and be unable to receive or ship products by land or sea. Furthermore, the flow of materials could be interrupted in places away from the location of the Issuer's productive facilities, but that are strategic for the transport of goods (for example: closed ports in the USA due to hurricanes or inaccessible borders due to floods in Europe). The Intergovernmental Panel on Climate Change (IPCC) estimates that extreme weather events will increase in number and intensity. As a result, Orbia's operating sites are exposed to hurricanes, cyclones, tropical storms or other events derived from climate change, and if they are affected by such events, the Company's operating results and financial position could be affected.

Orbia has insured its plants against damage caused by accidents or other similar incidents, as well as indirect damage resulting therefrom, such as a business interruption. However, if losses are incurred as a result of these events, they may exceed the limits of the insurance policies, or if they do not exceed them, they may not be fully recovered. Damages that significantly exceed the limits of insurance policies, damages that cannot be recovered for any reason, even if they are within the limits of the insurance policies, or were not foreseeable or covered by them, could have a material adverse effect on operations, operating results, financial position and outlook. In addition, even if the Company receives payment for insurance policies as a result of a loss, facilities could suffer production interruptions while repairs are being completed, which could materially and adversely affect the operating results, financial position and outlook

Labor disputes could affect Orbia's operating results

At the end of fiscal year 2021, approximately 56% of the Company's employees were subject to collective bargaining agreements with labor unions. Over the past three years, it has had no major labor disputes at its plants and has been able to maintain a positive relationship with the unions. However, it cannot guarantee that there will be no temporary suspension, nor that a strike will not take place, before, during the term of, or upon expiration of collective bargaining agreements as a result of political or economic conditions, or for any other reason. In addition, it is unable to estimate the adverse effects that, if any, such temporary suspensions or strikes would have on the Issuer's sales, operating results or financial position. Any temporary suspension, strike or other labor event could have a material adverse effect on its activities, operating results or financial position.

Orbia is a holding company and does not have significant assets other than the shares in its subsidiaries; as a result, it may not be able to meet its obligations

Orbia is a holding company with no independent operations or substantial assets other than the net worth of its operating companies. It is therefore dependent on the operating results of its subsidiaries. The ability to meet its debt and other obligations depends on the generation of cash flow from its subsidiaries and their ability to make such cash available in the form of interest payments, debt payments, as dividends or otherwise. Each of its subsidiaries is a separate legal entity and, under certain circumstances, legal and contractual restrictions may limit its ability to obtain cash from its subsidiaries. In addition, under Mexican law, Mexican subsidiaries may only pay dividends from retained earnings after a legal reserve has been created and all losses from prior tax years have been absorbed. In addition, the distribution of dividends may be taxable unless they are made from a profit and loss account that has already been subject to tax. If it does not receive distributions from its subsidiaries, the Company may be unable to make the required principal and interest payments on its debt or to pay other obligations. Any adverse change in the financial position or operating results of its subsidiaries could affect its financial position.

Inability to raise enough capital to finance acquisitions or expansions could delay or impede the implementation of the Company's business strategy

The Issuer expects that the expansion and continued development of its operations will require significant amounts of capital to finance investments and operating expenses, including working capital requirements, which may not be obtained in full or at least not on acceptable terms.

In addition, its operations may not generate enough cash flow to meet its cash needs, or capital requirements may vary significantly from those planned. In such cases, additional funding may be required ahead of schedule, or some of the new development and expansion plans may be delayed, or the Company may miss market opportunities. Future lending instruments, such as credit lines, may contain restrictive clauses and may require us to pledge assets to secure payments on such credit lines. The inability to obtain additional capital and/or to obtain it on satisfactory terms may delay or prevent Orbia's expansion and adversely affect its operating results, cash flow and financial position.

Orbia is subject to certain restrictive covenants limiting what may or may not be performed by virtue of its credit agreements, which could limit its future business activities

As of December 31, 2021, the Issuer had cost bearing debt totaling $3,887 million ($3,520 million for purposes of covenants contained in debt contracts and $367 million in leases), with a series of lines of credit and issuances of securities in the local and international markets. Pursuant to the agreements governing long-term credit facilities, the Company is obligated to comply with certain covenants that limit its operations and financial decisions. Compliance with its obligations under the credit agreements could limit the ability to undertake future acquisitions including future financing or refinancing of debt, which could have a negative impact on the Company's operations, operating results and financial position.

The Company's ability to sell additional shares in order to raise capital for the expansion of its business will depend, in part, on the market price of its shares, and failure to meet market expectations with respect to its business could have a negative effect on the market price of our shares and limit its ability to sell them

Orbia's ability to self-finance through capital depends, in part, on the market price of its shares, which in turn depends on multiple market conditions and other factors that could change at any time, including:

- Interest from investors
- Financial development
- Analyst reports regarding us and the economic, political and social environment in Mexico, or the countries where it operates
- eneral conditions in the capital and debt markets, which depend largely on the cash flows of its operations
- Other factors such as changes in government regulations or tax laws
- Judicial or administrative proceedings in any urisdiction in which the Company operates that could have an adverse effect on its financial position or income and

The inability to self-finance through capital, due to any of the above circumstances or any other circumstance, may affect its future plans and pro ects and may also have a negative impact on its operating results or financial position. Furthermore, failure to meet market expectations in terms of our future earnings and cash distributions could adversely affect the market value of our shares and, as a result, its ability to self-finance through capital. Thus, should the Company be unable to obtain the necessary capital, its operating results could be adversely affected.

Orbia has hedges to mitigate the risk associated with fluctuations in interest rates and/or foreign exchange rates using swaps.

Orbia is exposed to interest rate risk, because a portion of its debt is at a variable interest rate, as well as foreign exchange risk, because it has debt and investments in currencies other than the Dollar. The Company's vulnerability to interest rates is primarily concentrated in the Interbank Equilibrium Interest Rate (TIIE) and LIBOR, which are reference rates used for financial liabilities, whereas the Company's exchange rate exposure is primarily due to debt and investments denominated in currencies other than the U.S. Dollar. A stress test is used to determine the Company's exposure to fluctuations in interest rates based on total financial debt linked to floating rates that are not hedged, and exchange rates based on the amounts of principal debt and investments in assets denominated in currencies other than the U.S. Dollar. Hedging transactions are regularly evaluated to ensure that they are aligned with interest rates and related risks thereby guaranteeing the most effective hedging strategy is in place, however the Company cannot guarantee that.

Had the TIIE and LIBOR interest rates increased 100 basis points in each reporting period and all other variables remained constant, pre-tax earnings for the years 2021, 2020, and 2019 would have decreased by $1 million, $2 million, and $4 million, respectively. The Company's exposure to Libor and TIIE interest rates on its long-term loans is insignificant, since most of the bank loans and long- term are at a fixed interest rate.

Orbia performs sensitivity analysis for a 10% increase or decrease in US Dollars, against the relevant foreign currencies. The sensitivity analysis only includes monetary items denominated in a currency other than the functional and reporting currency and ad usts their conversion at the end of the period with a fluctuation of 10%. In this way, by weakening the foreign currency (other than the Dollar) by 10% with respect to the main currencies, the greatest negative effect in terms of results in 2021, 2020, and 2019 would have been in euros per ($76) million, $107 million, and $123 million, respectively. Second, the effect would have been in Pesos ($21) million, $20 million, and $24 million for the years 2021, 2020 and 2019, respectively.

The Company cannot assure that the stress tests and hedges it performs are sufficient to cover possible contingencies derived from the stress scenarios considered, or from significant fluctuations in interest rates and exchange rates, which would adversely affect its financial position and operating results.

In addition, transactions with financial derivatives involve certain risks other than currency and interest rate risks, such as counterparty risk (collection risk), risks posed by unusual transactions in underlying or benchmark assets, and risks arising from the need to increase the collateral provided, among others. Such events may results in a material adverse effect to the Company's operating results and financial position.

Market practices and documentation of derivative financial instruments in Mexico may differ from those in other countries. The execution and enforcement of these types of operations depends on the Company's ability to develop adequate management and control systems and to hire and retain qualified personnel. These factors could further increase the risks associated with such operations and, as a result, could have a material adverse effect on Orbia's operating results and financial position.

The Company may not be able to protect its intellectual property rights

The Company may not be able to prevent third parties from using its patents and trademarks without its authori□ation or from otherwise infringing on its intellectual property rights. The intellectual property laws of the various □urisdictions in which Orbia operates and the enforcement of such laws by the authorities in such □urisdictions may not be efficient, which may affect the Company's ability to protect its rights over its intellectual property. The Company cannot guarantee that it will be successful if it tries to enforce its intellectual property rights. Because the Company believes that its patents and trademarks are one of its competitive advantages, if management is unable to enforce these intellectual property rights, the business could be adversely and substantially affected. In addition, any legal proceedings to enforce Orbia's intellectual property rights could be expensive and accordingly could adversely affect the Company's operating results.

The Company employs and develop technologies that may infringe on certain third-party intellectual property rights

Although the Company takes measures to ensure that it does not infringe upon third party intellectual property rights, management cannot guarantee that Orbia's processes and products do not infringe, or have not infringed at any time, on the intellectual property rights of third parties. Additionally, the Company cannot guarantee that third parties will not take any legal action for possible infringement on their intellectual property rights which may be successful.
Any legal action or proceeding by third parties could:

- Take a substantial amount of time to be resolved□
- Require the diversion of the attention of technical and administrative personnel, as well as the diversion of financial resources f to defend the Company against such actions□
- Require the development of products and services that do not violate third party intellectual property rights, or that adapt to royalty schemes or licensing contracts□and
- Require the use of any product or process that violates third-party rights to cease.

As a result, if any or all of these events were to occur, Orbia's operating results and financial condition could be adversely affected.

Higher financial compensation may be required to pay employees for technological innovation

In some of the countries in which Orbia operates, inventions conceived by any employee during his or her employment by a company will be considered an □invention service□and will belong to the employer, as is the case, for example, with the Israeli Patent Law 5727-1967. Thus, the employee who develops an □invention service□may be entitled to receive royalties derived from the profits generated by the employer as a result of the commerciali□ation of said □invention service□, unless such employee waives his or her right to receive royalties. Although the Company's employees generally agree to waive such claims, we may face claims for royalties or other compensation relating to □invention service□from employees who do not waive their right. As a result of such claims, we would be required to pay royalties or additional compensation to employees, or be forced to litigate such claims, which could adversely affect our business and operating results.

The Company is subject to legal and administrative proceedings in certain countries in which we operate, the results of which could adversely affect its business

Orbia is the plaintiff or defendant in multiple □udicial or administrative proceedings regarding it its routine operations in various foreign □urisdictions. The Company is fully committed to complying with applicable laws and regulations in the □urisdictions in which it operates.

However, in the event that such proceedings are initiated and/or the outcome thereof is not in the Company's interests, and the Company is unable to protect its interests, Orbia's operations, operating results or financial position may be adversely affected.

The costs of breach of environmental, health and safety laws, as well as any contingencies arising in relation to such laws, may increase, adversely affecting Orbia's operations, operating results, cash flows or financial position.

Orbia produces, distributes and transports ha□ardous materials as part of its operations, which involves risks of leaks and spills that could potentially affect both people and the environment. The Company also produces, distributes and sells products that are dangerous or have certain levels of global warming potential that may be restricted in the future. As a result, the Company is sub□ect to various laws and regulations relating to environmental protection, health and safety, among other factors, that govern the generation, storage, handling, use, repair, disposal, transport, emission and discharge of ha□ardous materials on land, in the air or in water, as well as the health and safety of our employees. In addition, chemical producers are sometimes sub□ect to unfavorable trade perceptions as a result of the environmental impact of their businesses, which could have an adverse effect on the Company□s operating results, cash flow and financial position.

□iven the nature of Orbia□s products, the Company is required to obtain permits from government authorities for certain operations. The Company cannot guarantee that it has, or will always fully comply with such laws, regulations and permits. If the Company violates or breach these laws, regulations or permits, regulators may fine or otherwise sanction the company. The Company could also be responsible for any consequences arising from human exposure to ha□ardous substances or other environmental damage.

Environmental protection laws are complex, change frequently, and tend to become stricter over time. Although the Company has budgeted for the capital requirements and operating expenses necessary to continue to comply with environmental, health and safety laws, management cannot guarantee that the latter will not change or become stricter in the future, or that regulations applied in certain countries or regions will also be applied and/or ad□usted in other countries or regions due to the adoption of international treaties. Subsequent changes in or additions to existing laws or regulations, or the enforcement or application of such laws or regulations, could cause the Company to incur significant unforeseen capital expenditures, which could affect future profitability or financial position. Therefore, the Company cannot guarantee that the expense of complying with, or the expenses arising from, stricter or different interpretations of applicable and future safety, health and environmental laws, as well as the Company□s responsibilities arising from past or future releases of, or exposure to, ha□ardous substances, will not adversely affect Orbia□s business, operating results, cash flow or financial position.

Climate risks

Orbia has been an official sponsor of the Task Force on Climate-related Financial Disclosures (TCFD) since 2019, and the Company has established ambitious climate commitments to contribute to the decarboni□ation of the planet.

In 2019, the Company completed its first climate-focused risk assessment, including 12 sites across 3 business groups in six countries. The main findings of the analysis were the following:

Physical risks: The physical risk of Orbia□s priority sites is low to medium. This is due to exposure to weather events such as cyclones, floods, fires, extreme temperatures and water stress.

The analysis was not limited to physical facilities□it also considered the impact on logistics and the flow of raw materials.

As an example of the above, in September 2017, as a result of Hurricane Harvey, certain subsidiaries of the Polymer Solutions business group declared Force Ma□eure in relation to the supply of all their PVC resin suspensions, copolymers and emulsions produced in Mexico, Colombia and USA because its main supplier of vinyl chloride (VCM) and other raw materials had declared Force Ma□eure.

□**arket, technological and regulatory risks:** In addition to the direct effects of meteorological phenomena, other impacts on the business were analy□ed regarding government or commercial regulations, new market rules or the emergence of technologies. Using a 2030 hori□on, a greater exposure to these risks were pro□ected, with some high business risks derived from a transition to a low-carbon economy. They are likely to include market pressure to use low-carbon materials, broader regulation of global carbon prices, or increases in the cost of resources, primarily electricity and water by 2030. Higher water stress scenarios, for example, could affect water costs. for the Company□s operations. Such scenarios, in turn, can impact the supply chain or production processes from a continuity and cost standpoint.

Orbia has used the results of this analysis to develop specific risk mitigation strategies for its businesses. These plans include reducing the Company□s carbon exposure, which complements the Company□s commitment to set science-based targets for emissions reductions and achieve net-□ero operations by 2050.

In the event that the Orbia does not comply with legal provisions regarding the prevention of corruption, bribery and money laundering, the Company could be subject to significant fines and its reputation and operations could be adversely affected.

The Company operates in several countries and is subject to complex regulatory frameworks, enforcement of which is becoming increasingly strict. The Issuer's corporate governance practices and the processes it uses to ensure compliance with the legal provisions to which it is subject may be insufficient to prevent violations of applicable laws, regulations and accounting or corporate governance standards. The Company may be affected by violations of its code of ethics, its anti-corruption policies and its business conduct protocols, as well as instances of fraudulent conduct and corrupt or dishonest practices by its employees, contractors or other representatives. Failure to comply with applicable laws and regulatory measures could damage the Company's reputation, lead us to incur significant fines or penalties and adversely affect the Company's operations, its ability to access the financial markets and, therefore, its financial position.

The use of social networks could adversely affect and impact the Company's reputation

The use of social networking platforms and similar media, including blogs, social networking sites and other forms of communication via the internet, which allow individual access to a wide audience and interested persons and their influence as agents of perception and opinion, has grown at a phenomenal rate worldwide. Inappropriate and/or unauthorized use of certain social media platforms may result in trademark damage or leakage of information that could have legal implications, including the improper dissemination and/or disclosure of personal data. In addition, negative or inaccurate comments or information involving the Company sent through social networks could damage Orbia's reputation, brand image and goodwill.

Consumers value readily available information about retailers, manufacturers and their assets and services, and often act on that information without further research, verification or considering its veracity. Easy access to information on social networking platforms and mobile devices is virtually immediate, as is its impact. Social networking platforms and mobile devices immediately publish the content that their subscribers and participants input, often without filtering or reviewing the accuracy of content. The opportunities to spread information, including false or inaccurate information, are virtually unlimited. Information that concerns Orbia, or that could seriously affect Orbia, may be transmitted through such platforms and devices at any time. This information could be inaccurate and harmful to the Company and could damage the business. This damage could be immediate and the Company may not have the opportunity to alter it or even correct it. These platforms may also be used to disclose trade secrets or put other valuable assets at risk, and in both cases, damage or affect the Company's business, operating results and financial position.

Changes in information technology could adversely affect the Company' s operations

If Orbia's information systems are unstable or obsolete, this could negatively affect the Company's business by reducing the flexibility of its customer value propositions or increasing operational complexity. Any such consequences could have a material adverse effect on the Company's business and operating results.

Orbia's operations could be affected by a failure, interruption or collapse of its IT (Information technology) system

The efficient execution of Orbia's operations is based on the implementation of IT-related processes and systems, which are used to effectively manage data, communications, network connectivity and other operational and business processes. Although the Company constantly improves its IT systems and protect its data with advanced security measures, system errors, interruptions or security breaches, such as computer viruses or theft of information or data, may occur. These failures, interruptions or collapses could have a material adverse effect on the Company's operating results or financial position.

Security failures in Orbia's information system and technological systems and processes could materially affect its subsidiaries, affiliates, suppliers and customers, as well as restrict or adversely affect access to the Company's networks and operating systems, or expose the Company to significant legal, financial, operational and reputational consequences

The execution of Orbia's business requires the use and storage of personally identifiable information (PII) from customers, employees and business partners. This information may include, but is not limited to, data, names, addresses, telephone numbers, e-mail addresses, contact preferences, tax identification numbers, and account payment information. Because of Orbia's profile and the amount of PII Orbia handles in its business, and the amount of strategic industrial and technological information stored in the Company's different internal systems, the Company's vulnerable to cyber-attacks and database infiltration.

The Company requires usage of usernames and passwords in order to access its IT systems. The Company also uses authentication and encryption technology designed to secure the transmission and storage of data and to restrict access to data and accounts. These security measures are potentially subject to third party failures or human errors, alterations, incorrect password control or other irregularities. For example, outsiders may attempt to fraudulently persuade

employees or customers to disclose usernames, passwords or other sensitive information that could be used to gain access to the Company's IT systems, directly affect the Treasury Department and extract sensitive or confidential information for illegal transactions or extract information that could expose the Company to the risk of claims of violation of current General Data Protection Regulations (GDPR). E-mails with executable attachments containing malicious software that, due to their complexity, are difficult to block and modify the delivery pattern, could lead to database infiltration.

Orbia invests a significant amount of resources on network security, data encryption and other security measures to protect its systems and data, but these security measures cannot provide absolute protection. If the Company is victims of infiltration of its internal systems and are unable to protect sensitive or strategic data, such infiltration could cause a material adverse change in the Company's business, relationships with business partners and customers, and its operating results and financial position.

Cyber-attacks or other disruptions to Orbia's network or information systems could have an adverse effect on the business

Cyber-attacks and disruptions to networks and systems, including the introduction of computer viruses, malicious code, denial of service, faulty software and other disruptions or unauthorized access to company systems, have increased in frequency, range and impact in recent years. The preventive actions Orbia takes to reduce the risk of cyber incidents and to protect its network and information may not be enough to stop a massive cyber-attack in the future. The costs associated with a potential massive cyber- attack on Orbia's systems include increased expenses associated with strengthening cyber security measures and decreased losses associated with disruption of our services, lawsuits, and damage to our reputation.

Cyber-attacks or other disruptions to our security network or information systems could cause equipment failure or disrupt our operations. Such failures, even when they occur over a short period of time, could cause significant losses or declines in the market price of Orbia's shares. In addition, potential losses from cyber-attack events and disruptions to our network could exceed the Company's insurance coverage. Furthermore, cyber-attacks may lead to the distribution, without the Company's consent, of valuable financial information and confidential data of our customers and business, resulting in failures to protect the privacy of our customers and business, which could have adverse effects on our operating results, reputation or financial position.

Orbia's contracting model for high-density polyethylene (HDPE) products involves certain risks related to customer retention, which could have a material adverse effect on the Company's financial and business situation

Orbia sells a substantial amount of high-density polyethylene (HDPE) products under short-term contractual orders. In addition, the Company has long-term contracts, particularly with agreements for voice and data telecommunications products in the U.S., Europe and India, among others. Most of the Company's agreements contain terms and conditions relating to pricing, including any type of resin transfer provision, and in general Orbia's customers are not required to purchase a minimum volume, and contracts can generally be terminated without cause and at short notice. As a result, customers have the ability to discontinue or substantially reduce the purchase of our products at any time. The loss of customers representing a significant volume of sales, as well as a significant decrease in customer orders for any reason, changes in manufacturing practices, transfer of part of the business to competitors, an economic recession or the inability to adapt services to the needs of our customers, can have a material adverse effect on the Company's financial position.

The operations of the Precision Agriculture, Data Communications and Building & Infrastructure business groups depend on the agriculture, telecommunications and construction industries, respectively

Orbia's Building Infrastructure, Data Communications and Precision Agriculture business groups largely depend on the viability of the construction, infrastructure, telecommunications and agricultural industries, respectively. A slowdown in the growth of these industries in the countries in which Orbia operates, or a negative change in the economic and demographic factors that influence these industries, could have a material adverse effect on the Company's results of operations, cash flows and financial position.

Changes in investment levels in the voice and data telecommunications industry could affect the production and sales of products in Data Communications

The different investments required by telecommunications industry participants to implement fiber optic and broadband communication systems greatly influence this industry, including the markets in which Orbia's Data Communications Business competes. Investment in this industry depends on a variety of factors, including:

- Local and federal regulation on foreign investment in telecommunications
- Consumer demand for fiber optics, broadband and wireless networks for products and services
- Regulatory decisions that limit the installation of new networks and improvements to the existing network

- The rights of way, and permits from local and state governments, in the countries where we operate, required to access the construction of new networks
- The evolution and acceptance of new standards in the industry
- Pressures related to competition in the sector, including prices
- The annual budget cycles
- Investments in private company projects and their investment cycles
- The impact on industry consolidation
- Access to financing and the general economic conditions of the market
- Price levels
- Existence, creation or improvement of alternative products, new technologies, etc., and
- Political stability.

The lack of investment in voice and data telecommunications, due to any of these or other factors, could have a material adverse effect on the Data Communication business group's sales, results of operations and financial condition.

Precision Agriculture's sales are highly dependent on the dynamism of the agricultural industry, including government support to this sector.

The sales of Orbia's Precision Agriculture business are cyclical and depend largely on the need for agricultural production of irrigated crops which, in turn, depends on many factors, including total global crop production, profitability of agricultural production, including return on investment for the end users of products, agricultural product prices, farm incomes,availability of financing for farmers, government subsidies for farmers, government policies and support for agricultural infrastructure, water supply and transport, regular rainfall and regional climate change. The rend of government support for farms, financial aid and policies regarding the ability to use water for agricultural irrigation can affect the demand for Orbia's irrigation products and irrigation system solutions. As farm incomes decline, producers may postpone investments, including the purchase of our products, or lookfor less expensive irrigation alternatives.

In addition, uncertainty or changes in government subsidies, policies and government support for agriculture may adversely affect Precision Agriculture's business, financial position or operating results.

Conditions in Israel could affect Precision Agriculture's business operations

Precision Agriculture is incorporated under the laws of Israel and its main offices and three of its production plants, including all manufacturing facilities for drip irrigation products, are located there. Precision Agriculture operations in Israel depend on imported raw materials and the company also exports a significant amount of its products from this country. In addition, all its information and data are in Israel. Since the creation of the State of Israel in 1948, there have been multiple military conflicts in which Israel and surrounding countries have been involved, including opposing Islamic military operations, as well as incidents of terrorist acts and other attacks, including the Second Lebanon War during the summer of 2006 and Israeli military campaigns in aa during December 2008, November 2012 and the summer of 2014.

Political, economic and security conditions in Israel can directly affect Precision Agriculture's operations. This could be adversely affected by hostilities involving the State of Israel, including terrorist attacks or any other hostility or threat to Israel, the interruption or reduction of treaties between Israel and its trading allies, a significant increase in inflation or a significant reduction in economic and financial conditions in Israel. Any present or future conflict, terrorist attack or tension within Israel's borders or political instability in the region may disrupt international business activities, adversely affecting Precision Agriculture's business and could damage the Company's financial condition and operating results. In addition, these military conflicts could cause damage the business's production plants in Israel.

Although Israeli law obliges its government to pay the reinstatement value derived from damages caused by terrorist attacks or acts of war, there can be no assurance that the policy of that government will be maintained, or will be sufficient, to compensate the Company for all expenses it may incur. In addition, indirect damages may not be covered. Any loss or damage in which Precision Agriculture has been involved, and which has not been paid by the Israeli government, could have an adverse effect on the Company. Certain countries, as well as certain companies and organizations continue or plan to participate in the boycott of Israeli companies, companies with significant operations in Israel, and others. Current and future boycotts, economic strikes or blockades, restrictive laws, policies or practices involving Israel or Israeli businesses, or citizens could adversely affect Precision Agriculture's business, financial condition or future operating results.

A decrease in prices or agricultural activity caused by weather or other conditions, crop diseases and natural disasters could lead to a decrease in demand for our products and adversely affect the Precision Agriculture business, financial condition or operating results

The Precision Agriculture business needs farmers to have funds available to buy its products. Crop prices are a factor in boosting sales of the business s products. Several factors influence crop prices and profitability, including weather, financial markets and water, as well as other supplies. Weather conditions, especially before the planting season, can significantly affect the purchasing decisions of consumers of irrigation equipment, pro ects and services in the locations in which Precision Agriculture operates. Natural disasters, such as regional floods, hurricanes or other storms, and droughts, along with crop diseases, can have significant effects on the demand for seasonal irrigation. Drought conditions, which generally positively affect the demand for long-term irrigation equipment, can adversely affect demand if water sources are not available, governments impose water restriction policies, or if farms reduce land for cultivation. Extreme weather conditions over an extended period of time or consecutive seasons, for example due to climate change, could reduce the availability of funds for farmers to purchase the Precision Agriculture technology and adversely affect its business, financial position or operating results.

Orbia's operations could be disrupted or affected as a result of the key management team's duty to perform military service

Some of the employees in the countries in which we operate are required to report for reserve duty, depending on age and rank within the armed forces. In addition, they may be called to the active reserve service at any time, in emergency circumstances for extended periods of time. For example, Precision Agriculture s operations could be interrupted by the absence, for a significant period, of one or more of its key employees as a result of military service. Thus, any duty of the management team or key personnel to perform military service or to report for active reserve service at any time could cause disruption to the operation of the business and potentially adversely affect operating results or financial position.

The activities of key joint venture partners could have a material adverse effect on the Company' s business.

In the course of business, Orbia enters into strategic partnerships with third parties.

Specifically, Orbia has a 50:50 strategic alliance oint venture with OxyChem for production of ethylene in a company called Ingleside Ethylene, LLC located in Ingleside, Texas, US,

Additionally, Orbia owns 80% of the capital stock of its Precision Agriculture business, Netafim, with the remaining 20% owned by Kibbut Hat erim. Kibbut Hat erim will retain the remaining 20% of Precision Agriculture s capital stock.

Orbia cannot make any guarantees as to how OxyChem, Kibbut Hat erim, or any of its other strategic partners, may act in the future which and accordingly, the action of such partners may adversely affect Orbia s business and operating results.

Orbia's agreements executed with OxyChem, ethane, ethylene and VCM suppliers may be insufficient to meet all of the Company operational and commercial needs, which may affect production costs due to increases in the price of our raw materials or lack of production capacity

The supply contracts entered into with OxyChem, ethane and/or ethylene suppliers or other VCM suppliers may not be sufficient to meet all of the Company s operational and commercial needs, which could have an effect on production costs due to an increase in the price of raw materials or the services required, or due to a lack of production capacity at Orbia s plants that prevents the Company from absorbing costs efficiently, as well as the loss of opportunities to sell products due to lack of access to the raw material used to manufacture them. Ethane is a raw material used to produce ethylene, which in turn is used in the production of VCM, the raw material necessary for the manufacture of PVC. Variations in PVC, caustic soda and/or ethane prices in the future could affect the Company s operating results and hinder or delay the recovery of the Company s investment in Ingleside.

The Company's mining concessions may be subject to being declared invalid, cancellation, suspension, expropriation or revocation, pursuant to applicable legal provisions and/or the Company may not be able to renew its existing concessions, which could have a material adverse effect on its operations and financial position

The Company owns the rights to several renewable mining concessions, mostly located in Mexico. In Fluorinated Solutions, there are several mining concessions that expire gradually from 2029 to 2061, which are renewable pursuant to the provisions of the Mining Act in Mexico. Fluorinated Solutions will take the necessary steps, pursuant to the deadlines established by law, to ensure the renewal of the concessions that are due to expire soon. However, the Company cannot guarantee that such renewals will be granted. Furthermore, and pursuant to Mexican legislation, Fluorinated Solutions is obligated to verify the investments in exploration and exploitation of these concessions, which to date have been carried out in a timely manner. PMV has a mining concession for the salt dome in Veracru that expires in 2043.

Under Mexican law, mineral resources belong to the Mexican nation, and the Federal Government may grant concessions to individuals to explore and exploit mineral reserves. The Company's mining rights derive from concessions granted by the Ministry of Economy. The Company's mining operations are mostly located in Mexico and are subject to the regulations and supervision of the respective governmental agencies. Mexican law stipulates that the Federal Government is entitled to declare the rights to the concessions awarded null, cancelled, suspended or void, and such concessions may be subject to additional conditions, or they may not be renewed upon expiration in the event that certain legal grounds are triggered.

Accordingly, the concessions the Company has in Mexico may be revoked without the right to compensation if the Company is unable to comply with the terms and conditions set forth in the concessions. In addition, the lots of land comprising the mining concessions in Mexico, as well as the related assets of our concessions, could be expropriated in the public interest, with a right to compensation, which could be limited to or less than the market value of the assets. In the event of a dispute regarding the amount of compensation, the Company may request the judicial authority determine such amount. The compensation shall be covered by the State in Mexican pesos, even if payment in kind is agreed. Pursuant to the Expropriation Act, the government will pay compensation within a period of 45 business days from the declaration of expropriation in pesos or through the payment of another asset. The Mining Act and its regulations do not set forth that, if a competent court decides to cancel a concession, the State must pay compensation to the concession holder. If the rights to Orbia's concessions are cancelled, terminated, suspended or revoked and the Company is unable to ensure fair compensation, the Company's operating results and financial position could be adversely affected.

Similarly, Mexican law sets forth that mining concessions will last fifty years, from the date of their registration in the Public Mining Registry and may be extended for the same amount of time subject to certain conditions. Although the Company plans to apply for such renewals and will comply with all the conditions necessary to obtain them, the Company cannot guarantee that the concessions will be renewed because the renewal of concessions is subject to the government's discretion. The Company's inability to renew any of its concessions could have a material adverse effect on its operations, operating results, financial position and outlook.

Under the terms and conditions of the concessions, the Company is required to comply with certain obligations under the Mining Act. Non-compliance may result in administrative sanctions imposed by the Ministry of the Economy or cancellation of the concessions. This could result in a material adverse effect on Orbia's operations, operating results, financial position and outlook.

To summarize, in the event of a possible expropriation of mining lots or assets used for the exploitation of mining concessions, or if the rights contained in concessions are declared null, cancelled, suspended or revoked, or if Orbia is unable to renew the concessions, or it would not be possible to receive adequate or timely compensation, the Company's operating results and financial position may be adversely affected.

The volume of fluorite reserves and production rate may be different than expected

The amount of fluorite reserves in Orbia's mines are determined under standards and practices established for the mining industry, using geological and engineering data to measure the estimated amounts of fluorite deposits that can be economically recovered and processed by mining.

The Company has prepared estimates of proven and probable reserves applying methods of evaluation and assumptions generally used by the mining industry. Although Orbia believes the findings of such studies to be reasonable, they are subject to several uncertainties beyond the Company's control that could have a negative impact on future levels of fluorite production. Fluorite bodies may not conform to standard geological expectations, and estimates may change as new data becomes available. Because fluorite bodies do not contain grades of purity or uniform types of minerals, mineral extraction rates may vary at any time.

Management cannot guarantee that estimates of the Company's fluorite reserve quantities will not differ substantially from the quantities of minerals that will be definitively recovered. In addition, fluctuations in market prices and changes in operating and capital costs may cause some of the fluorite reserves to be economically unviable for exploitation. Should this occur, the Company may be unable to obtain enough raw materials to meet its production targets and other commitments, which would have a material adverse effect on the Company's business and operating results.

Illegal imports of refrigerant gases to Europe affect sales of Fluorinated Solutions

The European Union revised the F-GAS Regulation in 2014 to gradually reduce the use of hydrofluorocarbons, a family of synthetic chemical products commonly used in refrigeration, air conditioning equipment, fire protection, aerosols and plastic foams. Due to the decrease in supply and the rise in price as a result of the application of import taxes to the region, the illegal trafficking of these products to meet demand through imports from China directly or through Russia, the Ukraine, Turkey and Albania have occurred.

The illegal import of refrigerant gases to Europe has decreased the downstream business of the Fluorinated Solutions for its highest added-value fluor products, and consequently, has decreased that business's revenues in Europe.

Due to environmental and health risks, the European Union authorities have taken actions to combat the illegal traffic of refrigerant gases. However, the Company cannot estimate how much longer, nor in what quantities, illegal imports to Europe will continue. The results of the Fluorinated Solutions business group will likely therefore continue to be affected.

(b) **Risk Factors relating to □exico and other countries in which the Company has its main operations.**

The Company's financial position and operating results are exposed to general economic conditions in the countries in which it operates. Orbia has a presence in various markets such as construction, refrigerants, agriculture/irrigation, industry, automotive, consumer, telecommunications (voice and data), energy, and urban and rural infrastructure, among others. The Company actively contributes to the development of Mexico and the countries in which it has an industrial and commercial presence through its subsidiaries, by focusing on each of its strategic sectors and channeling its products to intermediate or end consumers. As a result, Orbia has manufacturing and marketing assets and operations in several countries in the Americas, including: Mexico, Argentina, Bra□il, Chile, Colombia, Costa Rica, Ecuador, El Salvador, the U.S., □uatemala, Honduras, Nicaragua, Panama, Peru, and Vene□uela. In addition, the Company has operations in Europe, Africa and Asia as a result of the acquisitions of Polymer Building □ Infrastructure, Data Communications, Precision Agriculture y Fluorinated Solutions. Orbia has 119 production plants distributed in 50 countries with a commercial presence in more than 110 countries. Consequently, Orbia's activities, financial situation and operating results are sub□ect, to a great extent, to the general situation of the economies of the countries in which it operates and to the purchasing power of their populations.

Epidemics in the countries where we carry out our production and commercial operations or pandemics that affect all countries could interrupt operations by suspending activities, breaking supply chains or blocking product distribution chains

Orbia's global operations expose the Company to risks associated with public health crises and outbreaks of epidemics, pandemics, or contagious diseases, such as the current outbreak of a novel strain of coronavirus (□COVID-19□). The COVID-19 pandemic and the associated containment efforts have had a serious adverse impact on the global economy, including significant disruptions to supply chains and product distribution.

The current pandemic, or any future global health crisis, could materially affect the Company's ability to adequately staff and maintain its operations, including in the event government authorities impose mandatory closures, work-from-home orders and social distancing protocols, and seek voluntary facility closures and impose other restrictions to mitigate the further spread of disease. A global health crisis could also disrupt the Company's supply chain and materially and adversely impact the Company's ability to secure supplies for its facilities and to provide personal protective equipment for employees, which could materially and adversely affect its operations.

For example, the COVID-19 pandemic is having a negative impact on the cost and availability of global transportation and on the availability of semi-conductor chips for the automotive industry. It has also contributed to increased costs and decreased availability of labor and materials for construction pro□ects, which may result in increased costs or delays to the Company's capital pro□ects. There may also be long-term effects on Orbia's customers in, and the economies of, affected countries. Even if a virus or other illness does not spread significantly, the perceived risk of infection or health risk may materially affect Orbia's business.

Any of the foregoing within the countries in which the Company or its customers and suppliers operate could severely disrupt Orbia's operations and could have a material adverse effect on its business, results of operations, cash flows and financial condition.

To the extent the COVID-19 pandemic or other widespread health epidemic adversely affected or affects our business and financial results, it may also have the effect of heightening many of the other risks that could adversely affect our business such as risks associated with industry capacity utili□ation, volatility in the price and availability of raw materials, material adverse changes in customer relationships including any failure of a customer to perform its obligations under agreements with us, IT security systems risks, and risks associated with worldwide or regional economic conditions.

Changes in governmental policies in Mexico and other major countries in which the Issuer operates could adversely affect the Company's operations, operating results, financial position and outlook

The Mexican Federal □overnment, as well as the governments of other ma□or countries where the Issuer operates, including the USA, Bra□il, □ermany, the United Kingdom and India, among other countries, have exerted and continue to exert significant influence over the economies of their respective countries, or the political community in which they operate. Of net sales to third parties by destination in 2021 classified by geographic area, the Company generated 36% in Europe, 33% in North America, including 21% in the USA and 11% in Mexico, 19% in South America and 12% in other countries

Accordingly, the actions and policies of the governments of the countries in which the Company operates could have a material impact on the Company, and more generally on the market conditions, prices and returns of the Company's securities currently traded on the local and international markets.

There can be no guarantee that changes in the policies of the governments of the countries in which the Company operates will not adversely affect the Company's operations, operating results, financial position and outlook.

The economic, political and social conditions in Mexico, the USA, Germany, the United Kingdom, Colombia, Brazil and India may adversely affect the Company's operations

The Company's financial performance may be significantly affected by the economic, political and social conditions in the markets in which it operates. Several countries in Latin America, including Mexico, Brazil and Colombia, and in Asia, including India, and recently the United Kingdom, have suffered major economic, political and social crises. The Company cannot predict whether changes in government will result in reforms of government policies and, if so, whether such reforms will affect the Company's operations.

The Company is subject to exchange controls in some of the countries in which it operates

The Company is currently subject to exchange controls in some of the countries in which it operates, such as Venezuela, Brazil, Argentina, India, South Africa and China, among others. These controls restrict access to foreign currencies and limit the possibility of transferring funds outside such countries, including funds for interest or principal payments on outstanding debt. In addition, these controls affect Orbia's capacity to receive dividends and other distributions from subsidiaries in these countries.

If the Company is prohibited from transferring funds outside of the aforementioned countries or is subject to similar restrictions in other countries in which it operates, Orbia's operating results and financial position could be adversely affected.

Political, geopolitical and economic developments around the world, and particularly in the countries in which the Company operates or to which it sells its products and/or services, could adversely affect the Company's business plans, financial position and operating results

Orbia is subject to the political, geopolitical and economic developments in the countries in which it operates. Such events may include imposition of trade measures such as new tariffs, economic sanctions from developed countries on other countries for political reasons, and the termination or suspension of international agreements, as well as geopolitical event such as acts of terrorism, military or armed conflicts, such as the Russian invasion of Ukraine, or global pandemics, as discussed earlier.

Any such event may have a material adverse impact on the Company's operations, operating results and financial condition.

Events in Mexico or other countries could adversely affect the Mexican and other Latin American economies, the market value of the securities in which Orbia trades, and its operating results

The market value of securities of Mexican companies is affected by economic and market conditions in both developed and emerging countries. Although in such countries they may differ significantly from those presented in Mexico, adverse economic conditions could expand regionally or investors' reactions to events in any of these countries could have an adverse effect on the market value of securities of Mexican issuers. In recent years, for example, the prices of Mexican debt and equity securities have on occasion undergone substantial declines as a result of events in Mexico or in other countries and markets.

Furthermore, in recent years, there has been a greater correlation between economic conditions in Mexico and the economic conditions in the U.S. and the European Union as a result of free trade agreements which resulted in increased economic activity between these parties. Accordingly, the Mexican economy continues to be strongly influenced by the US and European economies and, therefore, the termination of free trade agreements, or a deterioration in economic conditions in, or delays in the recovery of, the economy in the US or Europe, could affect the economy in Mexico and Latin America. These events could have a material and adverse effect on the Company's results of operations and income, which could affect its liquidity, financial situation and/or the market price of the securities issued by the Company.

Inflation and government measures to restrict inflation and/or reactivate economies may adversely affect the economies of the countries in which the Company operates, as well as the Company's business, its operations and the market prices of its securities.

In the past, Mexico and certain countries in which the Company operates, including Argentina, Brazil and Colombia, have experienced high rates of inflation. Although many of these countries have maintained low inflation rates in the recent past, except for Argentina, there is no guarantee that this trend will continue. Measures taken by the governments

of these countries to control inflation have often included maintaining a restrictive monetary policy with high interest rates, which has restricted the availability of credit and reduced economic growth. Inflation, actions to combat it and public speculation of possible additional measures have contributed significantly to a lack of economic certainty in many of these countries, and increased volatility in stock markets.

These countries could experience high levels of inflation in the future. Periods of high inflation could reduce the growth rate of their economies, which could result in a reduction in demand for the Company's products and a reduction in sales. Inflation may increase some of Orbia's expenses and costs, which it may not be able to pass on to its customers and, as a result, may reduce its margins and net income. In addition, high inflation generally leads to local increases in interest rates and, as a result, the costs of repaying debt contracted at variable rates may increase, resulting in a decrease in net income. Consequently, inflation and its effects on local interest rates may lead to reduced liquidity in the local capital and loan market, which could affect the Company's ability to refinance its debt in such markets. Any reduction in sales or net income, and any deterioration in Orbia's financial performance, could affect the Company's liquidity and financial position.

Foreign exchange fluctuations of the currencies of the countries in which the Company operates, compared to the U.S. Dollar could adversely affect the Company.

Because Orbia's consolidated financial statements are presented in U.S. dollars, the Company must translate revenues and expenses, as well as assets and liabilities, into U.S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, increases or decreases in the value of the U.S. dollar against other currencies in countries where Orbia operates will affect the Company's results of operations and the value of balance sheet items denominated in foreign currencies. Due to the geographic diversity of the Company's operations, weaknesses in some currencies might be offset by strengths in others over time. Furthermore, the Company has exposure to foreign currency movements because certain foreign currency transactions need to be converted to a different currency for settlement. These conversions can have a direct impact on the Company's cash flows.

In addition, the Company exposed to adverse changes in interest rates.

The Company manages both these risks through normal operating and financing activities and, when deemed appropriate, through the use of derivative instruments. The Company cannot be certain, however, that it will be successful in reducing the risks inherent in exposures to foreign currency and interest rate fluctuations.

Antitrust laws in Mexico and other countries in which Orbia operates may limit the Company's ability to expand our operations

In Mexico and in the countries where Orbia operates, antitrust laws and related regulations could adversely affect the Company's ability to acquire, sell, and execute joint ventures. The approval of the Federal Economic Competition Commission in Mexico, and of the authorities of each country on this matter, is required for acquisitions, sales or significant joint ventures to be carried out. Failure to obtain antitrust authority approvals could result in fines, mandatory divestiture of assets, termination of key acquisition contracts, or the inability to continue business acquisitions or conclude those already agreed upon. The Company continues to expand its operations and may face stricter audits by the competent competition authorities in the various countries in which we operate or in the countries which we intend to enter.

Orbia currently has a relevant position in most of the markets in which it operates in both Latin America and Europe, according to data published by IHS Markit WVA, IHS Markit Chlor-alkali Market Report, Eurostat Economist Intelligence Unit, and market studies conducted by Orbia. Therefore, as the Company's operations and market position increase, the risks of limitations from antitrust regulations related to future acquisitions increases, which could have a material adverse effect on the Company's financial and operating results and ability to grow.

Breach or the imposition of stricter government regulations could adversely affect the Company

The Company is subject to various federal, state and municipal laws and regulations in the countries in which it operates, including those relating to mining, manufacture, use and handling of hazardous materials, environmental protection, workplace safety and consumer protection. Concessions, permits, licenses and authorizations from various government authorities must be obtained, conserved and renewed on a regular basis in order to carry out projects and operations. At all times, the Company seeks to comply with these laws and regulations. Failure to comply with the foregoing would result in fines, plant closures, cancellation of licenses, revocation of authorizations or concessions or other restrictions on the Company's ability to operate, which could have an adverse impact on its financial position.

Regulations governing the chemical industry have become more restrictive over time. The Company cannot be sure that new and more restrictive regulations will not be adopted or be applicable, or that there won't be stricter interpretations of current laws and regulations. Any such event may require incurring additional expenses to meet these new requirements in so far as possible, which would increase the Company's costs of operation.

The Mexican Congress and the legislative authorities of the countries in which Orbia has a presence may approve legislation that results in increases in tax obligations

In recent years, the Mexican government and some of the governments of the countries in which the Company operates have implemented various reforms to the tax laws applicable to companies, including Orbia. Should the Mexican government or any of the governments of the countries in which Orbia operates carry out tax law reforms that result in significant increases in tax obligations, Orbia may be required to pay higher amounts pursuant to such changes, which could have a significant negative impact on our operating results.

In December 2019, the Mexican government enacted several reforms to the federal tax laws, which - subject to specific provisions - entered into force on January 1, 2020. The most relevant points include: (1) the income tax rate for corporations was kept at 30%; (2) new provisions were included to implement international guidelines, such as the recommendations issued by the Organization for Economic Cooperation and Development (OECD), among others; (3) the powers of the Mexican tax authorities were strengthened; (4) a general anti-abuse rule and new transparency obligations for taxpayers and tax advisors were included; (5) additional limitations on the deductibility of interest were included; (6) tax deductions for payments made to entities resident in a low tax jurisdiction were limited; (6) additional rules are included that strengthen the applicable "Preferential Tax Regime" regime.

The Company's business, financial position and operating results could be adversely affected by the abovementioned changes.

The Company cannot conclude with certainty of what all the final outcomes of such reforms and potential changes to the tax laws of the countries in which it operates could be on its business, and furthermore, some governments may make significant changes to their tax policies in response to their weakened economies. Adverse or unanticipated taxation of the Company's business may have a material adverse impact on the Company's financial position and operating results.

In addition, taxation in several of the jurisdictions in which the Company operates or does business is often complex and subject to interpretation. The tax position of the authorities could differ from the Company's current or historical tax position, which could result in the payment of higher taxes on items for which the Company was not previously taxed, in addition to the conduct of audits of previous years and tax payments, as well as the imposition of additional taxes. Some of these actions and evaluations could be exhaustive and could result in the imposition of material sanctions, fines and/or updates. A focused analysis of each of the jurisdictions in which the Company operates is required to evaluate the various fiscal positions of the authority in turn, and thus be able to take the necessary actions. The various unfavorable resolutions taken by the authorities, the payment of additional taxes, the imposition of penalties, the payment of fines, sanctions, expenses or restatements resulting from changes and updates in the tax and fiscal position of the various authorities in any of the jurisdictions in which the Company does business could materially and adversely affect its operating results, financial position and cash flow.

IFRS differ in several respects from U.S. financial reporting standards or many of the Financial Reporting Standards that apply in the countries in which Orbia operates or in which our securities are traded

In Mexico, the USA and other countries, securities laws and regulations have been enacted to promote full and accurate disclosure of corporate information to investors. However, the Company is not required to comply with most of the securities laws in force in the USA or other countries and, therefore, the information reported may differ from and be presented in a manner that differs from the information available to companies operating or trading in the USA or other countries that are required to report their information according to securities listing standards pursuant to such regulations. The Company's financial statements are prepared in accordance with IFRS, which differ from United States Generally Accepted Accounting Principles in various respects.

(c) **Risk Factors related to Securities Issued by the Company.**

The market price of outstanding shares can fluctuate significantly

Volatility in the market price of ORBIA* shares could prevent investors from being able to sell their shares at the same price or at a higher price than they paid for them. The market price and market liquidity of ORBIA* shares could be significantly affected by several factors, some of which are beyond the Company's control and cannot be directly related to the Company's performance. These factors include, but are not limited to:

- Changes in the market valuation of companies offering similar products;
- Economic, regulatory, political and market conditions in Mexico, the U.S., Europe and other countries;
- Industry conditions or trends;
- Emergence of technological innovations that could make products and services less attractive or obsolete;
- The introduction of new products and services by the Company or its competitors;
- Historical and projected quarterly and annual operating results;
- Differences between actual or expected results and analysts' and investors' expectations;

- Announcements by the Company or third parties and events affecting operations
- Announcements, results or actions taken by competitors
- Perceptions of the Company investors or of the services it provides
- Changes in financial or economic estimates by securities analysts
- Environmental events, consumer perceptions of environmental issues and compliance with environmental laws
- The announcement of significant operations or capital commitments made by the Company
- Changes in laws or regulations
- Currency devaluations and imposition of capital controls
- Incorporation or departure of key management personnel or
- Future sales of shares.

In addition, the securities markets and, in particular, the securities markets of companies in Mexico and Latin America have experienced extreme fluctuations in prices and volumes that have often been unrelated to, or disproportionate to, the operating performance of these companies. Broad market and industry factors could materially and adversely affect the price of Shares, regardless of actual operating performance.

Relatively low liquidity and high volatility of the Mexican stock market could cause share prices and trading volumes to fluctuate significantly

Orbia s shares are listed on the Mexican Stock Exchange. Although the Mexican Stock Exchange is one of the largest stock exchanges in Latin America in terms of market capitali ation value, it remains relatively small, liquid and volatile compared to other foreign stock markets, such as in Europe and the USA. Although the public participates in securities transactions through the Mexican Stock Exchange, a significant portion of these transactions are carried out on behalf of institutional investors. These market characteristics could limit Shareholders ability to sell their shares and could adversely affect the market price of the shares. The trading volume of securities issued by companies incorporated or operating in emerging markets tends to be lower than the trading volume of securities issued by companies incorporated or operating in more developed countries.

Under Mexican law, shareholders' rights may be more limited, different or vague than in other jurisdictions

The corporate affairs of the Company are governed by the provisions of its articles of association and Mexican law, which may differ from the legal principles that would apply if it were incorporated in any urisdiction in the USA, such as the states of Delaware or New York, or in any urisdiction other than Mexico. For example, under Mexican law, the protection afforded to minority shareholders and the fiduciary duties of directors and officers are, in some respects, lesser than or different to those in the USA or other urisdictions. In particular, the legal regime of the fiduciary duties of directors in Mexico is not as comprehensive or developed as it is in the USA. In addition, the criteria for determining the independence of directors differ from the criteria applicable under the other laws.

The rights of holders of the outstanding shares who protect their interests in connection with any act by the Board of Directors, the Company or any of its members or its principal officers due to breach of their duty of loyalty may be limited or vaguer than the rights granted in other urisdictions. In particular, any action against the Company s officers and directors can only be initiated by holders of at least 5% of the outstanding shares, as opposed to a single shareholder or group of shareholders and are derivative actions on behalf of the Company rather than the affected shareholders. In addition, rules and guidelines on related party transactions and conflicts of interest may not be as well defined in Mexico as they are in the USA, leaving the shareholders at a possible disadvantage. Furthermore, the duties of loyalty and diligence of directors and officers are defined only in the LMV and have not been interpreted or defined by the competent courts to date consequently, the udicial interpretation of the meaning and scope of such duties is uncertain. Recently several reforms were published in Mexico that allow for the institution of class actions, however, the procedures for instituting such actions have not been defined. To date, there has not been a sufficient number of claims relating to breach of fiduciary duties, whether through class actions or derivative actions, to give rise to legal claims based on breaches of fiduciary duties or to assist in predicting the outcome of a potential claim. As a result of the foregoing, minority shareholders of the Company have greater difficulty in practice in deciding whether to exercise their rights against the Company or its directors, officers or controlling shareholders than they would have as shareholders of a company incorporated in the United States.

There can be no guarantee that Orbia will be able to pay or maintain cash dividends, and its dividend policies are subject to change. Payment and the amount of dividends are subject to decision by shareholders

The Company s Board of Directors must submit its audited consolidated annual financial statements for the previous fiscal year at Orbia s Annual eneral Shareholders Meeting for approval. Once shareholders approve the Company s audited consolidated annual financial statements, shareholders allocate the net income for the previous fiscal year.

The dividend policy is recommended by the Board of Directors and approved by the Company s Shareholders Meeting. While Orbia s principal shareholders continue to own a ma ority of the shares representing the Company s capital stock, such shareholders may determine whether dividends will be paid and the amount of such dividends. As a result of the

foregoing, there may be years in which the Company does not distribute dividends and others in which a substantial portion of Orbia's earnings is distributed. If the latter occurs, the Company's growth potential could be limited.

Orbia's dividend payment policy also depends on the generation of profits, flow generation, and projected investments in its different business groups. There are several factors that may affect the availability and intervals of cash dividend payments to Orbia's shareholders. The amount of cash available for dividend payments may be affected by various factors, including operating results, financial position, future capital requirements, contractual or legal restrictions stipulated in Orbia's current or future financings, those of its subsidiaries, and the ability to obtain resources from its subsidiaries, as well as many other variables. Cash available for dividend payments can vary significantly from estimates. Even when the Company intends to pay such dividends, there can be no guarantee that the Company will be able to pay or maintain cash dividends or that dividends will increase in the future. The results could differ significantly from the estimates informing the Board of Directors' recommendation to the Shareholders' Meeting to pay dividends or adjust the dividend policy.

There is no dividend payment policy. Until 2017, Orbia applied a criterion of paying up to 10% of the EBITDA for the corresponding fiscal year as a dividend, but this is not a formally adopted policy since there is no document setting it forth in writing, rather it was adopted at the request of the controlling shareholder.

In any event, under Mexican law, the Company can only make dividend payments when the losses of previous years have been paid or absorbed and the payment of the respective dividend is expressly approved by the shareholders. In addition, and pursuant to Mexican law, prior to a dividend distribution, at least 5% of the Company's net income must be allocated to the legal reserve fund until such reserve fund equals 20% of Orbia's capital stock. Additional amounts may be allocated to other reserve funds as determined by the shareholders, including the amount to be allocated to the share repurchase fund. The remaining balance of retained earnings, if any, may be distributed as dividends.

In 2018, an extraordinary dividend of $150 million was declared, payable during the second half of 2018, the sixth and last installment payment was made on February 26, 2020, and an ordinary dividend of $168 million was declared, payable in four installments during the course of 2019, which was paid in full in that fiscal year.

On December 2, 2019, Orbia's shareholders approved the payment of a dividend of $180 million payable in four installments during 2020.

On March 30, 2021, Orbia's shareholders approved to pay a dividend of $0.10 per share in four installments to be paid throughout the year.

On April 1, 2022, Orbia Shareholders' Meeting approved dividend payments of $300 million payable in four installments during 2022, comprised of an ordinary dividend of $240 million and an extraordinary dividend of $60 million.

If additional shares are issued in the future, shares may be diluted, and the trading price for ORBIA* shares may decrease

As part of Orbia business strategy, future acquisitions or corporate requirements and other expenses may be financed by issuing additional capital stock. Any issuance of Orbia's capital stock would result in the dilution of the Company's investors' equity. In addition, future issues of shares or sales by controlling shareholders, or the announcement of such an issue or sale, could result in a decrease in the market price of the Shares. Accordingly, the market price and market liquidity of ORBIA* shares could be affected by the issuance of additional shares for any of these purposes.

The principal and related shareholders, who control Orbia, may have interests that differ from the rest of the shareholders and the holders of the Notes

At the time of the issuance of this Annual Report, the Company's principal shareholder is Kalu', which is controlled by the Valle Perochena family which owns approximately 44.83% of the voting capital stock, so it should be considered to be a significantly influential shareholder pursuant to the LMV. The Valle Perochena brothers individually own 0.47%' other shareholders related to the Valle family have 9.27% of the voting capital stock, consequently along with Kalu' they should be considered a group, which will have significant influence over the Issuer, pursuant to the LMV. No governmental institution owns more than 5% of the voting capital stock.

Possible breach of the requirements to maintain a list of securities in the Mexican Stock Exchange or to register them in the National Securities Registry could affect the price of securities.

Orbia, as a result of the registration of its Shares in the RNV and their listing in the BMV, is subject to compliance with various disclosure requirements, among others, in order to maintain such registration and listing. In the event that Orbia is unable to comply with such requirements, the listing of Shares on the BMV could be suspended or even cancelled. In such an event, the market price of the Shares and Notes would be adversely affected.

Lack of a market for outstanding shares or a decrease in the marketability of shares could affect share prices

Orbia's outstanding shares are part of the sample of shares listed on the BMV whose averages are included in the IPC, according to the information on the behavior of ORBIA* shares in the BMV.

In accordance with the Marketability Index of the BMV, as of March 2021, the share was ranked among those that are grouped in the High Marketability category which includes the shares with the most stock exchange activity in the last six months. Since December 2008, ORBIA* has been included in the High Marketability category.

The Company cannot guarantee that the quotation, the volume, the amount traded and the number of transactions executed in the BMV will enable it to maintain the current position of ORBIA* as a High Marketability security, nor that in the face of decrease in the marketability of the share, ORBIA* will remain as part of the sample of the shares that make up the IPC. A lack of volume, amount traded and the number of shares traded could affect the marketability of the Company's shares and this could cause the Issuer to be removed from the sample of shares that make up the IPC, which could negatively impact the Company's share price.

The Company holds significant levels of debt

As of December 31, 2021, the Company's total debt was $3,887 million, comprised of $3,520 of debt contracts for purposes of covenant calculations and $367 million of capitali□ed leases, and its capital was $3,404 million. The Company's level of debt can have significant consequences for the investor. Among other things, it can:

- Limit the Company's ability to generate sufficient cash flows, or obtain additional financing, for working capital, capital expenditures, acquisitions or other future general corporate purposes□
- Limit the collaterals and guarantees that the Company can offer to obtain additional financing.
- Restrict the Company's ability to pay dividends□
- Require a substantial portion of cash flow from operations to make debt service payments□
- Limit flexibility to plan for or react to changes in operations and industry conditions□
- Limit the Company's ability to carry out additional acquisitions□
- Place the Company at a competitive disadvantage compared to its less leveraged competitors□and
- Increase the Company's vulnerability to the effects of the adverse economic conditions inherent to the industry.

There can be no guarantee that the Company will continue to generate cash flows in sufficient amounts to service its debt, meet its working capital and capital expenditure requirements or carry out its expansion plans. If sufficient operating cash flow cannot be generated, or in the event that additional loans or financing cannot be requested, it will probably be necessary to sell assets, reduce capital expenditures, refinance all or a portion of existing debt, or obtain additional financing through equity or debt issuances. If this happens, there can be no guarantee that the debt will be refinanced, that assets will be sold or that additional financing will be obtained on terms that are acceptable to the Company. In addition, the capacity to incur additional debt will be limited as stipulated in the credit line agreements. (See section 3, □Financial Information,□item c) Relevant Credit in this Annual Report).

Additionally, the Company may incur additional debt in the future. The modalities under which the Notes and Sustainable Bonds were issued allow Orbia and its existing and future Subsidiaries to incur additional debt, as do the vehicles that govern the Company's existing debt. If the Company incurs additional debt, the above risks could be exacerbated.

Lack of market for notes

The secondary market for Notes and the Sustainable Bonds is limited and there is a possibility that such a market will not develop. There are several factors to which the price at which Notes are traded is sub□ect, such as the level of general interest rates and market conditions for similar instruments. The liquidity of the Notes and the Sustainable Bonds may be adversely affected if such a secondary market does not develop and the Holders thereof may not be able to dispose of their Notes and the Sustainable Bonds in the market. There can be no guarantee that a secondary market will develop for Notes and the Sustainable Bonds or that, if one does develop, that it will provide liquidity to Holders. For this reason, Holders should be prepared to hold on to the Notes and the Sustainable Bonds until their maturity and assume all risks arising therefrom. Neither Orbia nor the corresponding placement intermediaries are obligated to generate a secondary market for the Notes and the Sustainable Bonds, nor do they guarantee that such a market will develop, therefore the Holders assume the risk that in the future there may not be buyers for such securities.

The contractual documents that govern the Notes, the Sustainable Bonds and the instruments that regulate the existing debt impose significant operating and financial restrictions, which could prevent capitali□ation on business opportunities presented to Orbia.

The contractual documents that constitute and regulate the Notes, the Sustainable Bonds and the instruments that govern Orbia's existing debt, contain restrictions that limit the Company's ability to take certain actions in the future and to participate in certain transactions, either directly or through its subsidiary companies. Furthermore, under some of the current debt agreements Orbia has entered into, the Company is required to maintain specific financial ratios and

confirm its compliance at any time. Events beyond the control of the Company may affect its ability to comply with these obligations and mean that it may not be able to adhere to these limitations and verify compliance. Failure to perform any of these obligations could result in an event of breach, which could, in turn, cause the immediate and accelerated maturity of all amounts due under such contracts or securities. The restrictions set forth in the contracts and securities that constitute their debt could limit the Company's ability to take advantage of attractive growth opportunities for currently unforeseen business, particularly if they were limited to increasing debt or making investments in order to take advantage of such opportunities.

The contracts and securities governing the debt, including the Notes and the Sustainable Bonds, contain cross default provisions that may cause all debt issued under such instruments to become due and payable immediately as a result of a default event set forth in another unrelated debt instrument

The instruments governing the Notes and the Sustainable Bonds contain certain obligations and the contracts or securities governing other loans also contain obligations and, in some cases, require Orbia and its subsidiaries to comply with and demonstrate compliance with certain financial ratios. Any breach of these obligations could result in an event of default on the corresponding contract or security, which in turn could result in the related debt or other credits established under different instruments becoming immediately due and payable. In such an event, Orbia would need to obtain financial resources from alternative sources, which it may do under favorable or unfavorable conditions, at the necessary time, or it may not obtain any resources at all. Alternatively, any default event could require Orbia to sell assets or reduce its operations to satisfy its obligations to its creditors. Past events could affect the Company's ability to grow, its financial position or operating results.

Orbia may not be able to obtain the financial resources necessary to finance the consequences of a change of control offer set forth in the terms of the instruments governing the Notes and Sustainable Bonds.

Pursuant to the provisions of the contractual documents of the Notes and the Sustainable Bonds, if an event occurs that triggers a change of control (as defined in such documents), Orbia will be obligated to offer to purchase each series of Notes and the Sustainable Bonds at a price equivalent to 101% of the principal value of each series of Notes, plus accrued and unpaid interest at the time of purchase. Such events could affect the company's ability to grow and its financial position or operating results. In the event of a change of control, Orbia will need to refinance a significant amount of its debt, including the Notes or Bonds, as well as other loans under other contracts or lines of credit. Orbia may not have sufficient financial resources available to make the obligatory purchase of the Notes under such circumstances, and the Company would therefore be in breach of this obligation, which in turn would trigger a cross default provision as set forth by any other debt instrument. Any debt that Orbia owes in the future may also place restrictions on the repurchase of the Notes due to the aforementioned change of control.

The debt payment guarantees by Orbia's subsidiaries may not be immediately enforceable

Each series of Notes and Sustainable Bonds, as well as other financing, are fully and unconditionally guaranteed □ointly and severally by certain subsidiaries of Orbia. These guarantees provide creditors with the basis for filing a direct payment claim against such subsidiaries□however, such guarantees may not be immediately enforceable under applicable law.

Pursuant to applicable law, in the event that any of these subsidiaries is sub□ect to a bankruptcy or insolvency proceeding, any payment of the guarantee granted to Orbia could be considered a fraudulent payment and declared null and void because the other creditors of said subsidiary would not be given equal treatment. If any of these events should occur, the likelihood of payment of the Notes or the Sustainable Bonds, or other financing when applicable, and their respective market value would be materially adversely affected. In addition, pursuant to the Bankruptcy Act and other applicable legislation in Mexico, if Orbia or any of its guarantor subsidiaries or guarantors are declared bankrupt, the payment obligations for Orbia loans or loans its guaranteeing subsidiaries (i) would be converted into Mexican pesos and from pesos to Investment Units or UDIs (units ad□usted to the official inflation rate recogni□ed by Banco de M□xico), and would no longer be ad□usted to the exchange rate of the Mexican peso to the U.S. Dollar, after the first conversion (ii) payment would be made at the same time as all other creditors□claims□(iii) would be sub□ect to the result of recognition of priority or preferential obligations□and (iv) payment of the Notes, the Sustainable Bonds, or other financing would be sub□ect to preferential payment of certain obligations including tax, labor and social security debts and credits with specific collateral, which would take precedence over any other claims, including claims of any investor with respect to the Notes and the Sustainable Bonds or such collateral. Furthermore, the validity of each guarantee is sub□ect to the existence and validity of the principal obligation being guaranteed. Because of the foregoing, its performance is not separate from the guaranteed principal obligation.

A federal court, or in the absence thereof, any other court, may rule in favor of such a determination if it finds, among other factors, that a guarantor subsidiary exercises its guarantee or grants a lien (or, in some □urisdictions, where such guarantor is obligated to make payments under the pledged assets):

- and such guarantor subsidiary would have received compensation less than the reasonable equivalent or a reasonable value compared to that which it would have received for granting its guarantee or for the granting of a lien□

- and/or such guarantor subsidiary:

  1. was (or was declared) insolvent due to the granting of the guarantee
  2. was or was about to conduct a deal or transaction in which its assets constituted unreasonably small capital for conducting its business
  3. intended to incur, or considered that it would incur, obligations that were beyond its capacity to pay at the time of maturity
  4. It was a defendant in a damage proceeding, or already had a judgment issued against it for damages and, in any event, after the judgment became final, the judgment was not complied with.

If an attempt was made to legally enforce the guarantees, enforcement could be subject to a court ruling, and because the guarantee had been granted for the direct benefit of the Company, and only indirectly for the benefit of the guarantor, the obligations of the guarantor in turn could be incurred for less than their fair value or fair compensation. A court could therefore invalidate the obligations under the guarantees and related agreements and subordinate them to the other debts of the guarantor in turn or take other actions harmful to the holders of the Notes and the Sustainable Bonds.

Although courts in different jurisdictions measure insolvency differently, in general, a company would be considered insolvent if the sum of its debts, including contingent and unpaid debts, exceeds the fair value of its assets, or if the current value of its assets is less than the amount that would be required to pay the liabilities of its debts, including contingent and unpaid debts, as they become payable.

If the guarantees cannot be exercised under the above conditions, the Notes and the Sustainable Bonds would be subordinated to all the liabilities, including the accounts payable, of the guarantor subsidiaries. A court may also issue a judgment against the holders of the Notes ordering them to reimburse any amounts paid to them under such guarantees or to exercise the proceeds of the guarantees. If any guarantee or lien were invalidated, the holders of the Notes or the Sustainable Bonds would no longer have a direct claim against the guarantor subsidiary, but would retain their rights against the Company and any other guarantor subsidiary, even though there was no guarantee that the assets of the respective subsidiaries would be sufficient to pay the Notes or the Sustainable Bonds in full.

The provisions of Mexican law may make it difficult for holders of Notes and Sustainable Bonds to convert the amounts paid by the Company to the holders in Mexican pesos into U.S. dollars or to achieve recognition of the full value of such payments

Orbia is obligated to pay the Notes and other credits in U.S. dollars. However, under Mexico's Monetary Act, payment obligations in Mexico in foreign currencies, either by agreement or by order of a judge, may be made in Mexican pesos at the exchange rate at the time and place of payment or of the corresponding court. Pursuant to the foregoing, Orbia will be obligated to pay loans taken out in currencies other than Mexican pesos, as set forth by Mexico's Monetary Act, and the Company cannot guarantee that the amounts paid will be converted by the beneficiary into U.S. dollars or that, if converted, such amount paid will be sufficient to acquire dollars in the same amount of the principal, interest, or additional payments derived from such instruments or loans in currencies other than Mexican pesos.

Holders of the Notes and Sustainable Bonds may be limited in their ability to institute proceedings or lawsuits against the Company in Mexican courts

Orbia and some of its guarantor subsidiaries are companies incorporated under the laws of Mexico. Almost all of its directors and key executives, as well as the directors and key executives of many of its guarantor subsidiaries are Mexican citizens and residents. A significant percentage of the Company's assets and those of some of its guarantor subsidiaries are in Mexico, and a very significant percentage of the Company's sales and those of some of the guarantor subsidiaries originate from sources in Mexico. Therefore, it could eventually be difficult for holders of Notes and other debt instruments taken out by Orbia in currencies other than the Mexican peso to serve process and bring legal proceedings or lawsuits against the Company or its guarantor subsidiaries outside of Mexico or against its directors or key executives or to enforce judicial rulings issued by courts or tribunals outside of Mexico's jurisdiction, in all matters relating to civil obligations under laws of jurisdiction outside of Mexico, including proceedings instituted pursuant to the civil provisions of U.S. securities laws or other US laws.

Charging interest on interest may not be enforceable in Mexico

Mexican law does not permit charging interest on interest and, as a result, the accrual of interest in the event of default on ordinary interest payments on the Notes, the Sustainable Bonds and other loans taken out by Orbia may not be enforceable in Mexico.

The payment of the Notes and the Sustainable Bonds, as well as the related guarantees, may be structurally subordinated with respect to the debt obligations of the guarantor subsidiaries as well as subsidiaries who are not guarantors of Orbia, in the same way other debt that does not have the same guarantee structure would be structurally subordinated to that which does

The Notes constitute part of Orbia's guaranteed debt and their payment preference is equal to that of other debts, but they could be structurally subordinated with respect to the payment of other guaranteed credit obligations and also structurally subordinated to debts contracted by the guarantor and non-guarantor subsidiaries. Although the holders of the Notes and the Sustainable Bonds have a direct right to claim payment, this right is not guaranteed over the assets and properties of Orbia or of the guarantor subsidiaries; therefore, the payment of the Notes and the Sustainable Bonds is subordinated with respect to the debt of Orbia and its subsidiaries that have a specific applicable guarantee for payment up to the value of such assets. In addition, under Mexican law, the payment obligations of the Notes are subordinated to certain preferences established by law, including wage and salary claims, guaranteed obligations, social security, workers' housing funds, taxes, fees for and expenses of lawsuits. Similar legal preferences may apply in other jurisdictions where subsidiary guarantors have been incorporated. In the event of Orbia's liquidation, such legal payment preferences will prevail over any other claim, including those of any holder of the Notes and the Sustainable Bonds.

A decrease in Orbia's credit risk rating and/or its loans could adversely affect its ability to access credit markets

If any of the credit ratings are downgraded by the rating institutions, or if the current ratings are subject to negative reviews by the rating agencies, the Company's ability to access the credit markets could be seriously affected and the associated costs of financing could increase. Changes in credit ratings could also affect the price of the Company's securities, including the Notes and the Sustainable Bonds.

d) Other Securities

The securities that Orbia has registered in the RNV and trades in the BMV are:

i. Ordinary, nominal, without stating a nominal value, freely subscribed shares representing the capital stock of Orbia Advance Corporation, S.A.B. de C.V., and which grant full corporate and patrimonial rights to all holders of such shares, listed under the ticker symbol ORBIA*, and

ii. *Senior Notes*

On September 19, 2012, Orbia Advance Corporation, S.A.B. de CV, issued and placed "Senior Notes" for a total amount of $1,150 million, in two blocks: one of $750 million, with a term of ten years with a fixed rate coupon of 4.875% and another of $400 million, at a thirty-year term with a fixed coupon rate of 6.75%. In both blocks of "Senior Notes" Interest is paid semi-annually on March 19 and September 19 from its issue date and until its maturity on September 19, 2022, and September 19, 2042, respectively. The "Senior Notes" have been listed on the Luxembourg Stock Exchange and for trading on the market called "Euro MTF Market". These "Senior Notes" have not been registered in the National Securities Registry, nor have they been authorized by the National Banking and Securities Commission, nor have they been registered according to the regulations of the "U.S. Securities Act of 1933" or US Securities Act, which governs securities operations in that country, were only offered to buyers considered qualified investors as defined by "Rule 144-A" or Rule 144-A of the US Securities Law, in that country, and outside the US, to persons not resident in said country, under "Regulation S" under the same US Securities Law.

For this issue of both the $400 million Senior Note due in 2042 and the $750 million Senior Note due in 2022, Fitch Ratings gave the rating "BBB-", Standard & Poor's "BBB-" and Moody's "Ba1" with a stable outlook. The $750 million Senior Note due in 2022 have been fully amortized.

On September 17, 2014, the Company issued and placed "Senior Notes" for a total amount of $750 million for a term of thirty years, which accrue a fixed annual rate of 5.875%, payable semi-annually on March 17. and September 17 from their issue date and until their maturity on September 17, 2044. The "Senior Notes" have been listed on the Luxembourg stock exchange and for trading on the market called "Euro MTF Market". These "Senior Notes" have not been registered in the National Securities Registry, nor have they been authorized by the National Banking and Securities Commission, nor have they been registered according to the regulations of the "U.S. Securities Act of 1933" or US Securities Act, which governs securities operations in that country, were only offered to buyers considered qualified investors as defined by "Rule 144-A" or Rule 144-A of the US Securities Law, in that country, and outside the US, to persons not resident in said country, under "Regulation S" under the same US Securities Law.

The credit risk rating granted for this issue by Standard & Poor's was "BBB-", by Fitch Ratings "BBB", and by Moody's "Baa3".

On October 4, 2017, Orbia issued and placed "Senior Notes" for a total amount of $1,000 million in two tranches, $500 million for a term of ten years (with maturity on October 4, 2027) and $500 million for a term of thirty years, with maturity on January 15, 2048, which accrue a fixed annual rate of 4.0% and 5.50%, respectively, payable semi-annually on April 4 and October 4, for the first tranche and on December 15. January and July 15 for the second tranche. The "Senior Notes" have been listed on the Luxembourg Stock Exchange and for trading on the market called "Euro MTF Market". These "Senior Notes" have not been registered in the National Securities

Registry, nor have they been authori□ed by the National Banking and Securities Commission, nor have they been registered according to the regulations of the □U.S. Securities Act of 1933□or the US Securities Act, which governs securities operations in the same country, were only offered to buyers considered qualified investors as defined by □Rule 144-A□or Rule 144-A of the US Securities Act, in that country, and outside the US, to persons not resident in said country, under □Regulation S□under the same US Securities Act.

The credit risk rating assigned for this issue maturing on October 4, 2027, are: Standard □ Poor□s □BBB-□, Fitch Ratings □BBB□and Moody□s □Baa3□

The credit risk ratings assigned for the issue maturing on January 15, 2048, are: Standard □ Poor□s □BBB-□, by Fitch Ratings □BBB□and Moody□s □Baa3□

On May 11, 2021, ORBIA announced the successful closing of its inaugural issuance of Sustainability-Linked Bonds in the amount of $600 million in senior notes due May 2026 bearing interest at an annual rate of 1.875%, and $500 million in senior notes due May 2031 bearing interest at an annual rate of 2.875% (the □Notes□).

These issues received a credit rating of □Baa3□by Moody□s, □BBB-□by Standard □ Poor□s and □BBB□by Fitch Ratings.

iii. Orbia reported that on August 23, 2021, it made the first issue of Euro Commercial Paper for an amount of □30 million (thirty million euros), through the placement of the respective notes (promissory notes), at an over cost of 0.35%, with a maturity date of up to September 23, 2021. The notes were issued under the Euro Commercial Paper Program established by Orbia on June 2, 2021, for an amount of up to □750 million (seven hundred and fifty million Euros) with issues that will be valid for less than one year and will not be listed on any stock exchange (the □Program□).

These issues received a credit rating of □A-3□by Standard □ Poor□s and □F3□by Fitch Ratings.

Orbia is up to date on the submittal, during the last three fiscal years, of all the legal, operational, administrative, and financial information that it is required to submit, by virtue of the fact that the outstanding shares are registered in the RNV and listed on the BMV. Similarly, the Issuer is up to date on the submittal during the last three fiscal years of all the legal, operational, administrative and financial information that it is obliged to submit pursuant to the contracts for the issuance of international debt to the agent (Deutsche Bank National Trust Co and CI Banco, S.A. Instituci□n de Banca M□ltiple), as well as the revolving credit to the agent bank MUF□ (Bank of Tokyo).

The Issuer provides information to the investing public on an annual basis, which includes the reports presented to the Ordinary □eneral Shareholders□Meeting approving the results of the previous year, the resolutions of the shareholders□ meetings, quarterly information, information on repurchase fund operations and notices of relevant events.

e) Significant Changes to the Rights of the Securities Registered in the Registry

In the last three fiscal years, the securities held by the Company registered in the Registry have not undergone significant changes to the rights they confer on their holders.

f) Destination of Funds

During 2021, 2020, and 2019 fiscal years, the Company did not register securities in the RNV. Nor are there resources pending application as a result of securities issuances carried out in previous years. (*See Section 1, "General Information", item d, "Other Securities", of this Annual Report*).

g) Public Documents

Investors may verify the public documents and information submitted by the Company to the CNBV and the BMV, at the BMV□s offices located at Avenida Paseo de la Reforma n□mero 255, Colonia Cuauht□moc, C.P. 06500, M□xico, Distrito Federal, or on its website: www.bmv.com.mx, or on the CNBV website at the following website: www.cnbv.gob.mx.

Orbia has provided the CNBV and the BMV with the information required by the LMV, the Sole Issuer Circular (CUE), the internal regulations of the BMV, and other applicable provisions, therefore such information is available to investors.

Copies of the above documentation and this Annual Report may be obtained upon request from any investor by contacting the Company□s Director of Investor Relations, □erardo Lo□oya Latap□gerardo.lo□oya□ orbia.com, telephone number(52) 55 5366 4084 or Diana Echemend□a Echeverr□a diana.echemendia□ orbia.com, telephone number (52) 55 5366 4483, Address: Avenida Paseo de la Reforma 483, piso 47, Colonia Cuauht□moc, Alcald□a Cuauht□moc, Ciudad de M□xico, 06500, M□xico, or on Orbia□s website: www.orbia.com.

2. THE ISSUER

a) History and Development

i. Company Name and trade name of the Issuer

Orbia or the Company, as it is commercially known, was originally incorporated under the name of □rupo Industrial Camesa, S.A. and in 1984 adopted the variable capital corporation regime. On April 27, 2005, the Company changed its name to Mexichem, S.A. de C.V. and on December 6, 2006, it adopted the regime of publicly-traded variable capital corporation.

At the Company□s Shareholders□Meeting held on August 26, 2019, it was decided to approve the change of its corporate name to Orbia Advance Corporation, S.A.B. de C.V. This change reflects the new strategy and global reorgani□ation undertaken by the Company, which implies the re-branding of its identity and image in accordance with its mission, vision and philosophy.

ii. Date and Place of Incorporation and Duration of the Issuer

The Company was incorporated by means of public deed number 34,080, dated June 30, 1978, issued by Notary Public number 112 in and for the Federal District, the first official transcript of which was recorded in the third book of the Commerce Section of the Public Registry of Property and Commerce for the Federal District, in volume 1066, on page 190 and under number 212. The duration of the Company is indefinite.

iii. Address and telephone numbers of main office

Avenida Paseo de la Reforma 483, piso 47, Colonia Cuauht□moc, Alcald□a Cuauht□moc, Ciudad de M□xico, 06500, M□xico
Telephone no.: □52 55 5366 4000
Web address: www.orbia.com

iv. Historical Events

1953
Orbia□s origins date back to 1953, when the company Cables Mexicanos, S.A., a manufacturer of wire rope, was incorporated. It later changed its name to Aceros Camesa, S.A. de C.V.

1978
A holding company called □rupo Industrial Camesa, S.A. de C.V. (□ICSA) was incorporated, which controlled Aceros Camesa, S.A. de C.V. and its subsidiaries. □ICSA shares were listed in the BMV in the same year it was incorporated.

1986
□ICSA acquired the company Compa□□a Minera las Cuevas, S.A. de C.V., whose main activity consisted of the exploitation of fluorite mines in the state of San Luis Potos□.

1997
□rupo Empresarial Privado Mexicano (□EPM), held by the Valle family, acquired □ICSA, which in turn acquired a 50.4% stake in Qu□mica Pennwalt, S.A. de C.V., a company that produces chlorine, caustic soda, hydrochloric acid, resins, PVC compounds and other derivatives. The French chemical group Elf Atochem held 49.3% of the shares in Qu□mica Pennwalt, S.A. de C.V.

2003
□ICSA acquired 100% of the Mexichem, S.A. de C.V. shares.

2004
In May 2004, Qu□mica Fl□or, S.A. de C.V., a producer of hydrofluoric acid, was acquired, and the company□s operations were integrated with that of Compa□□a Minera Las Cuevas, S.A. de C.V. Through this acquisition, the Company became the largest integrated producer of hydrofluoric acid in the Americas.

In December 2004, the Company acquired □rupo Primex, S.A. de C.V., the market leader in Mexico and Latin America

in the production of PVC resins and compounds, as well as of phthalic anhydride. Through this acquisition, the Company positioned itself as the leading producer of PVC resins in Mexico and the third- ranking producer in Latin America.

2005
In order to focus on the chemical business, the Company sold its wire rope business in June 2005.

That same year, the Company changed its corporate name from □rupo Industrial Camesa, S.A. de C.V. to Mexichem, S.A. de C.V. in order to strengthen the strategic positioning achieved by the □roup in the chemical sector. The □roup□s strategic vision was focused on this sector and sought consolidation and vertical integration of its production chains, which is why it only acquired companies related to its value chains (which are now business groups).

2006
Qu□mica Fl□or, S.A. de C.V. and Mexichem Fl□or, S.A. de C.V. merged, with Mexichem Fl□or, S.A. de C.V. surviving.

The company began its international expansion in February 2006 with the acquisition of Bayshore □roup, a business that produces PVC compounds in the United States.

2007
In order to consolidate its PVC business, in February 2007 the Company acquired Amanco Holding, Inc., a PVC pipe producer and leader in Latin America in water conveyance systems. Through this acquisition, Orbia formed the Fluent business group, which existed until the 2019 tax year, after which the Company decided to separate into three business groups.

In March that same year, the Company acquired the PVC resin manufacturer Petroqu□mica Colombiana, S.A. (PETCO).

In June 2007, the Company acquired a 50% share of C.I. □eon Andina, S.A., a producer of PVC compounds, located in Colombia.

2008
In January 2008, the Company acquired 70% of the capital of DV□ Industria e Comercio de Pl□sticos Ltda. (Plastubos), a Bra□ilian company speciali□ing in the production of rigid PVC pipes for drinking water and drainage, for the housing, infrastructure, irrigation and electricity markets. Subsequently, the Company exercised the call option on the remaining 30%.

In April 2008, the Company acquired 100% of the shares representing the capital stock of Fluorita de R□o Verde, S.A. de C.V., along with the production plants located in the municipalities of R□o Verde, San Luis Potos□ and □lamos de Mart□ne□, □uana□uato, as well as the mining concessions to exploit the Fluorita □Lilia II□ and □La Esperan□a□ mines. This company produces Fluorite concentrates, which are used for consumption by Mexichem Fl□or, in its plant located in Matamoros, Tamaulipas.

In June 2008, the Company acquired 100% of the shares representing the capital stock of Quimir, S.A. de C.V., a Mexican company that produces and markets industrial and food phosphates.

Also, in June 2008, the Company acquired □eotextiles del Per□, S.A., securing Orbia□s position as a leader in the geotextiles market and at the same time it expanded its offering of other geosynthetic solutions in the Peruvian market.

That same month, the Company acquired the Bra□ilian company Fiberweb Bidim Industria e Comercio de Nao-Tecidos Ltda., which manufactures and sells nonwoven products for □eotextiles.

In November 2008, the company acquired Colpo□os, S.A., located in Cali, Colombia, which alongside its well drilling, construction, maintenance and repair activities for water extraction, it designs, builds and installs water management solutions in applications such as pumping and irrigation systems.

2009
On March 31, 2009, the Company acquired 100% of the capital stock of Tubos Flexibles, S.A. de C.V., a Mexican company that produces PVC pipes and fittings.

In August 2009, the Issuer□s capital stock was increased by 153,600,000 new shares, representing an increase in capital of $2,258 million Mexican pesos. In September 2009, a 60,000 MT per year capacity aluminum fluoride plant was inaugurated at the Mexichem Fl□or, S.A. de C.V. facilities located in Matamoros, Tamaulipas. A $60 million investment was made in this plant.

In September 2009, the first placement of Stock Exchange Certificates issued by Orbia was made in the Mexican debt market for $2,500 million Mexican pesos, for a 5-year term with a 28 Day Interbank Equilibrium Interest Rate (28 Day TIIE) plus 2.44 basis points under the ticker symbol MEXCHEM 09. The funds obtained were used to refinance debt and change its maturity profile, with only 15% of its total debt remaining in the short term. On July 20, 2011, Orbia decided to exercise its right to accelerate all of the Stock Exchange Certificates of this first placement by paying the holders the amount set forth in the corresponding instrument plus the premium for accelerated amortization stipulated therein.

In October 2009, the Company acquired the remaining 50% of the shares in C.I. Geon Andina, S.A., a company that produces PVC compounds, located in Colombia.

During the month of November 2009, the first placement of Senior Notes in the amount of $350 million over 10 years at an annual rate of 8.75% was made. The funds obtained were used for general corporate purposes, including working capital and possible future acquisitions. An amount of $267.1 million was prepaid in September 2012 and settled in November 2019 upon maturity.

2010

In January 2010 Amanco del Perú, S.A. (now Mexichem Perú, S.A.) increased its share of the capital stock of Plastisur, S.A., a PVC pipe manufacturer, from 25% to 98.45%. Plastisur merged with Tuberías y Geosistemas del Perú, S.A., a subsidiary of the Company, immediately after Orbia increased its equity interest.

In March 2010, the Company acquired the Refrigerants division of Ineos Group with a presence in the United Kingdom, the United States, Canada, Japan and Taiwan. Through this acquisition, Orbia strengthened its global presence in the refrigerant gas market for the automotive, medical, and construction sectors.

In June 2010, the Fluorinated Solutions business group, inaugurated Hydrofluoric Acid plant II in the city of Matamoros, Tamaulipas, which has a capacity of 30,000 MT per year and an investment of $40 million. This investment was financed with the Company's own funds and bank loans.

In October 2010, Orbia acquired 100% of the shares of Policyd, S.A. de C.V. (a manufacturer of PVC resins) and 100% of the shares of Plásticos Rex, S.A. de C.V. (a manufacturer of PVC pipes). Included in the payment to the seller for this transaction were all the assets, rights and property necessary for the operation of the Santa Clara Plant, owned by the Company, located in the municipality of Santa Clara, Estado de México. Policyd, S.A. de C.V. merged in October 2010 with Mexichem Resinas Vinílicas, S.A. de C.V. and Plásticos Rex, S.A. de C.V. merged with Mexichem Soluciones Integrales, S.A. de C.V. in June 2011.

2011

On January 7, 2011, Orbia acquired 100% of the shares representing the companies Alphagary Corporation and Alphagary Limited, PVC compound producers located in the United States and the United Kingdom, respectively. This acquisition, which brought new technologies, gave Orbia the potential to research and develop new products.

On August 31, 2011, the Issuer signed a revolving line of credit for $1,000 million for a term of three years, under a Club Deal format, at a rate of LIBOR plus 90 basis points, which allowed the Company to increase its financial flexibility and take advantage of opportunities that arose in its markets to consolidate its strategic growth plans while improving its debt repayment profile.

On September 2, 2011, the Company offered and placed the second issue of Stock Exchange Certificates under the Program with the ticker symbol MEXCHEM 11 (as it had not yet changed its corporate name as of that date nor upon the issue's maturity), for an amount of $2,500 million Mexican pesos. The principal was due in a single payment on September 2, 2016, paying a gross interest rate equivalent to TIIE plus 60 basis points. The funds were used to pay the bridge loan used to accelerate the payment of the issue of MEXCHEM 09 Stock Exchange Certificates, therefore, the issue did not increase the total amount of active debt, but it did strengthen the financial structure, reduce the financial cost and modify its long-term maturity profile.

In December 2011, Plastubos, which was acquired in 2008, merged with Mexichem Brasil Industria de Transformação Plástica Ltda.

2012

In January 2012, the Company acquired 100% of the shares of Fluorita de México, S.A. de C.V., a company located in the municipality of Múzquiz, Coahuila. Through this acquisition, Mexichem gained access to Fluorita's high-purity mining concessions.

On March 15, 2012, the CNBV authorized the expansion of the Stock Exchange Certificates Program for an amount of up to 10,000 million Mexican pesos or its equivalent in UDIS and for a term of up to 5 years as of the date of such

expansion. Orbia therefore publicly offered and placed on September 9, 2011, 25,000,000 Stock Exchange Certificates, and on March 21, 2012, 20,000,000 Stock Exchange Certificates of the MEXCHEM 11 issue, so that this issue would reach a new total of 45,000,000,000 Stock Exchange Certificates with a par value of 100.00 Mexican pesos each. The principal was accelerated in a single payment on September 23, 2014.

On March 21, 2012, Orbia made the third issue of Stock Exchange Certificates (ORBIA 12) under the Program, for 30,000,000 Stock Exchange Certificates, with a par value of $100.00 Mexican pesos each, with the maturity date of March 9, 2022, through a single payment, for a term of approximately 10 years, paying a gross annual interest rate of 8.12%, which will remain fixed during the term of this third issue.

In May 2012, Orbia acquired, through a public offering, 95.7% of the shares of Wavin, B.V., a company located in the Netherlands. This company produces plastic pipe systems. It has operations in 18 European countries. In March 2013, the Company acquired the remaining 4.3% of Wavin, B.V. shares.

At Orbia's Ordinary and Extraordinary General Shareholders' Meetings held on April 30 and May 18, 2012, respectively, shareholders approved the payment of a dividend of $136 million (1,800 million Mexican pesos), payable from the Company's CUFIN account. This dividend was paid, according to each shareholder's choice, either (i) in kind through the delivery of one Issuer Share for every 45 Shares of the corresponding shareholder, or (ii) in cash at the rate of $1.00 Mexican peso per Share. In order to facilitate the payment of this dividend, the shareholders authorized a capital increase of up to 40,000,000 Shares. As a result, at the May 18, 2012, Shareholders' Meeting, shareholders approved the issuance of 28,029,771 Shares at a subscription price of $45.00 Mexican pesos for each new Share. The corresponding funds were used to pay the dividend to the shareholders who elected to receive the cash payment. The remaining 11,970,229 shares were issued as payment of the dividend in kind to the shareholders who decided to receive payment in Shares.

On September 14, 2012, Orbia announced the results of its cash redemption offer for a total of $350 million Pesos on debt instruments at an 8.75% rate due in 2019 (the "Redemption Offer"). In addition, consent was requested from the holders of debt instruments in order to make modifications to the terms and conditions of such securities. The Redemption Offer and consent expired on September 13, 2012, and on the expiration date, $267.1 million of the outstanding amount of the debt instruments (or 76.32% of those securities) accepted the offer and gave their consent. The Redemption Offer was settled on September 19, 2012, paying a consideration of $1.245 Mexican pesos for each Mexican peso of par value plus unpaid accrued interest on the settlement date.

On September 19, 2012, Orbia successfully finalized the transaction for the issuance of long-term debt instruments, and due to the excess demand for this issue (over 17 times), it was decided to increase the initial amount of the debt instruments to be issued, with a resulting value of $1,150 million. The issuance was made in two blocks: one of $750 million for a 10-year term with a fixed rate coupon of 4.875% and another of $400 million for a 30-year term with a fixed rate coupon of 6.75%.

The Company used the proceeds from the issuance of $1,150 million for corporate purposes and, in general, primarily to prepay debt as follows: (i) up to $600 million for the prepayment of its revolving credit dated August 26, 2011, and (ii) up to $436 million to repay long-term debt, of which $333 million (principal of $267 million and premium of $65 million) has been used to repurchase debt instruments maturing in 2019, through the Redemption Offer that expired on September 13, 2012, $38.0 million ($484 million Mexican pesos) to repay the loan taken out with BBVA Bancomer and $65 million to pay a loan from Bancolombia, S.A., and prepaid interest and fees of $16 million. The remaining balance of $97.8 million was left in the Company's cash.

On October 9, 2012, Orbia concluded its primary public offering of shares through which it increased its authorized variable capital stock by issuing 260,000,000 Single Series, Class I shares with a price of 60.00 Mexican pesos per share (par value of $1.3192 Mexican pesos per share and the differential generated a premium on share subscription) the amount of funds obtained was $1,211 million ($15,600 million Mexican pesos), which are presented net of placement expenses and their income tax effect of $1,185 million.

2013

In March 2013, Orbia reached an agreement with PolyOne Corporation to acquire 100% of its specialty PVC resin operations in the United States, assets consisting of two production plants and a research and development center. Through this acquisition, Orbia entered the specialized resin products market with higher margins. The approximate value of this acquisition was $250 million.

During 2013 Orbia signed the joint venture agreement with Oxy to build an Ethylene Cracker in Texas, USA. This is part of the vertical integration strategy to capture the competitive advantage of shale gas in North America.

During 2013 PMV, the strategic alliance between Orbia and Pemex began operations in the last quarter of 2013, in line with the plan to increase the capacity of VCM from around 120 thousand tons/year to more than 400 thousand tons/year.

2014
On June 30, 2014, the Company took out a $1,500 million five-year revolving line of credit with a rate of LIBOR plus 95 basis points at 1.35 basis points□this range depends on the utili□ation level and the rating assigned by S□P and Fitch. With this revolving credit, Orbia increased its financial flexibility to take advantage of the opportunities that arise in its markets to consolidate its strategic growth plans.

On September 17, 2014, the issuance of a $750 million 30-year Senior Note under Rule 144-A / Reg S with a spread of 270 basis points on U.S. Treasury bonds was completed. The Senior Note was payable on maturity. The proceeds were mainly used to refinance the □MEXICHEM 11□issue maturing in 2016 and to fund acquisitions.

On September 19, 2014, Orbia acquired 100% of the shares of Dura-Line Holding Inc. from CHS Capital. Dura-Line, based in Knoxville, Tennessee, USA, has a strong presence in the telecommunications market in several countries and regions around the world. This includes the United States, India, Europe, South Africa and others. This acquisition was valued at $630 million.

On September 23, 2014, Orbia accelerated all the □MEXCHEM 11□stock certificates.

In December 2014, Orbia acquired 100% of the shares of Vesto PVC Holding □mbH (Vestolit). Vestolit is the only European producer of high-impact suspension PVC resin (HIS-PVC) and the second largest producer, also in Europe, of PVC paste and the sixth largest European producer of PVC resins. Vestolit is in Marl, □ermany. Its total installed PVC capacity is 415 thousand tons per year. This acquisition strengthened the Company□s position in the European market. Additionally, this acquisition gave Orbia access to new technologies and best practices that have improved the operations of its Polymer Solutions business group. Vestolit was acquired for a total of $219 million euros in cash and assumed liabilities. As of December 1, 2014, Vestolit was consolidated into the Vinyl Business □roup for accounting purposes.

On December 31, 2014, Mexichem UK Ltd. acquired from E.I. Du Pont de Nemours and Company the exclusive worldwide rights for the distribution and sale of pharmaceutical grade HFC-227ea/P, for the regulated medical and pharmaceutical market for medical propellants. This transaction supports the Company□s strategy with a focus on global growth through participation in specialty products. The product is used to safely release various medicines in aerosol form, including fixed-dose inhalers for the treatment of asthma. The product will be sold under the □EPHEX□ brand, owned by the Issuer, the world□s leading brand of medical propellants with approximately 75% of the market for medical inhalers produced worldwide. The acquisition price was $4.1 million.

2015
On May 12, 2015, Orbia inaugurated a new manufacturing plant in Hyderabad, India. The plant produces high pressure ducts and pipes for the water, telecommunications (voice and data) and gas markets. The new plant is Orbia□s fourth plant in India, along with two others located in □oa and one in Neemrana, near Delhi. The location of the Hyderabad plant in southern India will provide Orbia with a strategic location to export to Southeast Asia, serve customers in southern India, and capture new business opportunities in the region. The opening of the plant is part of Orbia□s ongoing strategy to become a global, vertically integrated chemical company with a focus on specialty products and solutions. An investment of $3.4 million was made in the plant.

2016
On October 26, 2016, the Company announced the acquisition of □ravenhurst Plastics Ltd. (□PL) in Temiskaming, Ontario, Canada in order to reinforce its global growth model in value-added specialty products. □PL supplies high-density polyethylene (HDPE) piping and ducts for fiber optics as well as construction products in the Canadian market. The transaction was consolidated into the Fluent business group and had a value of $13 million paid in cash.

On November 28, 2016, Orbia announced the acquisition in the United Kingdom of 100% of the shares of Vinyl Compounds Holdings Ltd. (VCHL), a leading supplier of PVC compounds serving a wide range of industries including: building and construction, pipe and profile manufacturing, footwear and consumer goods. The Derbyshire-based PVC composite manufacturer, VCHL, generated annual revenues of approximately $40 million at the time of acquisition. Orbia consolidated VCHL□s operations under its Compounds business unit, a leading supplier of PVC compounds, which is part of the Polymer Solutions business group. This acquisition had a value of □24 million pounds sterling, equivalent to $30 million paid in cash.

2017
In February 2017, the 50/50 □oint venture formali□ed on October 31, 2013, between the Issuer and Occidental Chemical Corporation (OxyChem), the Ingleside Ethylene LLC, began operations on time and on budget of the ethylene cracker in the OxyChem complex located in Ingleside, Texas, USA. During the second quarter of 2017, the Cracker began

commercial operations. The Cracker has a production capacity of 1.2 billion pounds (550,000 metric tons) of ethylene per year and provides OxyChem with a continuous source of ethylene for the production of vinyl monochloride (VCM), which the Company uses to produce polyvinyl chloride (PVC resins) used to make PVC pipes, among other products. The total amount invested during 2017 and 2016 alone was $62 million and $350 million respectively (based on asset accounting and not cash flow). The joint venture also includes the gas pipeline and storage plant in Markham, Texas, USA.

On March 23, 2017, the Company announced that the U.S. International Trade Commission (ITC) found that imports of refrigerant gas R-134a were causing material damage to the R-134a production industry in the United States. The decision was the result of a year-long investigation by the U.S. Department of Commerce, which found that imports of R-134a from China were entering the United States at prices below fair value. On February 22, 2017, the Department of Commerce announced that imports from China of R-134a engaged in dumping practices and imposed anti-dumping duties of between 148.79% and 167.02%.

In August 2017, Mexichem Soluciones Integrales Holding, S.A. de C.V. (MSIH), an Orbia subsidiary, reached an agreement to acquire: i) voting shares representing 80% of the subscribed and paid-in capital stock of Netafim, ii) all non-voting shares representing approximately 0.4% of the subscribed and paid-in capital of Netafim, and iii) certain loans granted by some of the shareholders of Netafim, Bluedrip S.ar.l, and Netafim Hatzerim Holdings, Cooperative Association Limited, in favor of Netafim.

On September 27, 2017, Orbia successfully completed the $1,000 million 144ª / Reg S bond offering. The offering consists of two tranches: $500 million 4.00% fixed rate bonds due in October 2027 and $500 million 5.50% fixed rate bonds due in January 2048. The proceeds of the offering were used primarily to finance the acquisition of Netafim, L.T.D. (Netafim).

On December 20, 2017, Orbia announced the decision of PVM shareholders not to rebuild its VCM production capacity. As a result, the VCM business, the assets and liabilities associated with the production of ethylene and the ancillary services associated with VCM and ethylene were classified on that date as discontinued operations in its consolidated financial statements and other statements. Thus, all impacts and recognized revenues related to the incident at the VCM plant are reported as discontinued operations. In 2018, $22.8 million of revenue was recorded in the same item of discontinued operations for complements to the estimates made by Orbia the previous year. In addition, PMV's decision not to rebuild the VCM plant resulted in the additional cancellation of $196 million related to the assets of the Ethylene plant and ancillary services related to the VCM and Ethylene plants, which were also listed as discontinued operations.

2018

On January 22, 2018, Orbia announced that it acquired Sylvin Technologies Inc. (Sylvin), which is a manufacturer specializing in PVC compounds based in Denver, Pennsylvania, USA. for $39 million free of cash and debt. Sylvin, on the date of the announcement, had a 30-year history serving a wide range of industries including: cable, electrical, industrial, automotive, medical and food product industries. Orbia consolidated Sylvin into the Polymer Solutions business group under the Compounds business unit. By combining Sylvin's customer-oriented business model, its strong work force, and application development capabilities with Orbia's global compound business, they will be able to offer greater added value to their U.S. customers. Sylvin's key raw materials are PVC resins, plasticizers, and stabilizers, which should result in synergies with the operations of Orbia's Polymer Solutions business group.

On February 7, 2018, Orbia completed the acquisition of 80% of the shares of Netafim LTD (Netafim), a leading Israeli company in micro irrigation solutions, after obtaining all government authorizations and fulfilling the prerequisites required in the Share Purchase Agreement signed in August 2017. The price paid for the acquisition was $1,424 million. Kibbutz Hatzerim will retain the remaining 20% of Netafim's capital stock. This transaction represented a significant step forward in Orbia's long-term strategy to position itself as a world leader in specialized products and solutions, serving high-growth markets. Orbia consolidated Netafim in the Fluent business group.

The acquisition was mainly financed as follows: (i) cash of $239 million, (ii) new short-term loan of $200 million, and (iii) cash flows from the issuance of a long-term bond of $985 million.

On July 6, 2018, Orbia announced that in line with its strategy of consolidating key businesses, it reached an agreement for the acquisition of 44.09% of the shares representing the capital stock held by Pemex in Petroquímica Mexicana de Vinilo, SA de CV. (PMV), through its subsidiary PPQ Cadena Productiva, S.L., after approval by the Boards of Directors of both Pemex and Orbia. The transaction amount was approximately $159.3 million, which is within the valuation ranges of comparable companies and prior transactions in the petrochemical sector. Orbia completed the acquisition on November 16, 2018, meaning that, from that date, PMV was exclusively a subsidiary of Orbia and its activity, as of that date until the date of this Annual Report, only consisted of the operation of the chlorine-soda plant.

2019

On June 24, 2019, the Company informed the investing public that it had signed the renewal of its revolving credit for $1,500 million dollars, with 5-year maturity and upgrading different clauses and conditions in line with its investment grade rating based on the Standard Poor s ratings (BBB- global scale and MXAA/MXA-1 national scale), FitchRatings (BBB global scale and AA (mex) national scale) and Moody s (Baa3 global scale). The credit could be used for any company purpose, including acquisitions, debt refinancing and the financing of commercial transactions, among others. This arrangement replaced the one that was signed in 2014 for a term of 5 years with a syndicate of 10 of the most globally renowned banks.

At the Company s Shareholders Meeting held on August 26, 2019, shareholders approved the change of corporate name to Orbia Advance Corporation, S.A.B. de C.V reflecting the new strategy and global reorgani ation undertaken by the Company, to align its image in accordance with its mission, vision and philosophy.

For the Company s management, the fiscal year marked the culmination of the implementation of a multi- year growth strategy based on acquisitions, which significantly increased the Company s global footprint and market penetration.

The Company defined and announced a new name, purpose, and strategy to reflect its r ability to meet the most pressing global challenges and its commitment to advance life around the world.

The Company reorgani ed into five business groups focused on providing customer-driven solutions through the verticals of Data Communications (Dura-Line), Precision Agriculture (Netafim), Building Infrastructure (Wavin), Fluorinated Solutions (Koura) and Polymer Solutions (Vestolit and Alphagary). The Company also started to implement its play-to-win strategy to capitali e on organic growth opportunities and generate greater operational and financial performance.

2020

On January 10, 2020, the Company informed the investing public that, as part of its strategy, it continuously seeks business opportunities, as well as options for acquisitions, sales, mergers and any other financial transactions that allow it to maximi e shareholder value. In this context, the Company announced that it was in the process of analy ing divestiture options or strategicalliances with third parties for its Polymer Solutions business, without there being certainty or approval on the completion of any transaction at the time.

On March 5, 2020, the Company notified its agent bank with which it had entered into a $1.5 billion Revolving Line of Credit agreement on June 21, 2019, that the line of credit would be reduced by $500 million, leaving a remaining available balance of $1 billion. The revolving line of credit bears monthly interest at LIBOR plus 1.05%. The loan principal is repayable in a single installment upon maturity on June 21, 2024. On March 27, 2020, the Entity drew down the remaining full amount of the available line of credit, which was repaid during 2020 as follows: $400 million on September 30, $350 million on October 30, $175 million on November 30 and $ 75 million on December 30.

In March 2020, the World Health Organi ation (WHO) declared Coronavirus disease (COVID-19) a global pandemic. Orbia took comprehensive measures to protect employees, customers and communities from the risks associated with the COVID-19 pandemic, including those summari ed below:

- It maintained strict health and safety measures at all its operating sites.
- It introduced staggered back-to-work protocols, when applicable, for essential sites and facilities.
- It continued restricting all non-essential business travel, as well as promoting remote working for a large section of employees at a global level.
- It continued using digital tools to work efficiently and drove innovation while improving digital infrastructure to adapt, increase volume and satisfy customer needs.
- It increased online training and learning, while extending remote medical support and healthcare access to all employees.
- It implemented the employee assistance program in certain regions to offer medical and psychological support, which will continue after the COVID-19 pandemic.

The ma ority of Orbia s facilities and plants remained in operation through the pandemic, and the supply chain was practically unaffected. The Company also adapted its production processes, streamlining prototype creation periods to supply essential medical equipment and materials, including the thousands of inhalers that use its propellants or adaptable critical care equipment, rapid COVID-19 test devices, sanitation tents and health evaluations as well as medical grade personal protective equipment manufactured with its plastics.

The most significant effects on Orbia s financial performance included a decrease in sales resulting from a decline in demand mainly during the months of April and May 2020. Orbia also made use of lines of credit as precautionary measures in the face of the uncertainty resulting from the COVID-19 emergency.

On May 29, 2020, Orbia informed the investing public that, due to the impact of the COVID-19 pandemicon the world economy and capital markets, it had decided to pause efforts related to a possible divestitureor other strategic option for its Polymer Solutions business. The Company stated that it had decided to wait for a stable environment that would allow it to maximi□e its shareholder value in a potential transaction, adding that the Company believes that Polymer Solutions is a solid business with aunique global position and strong cash flow generation and that will continue to drive its sustainable and profitable growth.

On September 16, 2020, the Company set up a U.K. Commercial Paper Program for □300 million PoundsSterling through the issuance of promissory notes with the Bank of England and Her Ma□esty□s Treasury (HM Treasury) underthe Covid Corporate Financing Facility. These promissory notes expired on May 18, 2021□the annual cost of the equivalent line in US dollars was 0.74%, and they were not listed on any stock exchange. The Company gained access to this financing option offered by the Bank of England during the COVID-19 pandemic due to its operations and presence in the United Kingdom. This trade paper program reduced the Company□s overall cost of financing and the uncertainty caused by the pandemic.

On November 18, 2020, Orbia completed its first corporate venture capital transaction through an investment in SeeTree, a leading start-up in the agricultural technology sector with a focus on tree cultivation. SeeTree uses military grade telecommunications, surface sensors, artificial intelligence and machine learning in an integrated manner to prevent pests in trees and to maximi□e productivity at a lowcost. Precision Agriculture is partnering with SeeTree to incorporate the company□s advanced technology into its solutions offering. This investment represents a significant step for Orbia and Precision Agriculture towards driving the development of conscious and profitable agriculture.

On December 31, 2020, the Company recorded a reserve of $25 million in connection with the investigation of Vestolit □mbH by the European Union competition authorities. On January 15, 2021, a fine of □22.367 million was paid to the European Union competition authorities, putting an end to the matter.

In April 2020, to better enable operational and financial decision making and analysis, the Company redefined its business group structure from Vinyl, Fluor and Fluent, to Building and Infrastructure, Data Communications, Precision Agriculture, Fluorinated Solutions and Polymer Solutions.

2021

On January 7, 2021, Orbia announced that, as it had reported on several occasions, in the ordinary course of business, the Company continually explores opportunities to create value for its shareholders, including potential alliances, mergers, acquisitions, sales and other strategic transactions. Accordingly, Orbia evaluated value creation opportunities, including the possible sale and/or strategic alliances in relation to its Polymer Solutions (Vinyl Business). Orbia did not enter into any binding contract to carry out any specific transaction and has no current plans to do so.

In early 2021, Orbia announced a partnership with the Resilient Cities Network (R-Cities), the world□s leading network of cities. Through the Building □ Infrastructure, Precision Agriculture and Data Communications groups, Orbia will work with R-Cities members to develop innovative solutions to current challenges such as transportation infrastructure, water supply, urban food systems and connectivity, which can improve the quality of urban life. These initiatives will contribute to the Company□s progress towards three Sustainable Development □oals.

On January 19, 2021, Orbia announced the appointment of Sameer S. Bharadwa□as the new □eneral Director effective February 1, 2021, after Daniel Mart□ne□-Valle resigned from said position by mutual agreement with the Board of Directors. Management.

On February 25, 2021, Orbia informed the investing public that CAPEX would be between $350 to 400 million for the year.

On March 15, 2021, Orbia reported that Precision Agriculture signed a definitive agreement for the acquisition of □akon Horticultural Pro□ects, the Dutch leader in turnkey greenhouse pro□ects. The acquisition is synergistic, combining the global presence and expertise of Precision Agriculture and □akon□s greenhouse technology. □akon brings unique experience in all aspects of greenhouse pro□ect execution, greenhouse manufacturing capabilities and a proven track record in key verticals.

In April 2021, the Company entered into an agreement to purchase all of the shares of □akon Holding B.V and □akon S.p.□o (□akon).

On May 6, 2021, Orbia Advance Corporation, S.A.B. of C.V. carried out the issuance and placement of Bonds Linked to Sustainability in the international capital markets: it issued $600 million dollars in senior notes maturing in 2026 (5 years) at an annual rate of 1.875%, and $500 million dollars in senior notes maturing in 2031 (10 years) at an annual rate of 2.875%. The issue received a Baa3 credit rating from Moody□s, BBB- from S□P and BBB from Fitch Ratings.

Orbia applied the resources obtained to prepay existing debt and for general corporate purposes. With this, Orbia's debt profile improved significantly by extending the average maturity of the Company's credit liabilities to 14 years, with no significant maturities before 2026.

On May 13, 2021, Orbia announced the acquisition of a ma□ority stake in Shakun Polymers Private Limited (□Shakun□), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the Indian subcontinent, Middle East, Southeast Asia and Africa. The acquisition took place on June 22, 2021. Shakun's product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. In addition, Shakun's semiconductive and cross-linkable compounds extend Alphagary's product portfolio and offer a platform for growth to meet customer requirements, which should bring synergies to the operations of the Polymer Solutions group. Orbia has fully consolidated Shakun's results into the Polymer Solutions business group.

On May 26, 2021, the Company made an advance payment of $328 million of its $70 million issuance of Senior Notes, which would otherwise mature on September 19, 2022. These notes paid an annual interest rate of 4.875% in semi-annual installments.

On June 10, 2021, Orbia made the total early amorti□ation of the ORBIA 12 Stock Certificates (formerly □MEXCHEM 12□) dated March 21, 2012. The early amorti□ation price was $3,068,891,451.23 M.N.

On July 21, 2021, at the Issuer's □eneral Ordinary Shareholders□Meeting, the Board of Directors accepted the resignation of the Director, Anil Menon, and agreed to appoint Mihir A. Desai, a prominent economist from Brown University and Harvard University, to replace him.

On August 23, 2021, Orbia announced the appointment of James P. Kelly as Senior Vice President of Finance (Chief Financial Officer). Mr. Kelly commenced his duties at Orbia on August 30, 2021, and is located at Orbia's corporate headquarters in Boston, Massachusetts. Mr. Kelly replaced Edgardo □uillermos Carlos, who announced his resignation on June 17, 2021.

On August 23, 2021, Orbia reported that it made the first issuance of Euro Commercial Paper for an amount of □30 million (thirty million euros), through the placement of promissory notes, at a cost of 0.35%, with a maturity date up to September 23, 2021. The notes were issued under the Euro Commercial Paper Program established by Orbia on June 2, 2021, for an amount of up to □750 million (seven hundred and fifty million Euros) with issues that will be valid for less than one year and will not be listed on any stock exchange (the □Program□).

Orbia carried out the repurchase of shares for an amount of $37 million. In accordance with the approval granted by its shareholders, Orbia also cancelled 90 million treasury shares.

On September 21, 2021, Orbia completed the prepayment of the remainder of its senior note of $750 million due in 2022.

On November 1, 2021, Orbia's Fluorinated Solutions business acquired Silatronix, a Madison, Wisconsin-based Company. Silatronix has expertise in fluorosilane additives for Lithium-ion batteries and has an industry-wide reputation for developing innovative solutions that deliver improved battery safety and performance in a range of applications, from electric vehicles to stationary, grid-scale storage.

Subsequent events (2022)

On February 1, 2022, Orbia's Building and Infrastructure business, Wavin, acquired 67% of the shares of Vectus Industries Limited □Vectus□, a privately held manufacturer of plumbing and drainage pipes and the market leader in water storage tanks in India for $132 million paid in $108 million of cash and $24 million of other consideration at closing, sub□ect to customary working capital and net indebtedness ad□ustments.

With this acquisition, Orbia's Building and Infrastructure businesses will operate at the forefront of India's quickly growing water management industry, supplying customers in the residential, commercial, industrial, infrastructure and agricultural sectors.

The Company began consolidating Vectus's results as of February 1, 2022.

v. □eneral business strategy

(See item b) □□eneral Business Description□, □Business Strategy□Section of Chapter 2 □ The Issuer□in this Annual Report).

Driven by purpose and unified by values, Orbia chooses to work on the toughest challenges from field to table, ground to home, mine to market and lab to everyday life, we rely on our collective ingenuity and our integrated supply chain to transform basic and advanced materials into greener, smarter, more efficient solutions.

The Orbia businesses and affiliated commercial brands have a collective focus on ensuring food security, reducing water scarcity, connecting communities to data infrastructure, reinventing the future of cities and homes and expanding access to health and wellness with basic and advanced materials. The Company's business groups are Precision Agriculture, Building Infrastructure, Fluorinated Solutions, Polymer Solutions and Data Communications that collectively seek human-centered solutions for global challenges. Orbia has commercial activities in more than 110 countries and operations in 50, with offices in Mexico City, Boston, Amsterdam and Tel Aviv.

The Company's strategy is to 1) harness the power of material science and innovation to serve customer needs, address critical world problems, and provide sustainability solutions 2) invest in growth, leveraging our uniquely advantaged positions to bring differentiated and value-added solutions to market 3) maximi e the value of integration across Orbia and the value chains in which we participate and 4) create value as good stewards of capital and disciplined operators.

Each business group is discussed in more detail below:

i) Polymer Solutions (Vestolit and Alphagary, represented 39% of Orbia's sales in 2021). Polymer Solutions is as universal and dynamic as the materials it produces. It focuses on the production of general and special PVC resins and other vinyl polymers with a wide variety of applications, generating solutions that support the daily lives of its customers such as pipes, cables, floors, auto parts, appliances, clothing, packaging and medical devices.

ii) Building and Infrastructure (Wavin, represented 33% of Orbia's sales in 2021). This Business roup is redefining today's pipe and fittings industry by creating innovative solutions with longer life and less installation work. This group, with clients on five continents, also develops sustainable technologies for water management systems, as well as systems for heating and cooling water in homes.

iii) Precision Agriculture (Netafim, represented 13% of Orbia's sales in 2021). Precision Agriculture helps the world to grow more with less. Precision Agriculture's cutting-edge digital farming technologies, services and irrigation systems enable farmers to achieve significantly higher yields and better-quality food while using less water, fertili er and other inputs. By helping farmers grow more with less, Precision Agriculture enables farmers around the world to feed the planet more efficiently and sustainably.

iv) Data Communications (Dura-Line, represented 11% of Orbia's sales in 2021). Data Communications operates under the belief that every organi ation, every community, and every inhabitant on the planet deserves the chance to benefit to the fullest from modern technology. The Company annually produces more than 400 million meters of essential and innovative infrastructure, including conduit, FuturePath, cables-in-conduit and accessories, which create the physical pathways for fiber optics and other network technologies that connect cities, homes and people. Data Communications is the world leader in the manufacture and distribution of such products in a highly dynamic industry. Data Communications is the world leader in conduit and a leading company in HDPE based products for cable and fiber optics, as well as pressuri ed pipes from natural gas and other solutions.

v) Fluorinated Solutions (Koura, represented 8% of Orbia's sales in 2021). Fluorinated Solutions provides products, technologies and other applications of fluorinated materials that support modern life in countless ways. With the world's largest fluorite mine, solid knowledge and vast production experience, this group develops value-added chemicals, as well as propellants and advanced materials used in a wide range of applications, including automotive, infrastructure, health and medicine, HVAC and food cold chain.

Summary of Corporate and Structural Changes

The Company has implemented the corporate restructuring of some of its subsidiary businesses in order to align, integrate and optimi e the productive processes of its value chains, and has appointed the management team in charge of these businesses. The following are the most significant changes that have allowed the Company to create process synergies and efficiencies:

In 2019 the Company reorgani ed into five business groups focused on providing customer-driven solutions through the verticals of Data Communications (Dura-Line), Precision Agriculture (Netafim), Building and Infrastructure (Wavin), Fluorinated Solutions (Koura) and Polymer Solutions (Vestolit and Alphagary).

On May 17, 2019, Mr. Sheldon Hirt was appointed Vice President, □eneral Counsel at Orbia. Also, on August 5, 2019, Mr. Edgardo Carlos was appointed Orbia□s Chief Financial Officer.

On January 19, 2021, Orbia announced the appointment of Sameer S. Bharadwa□as the new □eneral Director effective February 1, 2021, after Daniel Mart□ne□-Valle resigned from said position by mutual agreement with the Board of Directors.

On August 23, 2021, Orbia announced the appointment of James P. Kelly as Senior Vice President of Finance (Chief Financial Officer). Mr. Kelly commenced his duties at Orbia on August 30, 2021, and is located at Orbia□s corporate headquarters in Boston, Massachusetts. As announced on June 17, 2021, Mr. Edgardo □uillermo Carlos announced his resignation from Orbia, in accordance with agreement with the Board of Directors.

In the Polymer Solutions business group:

The following significant events have impacted the Polymer Solutions business group (formerly the Vinyl business group):

With the acquisition in 2014 of Vestolit and the acquisition in 2016 of Vinyl Compounds Holdings in the United Kingdom, Orbia entered new markets and regions with higher-margin specialty products. With Vestolit in particular, the Company included high impact suspension PVC (HIS-PVC) resin and PVC paste. In the case of Vinyl Compounds Holdings, the Company acquired a leading PVC compounds supplier that deals with a wide range of industries including: building and construction, pipe and fitting manufacturing, footwear and consumer goods.

The acquisition of Mexichem Resinas Vin□licas in Mexico and in Colombia brought with it the production of suspension and emulsion vinyl resins, copolymer, homopolymer, Blender resins and Extender resins.

On January 22, 2018, Orbia announced the acquisition of Sylvin Technologies Inc. a speciali□ed PVC compound manufacturer based in Denver, Pennsylvania, USA, for $39 million free of cash and debt. Sylvin recorded total sales of $29 million in 2017. The company has a 30-year history of serving a wide range of industries including: the cable, electrical, industrial, automotive, medical, and food product industries.

Sylvin□s key raw materials are PVC resins, plastici□ers and stabili□ers, which should bring synergies to the operations of the Polymer Solutions business group. Orbia consolidated Sylvin in the Polymer solutions business group.

On July 6, 2018, Orbia announced that in line with its strategy of consolidating key businesses, it had reached an agreement for the acquisition of 44.09% of the shares representing the capital stock held by Pemex in PMV, through its subsidiary PPQ Cadena Productiva S.L., after the approval by the Boards of Directors of both Pemex and Orbia. The amount of the transaction came to approximately $159.3 million, a value within the valuation ranges of comparable companies and prior transactions in the petrochemical sector. Orbia completed the acquisition on November 16, 2018, so that, as of that date, PMV was exclusively a subsidiary of Orbia and its activity, as of that date, consisted only of operating the chlorine-soda plant.

The □oint venture with Oxy incorporated the production of ethylene for the integration of the Polymer Solutions business group.

In February 2021, both Nicholas Ballas and □autam Nivarthy were appointed Presidents of the Polymer Solutions business group for Vestolit and Alphagary, respectively. Both occupy the role vacated by Sameer S. Bharadwa□when he became Chief Executive Officer of Orbia.

On May 13, 2021, Orbia announced the acquisition of a ma□ority stake in Shakun Polymers Private Limited (Shakun), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the Indian subcontinent, Middle East, Southeast Asia and Africa. The acquisition closed on June 22,, 2021.

Shakun□s product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. In addition, Shakun□s semiconductive and cross linkable compounds extend Alphagary□s portfolio, offer a platform for growth and meet customer requirements, which should bring synergies to the operations of the Polymer Solutions group of companies. Orbia consolidated Shakun into the Polymer Solutions business group.

In the Fluorinated Solutions business group:

With the acquisition in 2014 of the license to distribute and sell pharmaceutical grade HFC-227/ea propellant, Orbia managed to position itself closer to the end consumer in this business area.

The acquisition of Qu□mica Fl□or added hydrofluoric acid to the product portfolio, which is needed to produce multiple specialty products in this business group. The integration strategy for the Fluorinated Solutions business group has allowed the incorporation of aluminum fluoride products to the product portfolio with its plant in Tamaulipas□with the

acquisition of Ineos Fluor it burst into the refrigerant market with higher value-added products, and the latest acquisition of Fluorita de M□xico gave it access to the highest purity fluorite worldwide.

In early 2018, Sameer S. Bharadwa□, president of the Compounds business unit (part of the Polymer Solutions business group), also took over as president of the Fluorinated Solutions business group. Sameer participated as a member of the Advisory Board of the Fluorinated Solutions business group from 2010 to 2016 demonstrating in-depth knowledge of the business group.

In February 2021, □regg Smith was appointed President of the Fluorinated Solutions (Koura) business group, occupying the post vacated by Sameer S. Bharadwa□when he became Chief Executive Officer of Orbia.

In November 2021, Fluorinated Solutions acquired Silatronix, a Madison, Wisconsin-based Company. Silatronix has expertise in fluorosilane additives for Lithium-ion batteries and has an industry-wide reputation for developing innovative solutions that deliver improved battery safety and performance in a range of applications, from electric vehicles to stationary, grid-scale storage.

In the Precision Agriculture business group:

On February 7, 2018, Orbia completed the acquisition of 80% of the shares of Netafim LTD (Precision Agriculture), a leading Israeli company in micro irrigation solutions, after obtaining all government authori□ations and fulfilling the prerequisites required in the Share Purchase Agreement signed in August 2017. The price paid for the acquisition was $1,424 million. Kibbut□ Hat□erim will retain the remaining 20% of Netafim□s capital stock. This transaction represented a significant step forward in Orbia□s long-term strategy to position itself as a world leader in speciali□ed products and solutions, serving high-growth markets.

The Company believes that the acquisition of Precision Agriculture is transformational and will further push its strategy toward specialty solutions, products and services, positioning the Company as an innovative leader in the high-growth market of precision irrigation. By acquiring Precision Agriculture, Orbia has become a leading developer of solutions for addressing two of the mega-trends facing the world: food and water shortages, and responding to the need to increase crop yields and meet the highest sustainability standards with respect to fertili□ation. Precision Agriculture has a long history at the forefront of creating smart solutions in the irrigation market. This acquisition gives Orbia access to this smart technology, which can be used in water supply and in other sectors, providing a platform from which it can generate smart industrial solutions based on existing production lines that serve the infrastructure, housing, and data communication markets as well as other sectors. The Issuer believes that this acquisition will also strengthen its global presence and impact in key growth markets and allow it to grow in the replacement market and diversify and expand the end markets in which it sells its products.

□aby Miodownik is President of this acquired company as of March 1, 2020.

On March 15, 2021, Orbia reported that Precision Agriculture, signed a definitive agreement for the acquisition of □akon Horticultural Pro□ects, the Dutch leader in turnkey greenhouse pro□ects. The acquisition is synergistic, combining the global presence and expertise of Precision Agriculture and □akon□s greenhouse technology. □akon brings unique experience in all aspects of greenhouse pro□ect execution, greenhouse manufacturing capabilities and a proven track record in key verticals.

In April 2021, the Company entered into an agreement to purchase all of the shares of □akon Holding B.V and □akon S.p.□o (□akon).

In the Data Communications business group:

With the 2014 acquisition of Data Communications (Dura-Line), Orbia established a new Business □roup related to development in the telecommunications sector and with excellent positioning in North America, Europe and India.

With the acquisition in 2016 of □ravenhurst Plastic, Inc, a private Canadian plastic tube manufacturer located in Ontario, Orbia entered the Canadian telecommunications market with specialty polyethylene products.

Orbia also included in its portfolio high density polyethylene (HDPE) products in conduit pipe solutions, pipe protectors and pipes for telecommunications (voice and data), as well as in the energy and infrastructure industry.

Peter Ha□du took over as president of the Data Communications business in 2018.

In the Building & Infrastructure business group:

Marteen Roef, who was serving as President of Wavin Europe, took over as President of Building □ Infrastructure in 2018.

The acquisition of Wavin in May 2012 added new technologies and products, especially in the following areas:

- Water management and conveyance through roof drainage via siphon, rainwater infiltration/attenuation units and filters.
- Heating and cooling of surfaces by means of roof heating systems and underfloor cooling systems. Indoor heating and cooling solutions.
- High-spec systems for heating and cooling water, as well as high-spec systems for floors and waste containment.
- Water treatment systems.

The Building Infrastructure lobal Leadership Team was established in 2019, bringing together the individual regional units (EMEA, LatAm, APAC) into a global Building Infrastructure organi ation, while the regional organi ational structure was largely retained.

In June 2020, Building Infrastructure s global head office was opened at Schiphol Amsterdam and in October 2020 the transformation into a fully global and integrated organi ation was announced. The Business roup brought together the individual regional units and created a global organi ation with a global leadership team and global functions.

Bankruptcy

As documented in the Company s audited financial statements, the Company does not fall within any of the circumstances established in Articles 9 and 10 of the Commercial Bankruptcy Act, and has not declared bankruptcy, nor is the Company sub ect to any bankrupty risk.

Judicial, administrative or arbitration proceedings

Pursuant to the relevant information criteria set forth in Annex N of the Sole Issuer Circular, the Company and its subsidiaries are not, nor are they highly likely in the future to be involved in any relevant udicial, administrative or arbitration proceeding that are different from those which are a normal part of the course of business, and which have, had or could have a significant impact on the operational result or financial position of Orbia or its business groups.

Effect of Laws and Government Regulations on Business Development

The Company s operations are sub ect to the laws and regulations of the countries in which it operates.

Orbia

The shares representing the Issuer s capital stock are publicly traded on the Mexican Stock Exchange (BMV), and it therefore adheres to the following laws and regulations: (i) Stock Market Act, in Mexico (ii) the general provisions applicable to security issuers and other securities market participants issued by the National Banking and Securities Commission (CNBV) (iii) the eneral Provisions applicable to Companies and Issuers Supervised by the National Banking and Securities Commission which contract External Audit Services for Basic Financial Statements (iv) the Internal Regulations of the BMV, and (v) the eneral Business Organi ations Act.

Business groups

The Company s five business units operate in 50 countries, in all of which they adhere to the following general laws and regulations:

- Regulations of an international, national, and local nature, primarily in financial aspects, monetary policies, access to the currency markets. They must comply with administrative requirements to obtain permissions to operate facilities, plants, to import and export of raw materials and finished products. They must comply with labor regulations at some sites that are influenced by unions and environmental regulations.

- Laws regulating health, safety, environment, unfair competition and monopolies, municipal construction and oning, local licenses and permits for facilities. With respect to international commerce, customs regulations, control of imports and exports, specifically related to quotas, tariffs and anti-dumping protections, as well as government policies and regulations related to commerce, sales of products, manufacturing operations and relationships with customers, distributors and competitors.

- Finally, all the business groups comply with anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act (FCPA) and other similar laws.

- The COVID-19 pandemic affected the following aspects of the Company's business:

    - Lockdown restrictions established for non-essential economic activities.
    - Migration of job tasks from the Company's plants and facilities to remote work.
    - Regulations on safety protocols impacting the Company's plant operations.
    - Customer performance.
    - Product shipments.

More specifically, some of Orbia's business groups may be subject to specific laws and government regulations. For more information on these regulations, see part iv. Applicable Legislation and Tax Situation of Section b) Business Description of this section.

Investments Made in the Last Three Fiscal Years

Orbia's strategy has historically been to grow through acquiring companies with whom they are able to create synergies and in recent years has focused on capital expenditures to encourage organic growth. The Company can maintain high levels of efficiency and low production costs while improving its leadership position in the markets in which it operates. The following table shows its capital expenditures for the periods indicated.

	Year ending December 31:		
Investment Items	**2021**	**2020**	**2019**
Investments in property, plant and equipment (CAPEX)	286	204	261
Proceeds from the sale of machinery and equipment	(18)	(21)	(23)
Investment in other assets and intangible assets	27	31	36
Investment on a permanent basis	48	4	-
Sum	**344**	**218**	**274**

Figures in millions

Furthermore, the Company is constantly making investments in technology in order to penetrate and grow downstream businesses and become closer to consumers to offer them high value-added products, as well as differentiated solutions and services.

Acquisitions and new businesses established during the years ending December 31, 2021,2020 and 2019 included:

1. On February 1, 2022, Orbia's Building and Infrastructure business, Wavin, acquired 67% of the shares of Vectus Industries Limited (Vectus), a privately held manufacturer of plumbing and drainage pipes and the market leader in water storage tanks in India for $132 million paid in $108 million of cash and $24 million of other consideration at closing, subject to customary working capital and net indebtedness adjustments.

   With this acquisition, Orbia's Building and Infrastructure businesses will operate at the forefront of India's quickly growing water management industry, supplying customers in the residential, commercial, industrial, infrastructure and agricultural sectors.

   The Company has begun consolidating Vectus's results as of February 1, 2022.

2. On November 1, 2021, Orbia's Fluorinated Solutions business acquired Silatronix, a Madison, Wisconsin-based Company. Silatronix has expertise in fluorosilane additives for Lithium-ion batteries and has an industry-wide reputation for developing innovative solutions that deliver improved battery safety and performance in a range of applications, from electric vehicles to stationary, grid-scale storage.

3. On May 13, 2021, Orbia announced the acquisition of a majority stake in Shakun Polymers Private Limited (Shakun), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the Indian subcontinent, Middle East, Southeast Asia and Africa. The acquisition took place on June 22, 2021. Shakun's product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. In addition, Shakun's semiconductive and cross-linkable compounds extend Alphagary's product portfolio andoffer a platform for growth to meet customer requirements, which should bring synergies to the operations of the Polymer Solutions group. Orbia has fully consolidated Shakun's results into the Polymer Solutions business group.

4. On March 15, 2021, Orbia reported that Precision Agriculture signed a definitive agreement for the acquisition of □akon Horticultural Pro□ects, the Dutch leader in turnkey greenhouse pro□ects. The acquisition is synergistic, combining the global presence and expertise of Precision Agriculture and □akon□s greenhouse technology. □akon brings unique experience in all aspects of greenhouse pro□ect execution, greenhouse manufacturing capabilities and a proven track record in key verticals.

5. On November 18, 2020, Orbia completed its first corporate venture capital transaction through an investment in SeeTree, a leading start-up in the agricultural technology sector with a focus on tree cultivation. SeeTree uses military grade telecommunications, surface sensors, artificial intelligence and machine learning in an integrated manner to prevent pests in trees and to maximi□e productivity at a low cost. Precision Agriculture is partnering with SeeTree to incorporate the company□s advanced technology into its solutions offering. This investment represents a significant step for Orbia and Precision Agriculture towards driving the development of conscious and profitable agriculture.

The following table shows the acquisitions made from 2019 to 2021, with the sales (in millions of Dollars) by each company prior to its acquisition.

Acquisition date	Company	Product	Business □roup
18-Nov-20	SeeTree	Agricultural technology space services and digital agriculture	Precision Agriculture
1-Apr-21	□akon Horticultural Pro□ects*	□reenhouses	Precision Agriculture
22-Jun-21	Shakun Polymers Private Limited	Compounds	Polymer Solutions
1-Nov-21	Silatronix	Fluorosilane additives for Lithium-ion batteries	Fluorinated Solutions
1-Feb-22	Vectus	Pipelines	Building □ Infrastructure

(*) Include □akon Holding B.V. and □akon Sp. □.O.O

Public Offerings

During the last three fiscal years, the Company has not been the sub□ect of any public offering for control of the Company, nor has it made any offer to assume control of other companies whose shares are listed on the Mexican Stock Exchange or on any other foreign stock exchange.

Orbia has not made public offerings of debt or equity in the last three fiscal years.

b) Business Description

Business Strategy

Driven by purpose and unified by values, Orbia chooses to work on the toughest challenges□from field to table, ground to home, mine to market and lab to everyday life, we rely on our collective ingenuity and our integrated supply chain to transform basic and advanced materials into greener, smarter, more efficient solutions.

The Orbia businesses and affiliated commercial brands have a collective focus on ensuring food security, reducing water scarcity, connecting communities to data infrastructure, reinventing the future of cities and homes and expanding access to health and wellness with basic and advanced materials. The Company□s business groups are Precision Agriculture, Building □ Infrastructure, Fluorinated Solutions, Polymer Solutions and Data Communications that collectively seek human-centered solutions for global challenges. Orbia has commercial activities in more than 110 countries and operations in 50, with offices in Mexico City, Boston, Amsterdam and Tel Aviv.

The Company□s strategy is to 1) harness the power of material science and innovation to serve customer needs, address critical world problems, and provide sustainability solutions□2) invest in growth, leveraging our uniquely advantaged positions to bring differentiated and value-added solutions to market□3) maximi□e the value of integration across Orbia and the value chains in which we participate□and 4) create value as good stewards of capital and disciplined operators.

Orbia experienced one of its most challenging years in 2020 due to the COVID-19 pandemic, which continued through the year 2021. Each of its 22,350 plus employees worked responsibly to keep operations running, allowing it to fulfill its customer commitments. The Company worked diligently to protect its work teams□health, safety and wellbeing by

applying strict COVID-19 protocols. The Company introduced remote working for almost half its staff and supported its employees and their families, as well as the communities in which it operates, at all times.

Despite the context it faced, Orbia achieved very positive financial results, exceeding the expectations it had at the start of the pandemic. The management team acted quickly and decisively from the start, mobili□ing its work teams by leveraging technology, operating its operating facilities always with employee health as the priority, preserving capital, controlling costs and increasing connectivity with its customers.

Orbia□s portfolio of businesses showed its resilience, achieving particularly positive financial results in the second part of the year. The core of this performance was the consistent execution of the strategy in addition to the recovery of the markets covered.

During, the years of 2020 and 2021, the Company continued to prioriti□e customer-centric approaches by analy□ing and adopting commercial and operational strategies designed to meet the demand of its markets, capitali□e on organic growth opportunities and deliver superior operational and financial performance.

During the year 2021, despite the challenges presented by the COVID-19 pandemic, the Company continued with the implementation of the following strategies:

A purpose-driven global growth model

In 2021, Orbia continued creating innovative solutions for different macro-trends affecting communities and cities across the world, such as:

i) □rowing middle class with greater urbani□ation and population density.
ii) □rowing food and water scarcity.
iii) Connectivity, Internet of Things and digitali□ation.
iv) Climate change.

These macro-trends present challenges for our customers that our businesses seek to identify and mitigate, always with their needs in mind. Thus, the Company decided to put the customer at the center of the strategy in order to develop solutions that are increasingly speciali□ed, technological and innovative.

Commitment to safety, environmental and social responsibility

The Issuer continues to position itself as a leader in Sustainability and Corporate □overnance. The following milestones were reached in 2021:

- Environment: The Company continued driving life cycle evaluations. For example, it was found that drip irrigation has a significantly smaller carbon footprint than traditional irrigation methods. In addition, the use of recycled polymers increased at Building □ Infrastructure and Precision Agriculture.

- At Fluorinated Solutions, the Company received authori□ation for its third refrigerant recovery plant in Mihara, Japan. Sulfur oxide emission also decreased by 28% compared to our baseline, on course to achieve the goal of a 60% reduction for 2025.

- In 2021, Fluorinated Solutions developed, communicated, and implemented its organi□ation-wide sustainability program, based on ten foundations and four pillars that focus on community engagement□environmental performance□Sustainable Products and Solutions□and Communications as a Responsible Company.

- Fluorinated Solutions participated in the planning of the board of trustees for the inclusive and participatory construction of the Community Development Plan of La Salitrera, which will be completed in 2022. One of the results derived from this dialogue was the installation of another community extension office in the E□ido Santa Catarina.

- In 2021 at the Fluorinated Solutions mines, water consumption from all sources was 34% lower compared to 2020. We calculate that a single molecule of water is used an average of 6.7 times in the process, maintaining a rate of 84% of reused process water.

- At the Fluorinated Solutions chemical facility in Matamoros, northeastern Mexico, a significant contribution is being made to the city□s road infrastructure by establishing partnerships with local authorities to implement a model for sustainable circular management of sulfate by-product of calcium that is used as a road base and stabili□er of sub-bases.

- During 2021, Orbia obtained the following achievements:

    - 10% reduction in □H□ Scope 1 □ 2 emissions vs. 2019 baseline.

- New □oal to reduce Scope 3 emissions by 30% by 2030.
- 28% increase in renewable energy compared to 2020. Renewable energies now represent 6% of the total electrical consumption.
- The first investment in green hydrogen was made in Verdagy.
- During 2021, Orbia achieved 20% less process waste directed to disposal than 2020.
- In 2021 the Company reducted water withdrawal intensity by 6%.

- Social Responsibility: Orbia made and continues to make an effort at all its businesses to support its stakeholders and their families in overcoming the COVID-19 crisis from a comprehensive perspective that incorporates medical and mental health assistance. During the year 2020, the company made historic contributions to civil society organi□ations like UNICEF, Doctors Without Borders, CARE and others to support efforts that make a reduction in infections possible as well as population assistance in some of the most vulnerable areas. Orbia □oined the Alliance Tent Partnership for Refugees in the fall of 2020 and set up an alliance with Resilient Cities Network, which represents the world□s leading urban resilience network.

- In relation to Social Responsibility, the company□s achievements during 2021 were as follows:

  - 19% less of total recorded incident rate than 2020 for employee and contractor.
  - 22% women in leadership roles representing 33% of leadership hires.
  - During year 2021, WASH pro□ects provided access to water to more 30,000 people in Bra□il, Colombia, Ecuador, Mexico and Peru.

- Corporate □overnance: The Company introduced a new ES□ incentive as part of the management team□s compensation applicable from 2021. The Board also selected two new independent board members, bringing the percentage of independents to 67% and 25% women. The company is working with leading headhunters to hire independent board members with relevant management skills so that they can □oin as other board members leave in the coming months.

This adds to different efforts that we have been making in recent years and that we summari□e below:

- In 2019, Orbia □oined the Water Mandate of the United Nations □lobal Compact, with which a commitment to progress was made in 6 areas regarding water management. Today the Issuer is part of a select group of 175 companies worldwide that have □oined said pact.

Finally, the Issuer complies with the new □lobal Reporting Initiative (□RI) guideline criteria based on the *Materiality Disclosure* requirements and independent third-party review of relevant indicators. In effect, this independent third party assures the data in the report in accordance with the ISAE 3000 standard for assurance. In addition, the Issuer has begun to align the information in the sustainability report with the requirements of the *Sustainability Accounting Standards Board* (SASB), as well as climate-related risks and opportunities within the Task Force on Climate-related Financial Disclosures (TCFD) framework since 2019. The Issuer has set long-term goals that it monitors year after year.

A continuous focus on highly efficient operations, reducing volatility through vertical integration and improving profitability through resource optimization

The Company□s vertical integration strategy has reduced exposure to any price volatility of the main raw materials. Fluorinated Solutions, for example, is 100% integrated from the exploitation of fluorite to the production of refrigerant gases□while since February 2017, the Polymer Solutions business group is approximately 70% integrated with the Ethylene group and has thus achieved significant integration from salt extraction to PVC production, which has allowed and will allow Orbia to improve profitability through better cost management. In addition, Orbia focuses on continuously improving the return on invested capital in order to achieve and maintain it above its weighted average cost of capital.

A continuous focus on the development of specialty and value-added products

The Issuer will continue to use its competitive advantage to develop new and advanced production processes through its 19 research and development centers. These centers develop new products focused on the needs of its customers, making products available to customers in the markets in which they participate. Orbia will also continue to develop and implement its own technologies and processes for its own benefit. For example, the Company has its own technology to produce PVC resins, PVC pipes, compounds, plastici□ers and HF purification. These technologies allow it to produce pipes that uniquely meet, the requirements of most infrastructure and construction pro□ects in which we compete. Orbia has developed solutions based on fluor compounds for the cement industry that allow for the optimi□ation of Clinker production, whose benefits are not only economic but also reduce the Company□s environmental impact by reducing its carbon footprint.

Polymer Solutions□strategy is focused on expanding the core business as a ma□or global PVC manufacturer, strengthening its position in regional markets and retaining the top position in specialty resins, capturing global demand growth.

The expansion of Polymer Solutions core business allows it to enter new markets in Asia and Africa and expand specialty resins capacity through access to technology and development capabilities in all segments.

Polymer Solutions will strengthen the low-cost position by capturing additional value through diversified risk and a significantly diverse geographic production footprint, enabling a better position on the PVC industry s cost curve.

By continuing to invest in research and development and leveraging the unique products it offers in specialty resins, Polymer Solutions will continue to develop a best-in-class product portfolio by consistently launching customer-focused products and services.

Orbia s strategy will also be equally focused on sustainability, having developed a portfolio of sustainable products, solutions and business models.

Maintaining an agile and solid financial structure

Orbia seeks to maintain a solid and flexible financial base that will allow it to achieve its growth ob ectives. The Company operates by seeking to maintain at a net debt/EBITDA ratio of approximately 2.0 in the long-term. If in the past Orbia needed to exceed this ratio due to a pro ect, the pro ect must generate value, make strategic sense with the Company s business, meet the profitability conditions required by its corporate governance bodies, and present a plan to return to levels of around 2.0 net debt/EBITDA in a period of less than 18 months. Orbia will maintain and continue to implement financial strategies, including a conservative debt profile, a conservative hedging structure, as well as strategies to hedge exposure to foreign exchange rates, and thus be able to continue executing its growth strategy.

Implementing a unique business culture

Orbia s current operations are the result of over 30 business acquisitions that have positioned the Company as a leader in different countries, regions, and markets, through the integration of diverse companies and work cultures. In this regard, the Issuer considers that a unified business culture is important for meeting the ob ectives set by the Company itself and the market. Orbia is proud to establish and spread among its companies its mission, vision, unique values, and strict adherence to its Code of Ethics as part of this organi ational culture so that its employees are not only aware of it, but also apply it to their daily lives.

i. ain activity

Orbia is a Mexican shareholding business corporation located in the Americas, Europe and in some countries in Asia and Africa. Orbia is a leading provider of products and solutions in multiple sectors, from the construction, infrastructure, agriculture and irrigation, health, transportation, telecommunications, and energy and petrochemical sectors, among others. It is one of the world s largest producers of plastic pipes, fittings and irrigation droppers, as well as fluorite.

Driven by purpose and unified by values, Orbia chooses to work on the toughest challenges from field to table, ground to home, to market and lab to everyday life, the Company relies on its collective ingenuity and our integrated supply chain to transform basic and advanced materials into greener, smarter, more efficient solutions.

With a global presence, Orbia employs more than 22,350 people in 50 countries in which it has 119 production plants, concessions for the exploitation of 2 fluorite mines in Mexico, 8 training academies, and 19 research and development laboratories. It generated sales in 2021 of $8,783 million.

With more than 50 years of history and more than 40 years of listing on the Mexican Stock Exchange, Orbia applies a business model based on vertical integration, organic growth and strategic acquisitions through which it has direct access to raw materials and its own technology, allowing it to compete in a global environment. As a result, Orbia offers a wide range of materials, products, solutions, and finished products that contribute to the success of its customers and improve people s quality of life.

Orbia s operations consist of five business groups: Precision Agriculture, Data Communications, Building and Infrastructure, Fluorinated Solutions and Polymer Solutions. Below is a more detailed description of each Business roup:

1. Polymer Solutions Business roup (Vestolit and Alphagary).

This business group consists of six manufacturing processes: (i) basic chemicals including ethylene, chlorine, caustic soda and their derivatives, VCM, EDC and specialty chemicals (ii) phosphates used in food and beverages, soaps and detergents, fertili ers and food supplements (iii) the Vinyl Process, which produces general resins used for pipes and fittings, cable, flexible and rigid films, bottles, medical devices, etc. (iv) specialty resins used for flooring, wallpaper, coatings, among others (v) the Plastici er Process that produces phthalic anhydride and a wide variety of plastici ers used in the processing of plastic resin and (vi) the Compound Process, which produces plastic resins used to produce

products with different applications such as medical products, industrial and consumer products, products for the construction industry, among others, and calcium-□inc stabili□er used in the processing of PVC.

The Polymer Solutions group had net sales of $3,438 million in 2021, $2,171 million in 2020, and $2,334 million in 2019, which represented approximately 39%, 34% and 33% of Orbia□s total sales in those years. Orbia owns the rights to a salt dome in Mexico with more than 30 years of potential reserves, a 50% share in an ethylene production □oint venture in the U.S. and a 25% share in a brine production □oint venture in □ermany. It operates modern production facilities for chlorine, caustic soda, PVC resins, and compounds. It is the largest producer of specialty resins, and the sixth largest producer of PVC resins in the world.

2. Fluorinated Solutions Business □roup

The process of this business group is divided into 3 stages: (i) the Fluorite Process, which consists of the extraction of fluorite, used for the production of hydrofluoric acid in the cement, steel, ceramic and glass industries, (ii) the Hydrofluoric Acid and Aluminum Fluoride process, used for the production of refrigerant gases, downstream and in the aluminum industry and (iii) the Refrigerant and Propellant □ases process, used in air conditioning and medical applications. This business group includes the mining concession for the world□s largest fluorite mine with an installed annual production capacity of approximately 1.8 million TPA, representing approximately 18% of the world□s annual fluorite requirements. The mine has proven reserves of about 62 million tons (34 years) according to the latest internal estimate. In 2021, 2020, and 2019, this business group□s sales were $744 million, $698 million and $805 million, respectively, which represented approximately 8%, 11% and 12% of Orbia□s total sales in those years.

3. Building □ Infrastructure Business □roup

Building □ Infrastructure (B□I) is a provider of innovative solutions to the global Construction and Infrastructure industry. Backed by more than 60 years of product development experience, the company is tackling some of the world□s toughest challenges relevant to ensuring safe and efficient water supplies, sanitation and hygiene, climate-resilient cities, and a better building performance. Building □ Infrastructure is focused on creating positive change in the world by building healthy and sustainable environments and collaborating with city leaders, engineers, contractors and installers to help make cities future-proof and buildings comfortable. and energy efficient. Building □ Infrastructure has more than 10,500 employees in 37 countries around the world. Building □ Infrastructure is headquartered in Amsterdam, the Netherlands.

The Building □ Infrastructure business group is integrated as part of the acquisitions made by Orbia of Wavin in 2012 and Amanco in 2007. Since 2019, this business group has operated under the global leadership of Business □ Infrastructure, as a world leader in PVC pipe systems and solutions, while being the market leader in Europe and Latin America.

In 2021, 2020 and 2019 Building □ Infrastructure had sales of $2,922 million, $2,071 million and $2,239 million, respectively, which represented approximately 33%, 32% and 32% of Orbia□s net sales for each of those years, respectively.

4. Data Communications Business □roup

Data Communications operates with the conviction that each organi□ation, community and inhabitant of the planet deserves the chance to benefit as much as possible from modern technology. The Company produces over 400 million meters of essential and innovative infrastructure a year including-conduits, FuturePath, cables-in-conduit and fittings which create the physical routes for fiber optics and other network technologies that connect cities, homes and people. Data Communications is a global leader in the manufacture and distribution of these products in a highly dynamic industry.

The company has positioned itself as a leader in the production and distribution of pipes, fittings and solutions for cable and fiber optics for voice and data transmission, as well as pipes for the transportation and distribution of certain materials, mainly in the U.S. / Canada and AMEA regions.

This group recorded net sales of $994 million, $732 million and $749 million, equivalent to approximately 11%, 11% and 10% of Orbia□s total sales for fiscal years 2021, 2020 and 2019, respectively.

5. Precision Agriculture business □roup

Netafim is aimed at high growth markets and produces solutions to address two global mega-trends: growing water and food scarcity.

The Company is the global leader in the production and sale of smart micro-irrigation solutions, with 62 subsidiaries and 17 plants located in Israel, Turkey, the Netherlands, Spain, South Africa, Mexico, Bra□il, Peru, Chile, China, Colombia, Australia, India and the United States, serving more than 110 countries.

Precision Agriculture offers agriculture, civil engineering and project solutions related to water management, use and control in agricultural, livestock and aquaculture activities. All this allows it to offer the widest variety and diversity of solutions that adapt to customers' needs.

Precision Agriculture's sales in the 2021, 2020 and 2019 periods were $1,126 million, $972 million and $1,063 million, respectively. Precision Agriculture contributed to Orbia's consolidated revenues for the same fiscal years the equivalent of 13%, 15% and 15%, respectively.

Competitive Advantages

Orbia focuses on creating value for its stakeholders, including its shareholders, customers and suppliers, and employees through the development and continuous improvement of its products and services, starting with its basic raw materials. Through vertical integration of the market for products with higher added value, it seeks to obtain better results. The main competitive advantages are as follows:

Vertically integrated operations with direct access to raw materials that create economies of scale and reduce operating expenses

Orbia, a leader in the markets in which it participates, is known for its strategy focused on low-cost production through constant investments in its own state-of-the-art technology, the integration of its basic raw materials in its two main production chains, creation of synergies in logistics, purchasing, systems, treasury, human resources and other functions, and constant development and implementation of cost-efficiency projects. Orbia is one of the largest pipe producers in Europe and Latin America, and it is the leader in the production of PVC resin in Latin America, according to IHS Markit.

In the Polymer Solutions business group, Orbia is partially integrated to its main raw material, ethylene, and thus the production chain is integrated from the extraction of salt to the production of plastic compounds. It has facilities for the production of salt for industrial consumption, ethylene, chlorine, soda, VCM chlorine derivatives, PVC and specialty resins, as well as compounds, in addition to being integrated to one of the main raw materials for the manufacture of plasticizers: phthalic anhydride.

Fluorinated Solutions business group, has its own fluorite mine, making it the only fully integrated global producer of its raw material. This integration gives Fluorinated Solutions an unparalleled competitive advantage, not only in Mexico but also worldwide. Fluorinated Solutions is the only company in the world with a vertically integrated value chain, from the extraction of fluorite, through hydrofluoric acid, to the production and sale of refrigerant gases and medical propellants in the Americas, Europe, and Asia.

The main raw materials of the Building Infrastructure, Data Communications and Precision Agriculture business groups are PVC resin, polyethylene and, to a lesser extent, propylene. These are supplied at the best price available on the market, either through purchases from third parties or through vertical integration with the Polymer Solutions business group in the case of PVC, which represents an important competitive advantage, particularly in times of shortages such as during the latter half of 2020 and the first half of 2021.

Over the past 19 years, Orbia has acquired companies or formed joint ventures to vertically integrate its operations and increase access to the raw materials needed for its operations.

Leading positions in PVC and plastic pipe markets in Latin America and Europe and the global fluorite market

Orbia is one of the largest pipe producers in Europe and Latin America, a leader in the production of PVC resin in Latin America, according to IHS Markit, and maintains a leading position worldwide. The Company believes that the primary markets for such products in the infrastructure and construction industries could experience sustained growth over the next few years, particularly in the Latin America and Asia Pacific regions.

Of the net sales to third parties by destination in 2021 classified by geographical area the Company generated 36% in Europe, 33% in North America, where the US was 21% and Mexico 11%, in South America 19% and in other countries 12%. *See Note 25 of the audited consolidated financial statements included in the Appendices for further detail.* In the last seven years, the Company has expanded its operations throughout the Western Hemisphere, the Middle East, and Africa, so it now has production facilities in 10 Latin American countries, in addition to facilities in the United States, Canada, Japan, and China, the United Kingdom, Oman, South Africa and Israel. The emerging markets in which Orbia sells its main products from the Building Infrastructure and Polymer Solutions business groups, enjoy attractive growth projections in infrastructure and construction due to a significant housing deficit, insufficient infrastructure, lack of access to water and sanitation, electricity and other factors. In developed countries, the greatest challenge is to maintain and improve transport, water, electricity and telecommunications networks extensively.

Thus, the Issuer expects a sustained demand for PVC in the coming years in line with IHS Markit reports (World Analysis 2021 - Vinyl) and estimates an annual growth rate until 2031 at an average of 3.4%.

Additionally, Orbia has a strong presence in the American, European, and Asian markets due to its unique position within the Fluorinated Solutions business group. The Issuer has the concession rights for the exploitation and extraction in Mexico from the world's largest fluorite mine, and has modern plants for the production of HF and refrigerant gases, which allows it to forge solid relationships with strategic market participants. In addition, the proximity to the end fluorochemicals market in the U.S. provides a competitive advantage. The Company frequently enters into long-term dollar-denominated contracts with reputable international customers to sell fluorite and the HF it produces. The Company's global positioning will allow it to explore opportunities in order to supply more value-added products.

Our proven ability to integrate and operate acquired companies throughout the Americas, Europe, the Middle East, Asia and Africa

While since 2003, Orbia has grown rapidly by consolidating 32 finalized business acquisitions, the current management team's strategic focus is centered on organic growth and seeking synergies between the existing businesses.

Successful acquisitions have contributed to the significant growth of Orbia's net sales and EBITDA, making it a leader in the industries in which it operates.

Thus, Orbia's geographical diversification, like its growing focus on added-value and specialty products, has changed the Company's profile considerably, from a company based on commodities and chemical products, to a company increasingly based on innovative and specialty products, which has made it more and more resilient in the face of constant changes in the global economy.

A management team with extensive industry experience

Orbia's key executives have extensive experience in leadership positions in top-tier global companies, with an average of more than 10 years experience in similar industries and more than 20 years of professional experience. The management team has a proven track record of operating successfully in the industry, and identifying and integrating strategic acquisitions to grow and strengthen the businesses.

Strong relationship with major suppliers and customers through long-term contracts

Orbia has established long-lasting relationships with its main suppliers through long-term product supply contracts, which allow it to ensure the supply of domestic and foreign raw materials and inputs. Orbia has, in turn, defined, according to growth potential and size, the market segments it wishes to participate in and, through the signing of long-term contracts, has positioned itself amongst its suppliers strategic clients, lending the company a competitive advantage that is difficult for its competitors to match.

Innovation through research, development and patented production processes

Orbia has a product research and development resources with people and facilities that allow it to innovate processes and products that are tailored to its customers needs. The Company has its own technology for its production processes which places it at the forefront of technology since it has developed in its different production chains, unique designs that give it advantages over its global competitors. The Company's 19 research and technology centers are located in Mexico, the U.S., the Netherlands, Italy, India, the Czech Republic, the United Kingdom and Israel and focus on the development of new products and the alignment of processes to achieve safety and the optimization of its production chain. Additionally, in the Fluorinated Solutions business group, cutting-edge technology for fluorite purification has been developed in the hydrofluoric acid process. This innovation has succeeded in lowering the annual production cost of HF. In total, the Company has more than 500 patented products.

Climate Change Summary

The Company has carried out different analyses to determine the degree of exposure to the possible effects of climate change on its operations.

The effects of climate change identified within the different areas where it operates or has market presence are desertification and drought, rising sea levels, changes in rainfall patterns, decreased water availability, deforestation and disease, all phenomena that could affect operating results and financial position, among other factors, due to the need for additional investments to adapt operations to the new conditions, the increase in the price of supplies and energy, the closure of affected operations and relocation of suppliers, protection measures as a result of natural phenomena (for example: construction of dikes in marine installations, flood or fire protection) and the relocation of facilities to sites with more favorable conditions and higher environmental regulatory requirements.

Please refer to the Risk Factors section for more details regarding the potential business impacts from severe weather events.

Since the Intergovernmental Panel on Climate Change (IPCC) predicts that extreme weather events will tend to grow in intensity and number, Orbia has been designing contingency plans that seek to normali□e operations as soon as possible. Redundant transportation options, different routes and logistic means or emergency inventories are some specific areas that are considered in the plans. If Orbia manages to operate with minimal disruption during such events, it will have a clear advantage over the competition, lacking these measures.

In addition to the consideration of the risks derived from climate change that can have negative impacts on operations, climate change also presents certain opportunities that align well with Orbia□s business model as follows:

a. Resilient operations and low-impact mitigation:

- Durability and positioning as a result of consumer preference for companies committed to caring for the environment and social responsibility.
- We continually identify ways to decarboni□e by optimi□ing manufacturing processes, transitioning to low-carbon and renewable energy sources, and exploring opportunities in carbon capture and hydrogen. In parallel, our sites are adapting to the physical risks of climate change, including changing weather patterns, as well as business interruption and social disruption.

b. Solutions to promote a climate resilient economy:

Orbia□s business groups are constantly developing products and services with better environmental performance that help our clients make measurable progress against their own climate change goals. Our solutions contribute to urban and rural resilience and support the transition to a low carbon and circular economy, including materials and products that promote alternative energy, resource efficiency and green buildings. More details are available in our Orbia Sustainable Solutions report.

c. Driving new business for a □net □ero□world:

Our culture encourages the exploration of new technologies, companies and strategic acquisition opportunities, investing human and financial capital to support new business models that will have a long-term positive impact. Climate Tech is a focus area of strategic investments made through Orbia Ventures, our corporate venture capital fund.

Integrated Companies

December 31, 2021 **□roup**	**Country**	**Equity Stake**
Polymer Solutions (Vestolit and Alphagary):		
Mexichem Derivados, S.A. de C.V.	Mexico	100%
Mexichem Compuestos, S.A. de C.V.	Mexico	100%
Mexichem Resinas Vin□licas, S.A. de C.V.	Mexico	100%
Vestolit □mBH	□ermany	100%
Mexichem Specialty Compounds, Inc.	USA	100%
Mexichem Specialty Compounds, Ltd.	United Kingdom	100%
Mexichem Resinas Colombia, S.A.S.	Colombia	100%
Mexichem Speciality Resins, Inc.	USA	100%
C.I. Mexichem Compuestos Colombia, S.A.S.	Colombia	100%
Petroqu□mica Mexicana de Vinilo, S.A. de C.V.	Mexico	100%
Ingleside Ethylene LLC	USA	50%
Sylvin Technologies Inc.	USA	100%
Fluorinated Solutions (□oura):		
Mexichem Fl□or, S.A. de C.V.	Mexico	100%
Mexichem Fl□or Comercial, S.A. de C.V.	Mexico	100%
Fluorita de M□xico, S.A. de C.V.	Mexico	100%
Mexichem Fl□or Inc.	USA	100%
Mexichem Fl□or Canad□ Inc.	Canada	100%
Mexichem UK Ltd.	United Kingdom	100%

□roup	Country	Equity Stake
Mexichem Fl□or Japan Ltd.	Japan	100%
Mexichem Fl□or Taiwan Ltd.	Taiwan	100%
Building and Infrastructure (□ avin):		
Mexichem Amanco Holding, S.A. de C.V.	Mexico	100%
Mexichem Soluciones Integrales, S.A. de C.V.	Mexico	100%
Mexichem □uatemala, S.A.	□uatemala	100%
Mexichem Honduras, S.A.	Honduras	100%
Mexichem El Salvador, S.A.	El Salvador	100%
Mexichem Nicaragua, S.A.	Nicaragua	100%
Mexichem Costa Rica, S.A.	Costa Rica	100%
Mexichem Panam□, S.A.	Panama	100%
Mexichem Colombia, S.A.S.	Colombia	100%
Pavco de Vene□uela, S.A.	Vene□uela	100%
Mexichem Ecuador, S.A.	Ecuador	95%
Mexichem del Per□, S.A.	Peru	100%
Mexichem Argentina, S.A.	Argentina	100%
Mexichem Brasil Industria de Transforma□□o Pl□stica, Ltda.	Bra□il	100%
Wavin Nederland B.V.	Netherlands	100%
Wavin Belgium N.V.	Belgium	100%
Wavin (Foshan) Piping Systems Co. Ltd.	China	100%
Nordisk Wavin A/S	Denmark	100%
Norsk Wavin A/S	Norway	100%
Wavin France S.A.S.	France	100%
Wavin □mbH	□ermany	100%
Wavin Hungary Kft.	Hungary	100%
Wavin Ireland Ltd.	Ireland	100%
Wavin Italia SpA	Italy	100%
UAB Wavin Baltic	Lithuania	100%
Wavin Romania s.r.l.	Romania	100%
OOO Wavin Rus	Russia	100%
AB Svenska Wavin	Sweden	100%
Wavin TR Plastik Sanayi Anonim Sirketi	Turkey	100%
Wavin Ltd.	United Kingdom	100%
Warmafl oor (□B) Ltd.	United Kingdom	100%
Data Communications (Dura-Line):		
Dura-Line Holdings, Inc.	USA	100%
Mexichem Canada Limited	Canada	100%
Precision Agriculture (Netafim):		
Netafim, LTD.	Israel	80%
Holdings:		
Mexichem Soluciones Integrales Holding, S.A. de C.V.	Mexico	100%

This section □Main Activity□of the Annual Report describes in detail the topics (ii) Distribution Channels, (iv) Main Customers and (viii) Market Information (numbering is in accordance with the numbering in Annex □N□ Instructions for preparing the Annual Report) of the Sole Issuer Circular for each of the business groups and their respective businesses and/or processes and products:

ii. Distribution Channels
iv. □ain Customers
viii. □arket Information

(a) Polymer Solutions business group (Vestolit and Alphagary)
  (a.1) Salt-Chlorine-Soda-Ethylene-VCM process
  (a.2) Chlorine-Caustic Soda process
  (a.3) Vinyl and Compounds process

(b) Building □ Infrastructure business group

(c) Data Communications business group

(d) Precision Agriculture business group

(e) Fluorinated Solutions business group
  (e.1) Fluorite Process
  (e.2) Hydrofluoric Acid (HF) and Aluminum Fluoride (AlF3) Process
  (e.3) Refrigerant □ases and Fluorocarbons Process

(a) Polymer Solutions business group (Vestolit and Alphagary) (formerly Vinyl or Chlor-Vinyl Chain)

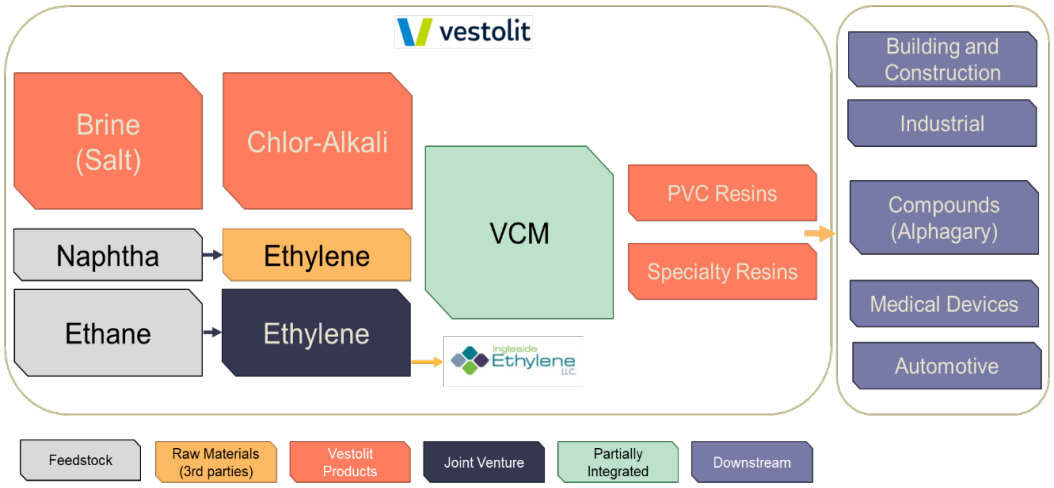
The process begins with the extraction of salt, by in□ecting water into the salt dome, converting it into brine, which is then transported by pipes to the plant which converts it into chlorine and caustic soda by applying an electric current. Chlorine is combined with ethylene to form vinyl chloride monomer (VCM), which is polymeri□ed to produce polyvinyl chloride (PVC). Currently Orbia is self-sufficient in VCM for its plant in □ermany and obtains the necessary VCM for the production of PVC in America from OxyChem, although it also has supply contracts with other suppliers in smaller amounts, a situation that is expected to continue in the future. Ingleside began the ethylene cracker start-up process in February 2017, starting commercial operations in the second quarter of 2017, allowing Orbia to reap the benefits of vertical integration of the Polymer Solutions business group for PVC, which in turn will allow Orbia to reduce its PVC production costs.

PVC is a versatile plastic that has countless everyday uses, such as: pipes for transporting drinking water and for irrigation□coatings for electrical conduction cables□profiles for constructing windows, doors, facades or entire houses□ tiles, floors, furniture coverings, automobile parts and household appliances, clothing and footwear, containers and packaging, medical devices, adhesive tapes, and many others.

This business group also produces plastic resin compounds, specially formulated to meet the specific requirements of customers who transform this polymer into end use goods. Compounds incorporate the various additives necessary for the processing of plastic resins, and those required to obtain the functional properties unique to each use.

PVC resins can be combined with other additives to make value-added products such as compounds, pipes and coatings.

The main production chain of the Polymer Solutions business is as follows:



In addition to what is shown in the graph above, the Polymer Solutions business group produces and sells by-products derived from the production of chlorine and caustic soda.

The Polymer Solutions business group has 26 sites with 35 plants operating in Mexico, Colombia, the United States, the United Kingdom, □ermany and India, focused on the production of PVC and specialty resins, compounds, VCM (only in □ermany) and various derivatives such as chlorine and caustic soda, in addition to the ethylene cracker in a □oint venture with OxyChem and the salt mine. Polymer Solutions has 19 ISO 9001 certified sites and 15 ISO 14001 certified sites□in addition to seven certified SARI (Responsible Care) sites and four are Clean Industry certified sites. In 2021, Polymer Solutions sites migrated from ISRS (International Safety Rating System) certification to ISO 45001□ Currently, 12 sites are ISO 45001 certified and 10 sites are ISRS. These plants meet strict standards for safety, health and environmental protection throughout the entire manufacturing life cycle.

The Polymer Solutions business group consists of the following subsidiaries:

- Mexichem Derivados, S.A. of C.V. and Mexichem Derivados Colombia, S.A.S. and Petrochemical Mexican Vinyl, S.A. of C.V. that produce chlorine, caustic soda and speciali□ed chlorinated products such as sodium hypochlorite, hydrochloric acid and other speciali□ed chemicals□
- Mexichem Resinas Vin□licas, S.A. de C.V., and Mexichem Resinas Colombia, S.A.S, leaders in Latin America in the production of PVC resins□
- Mexichem Specialty Resins Inc., a leader in the production and marketing of specialty resins□
- Quimir, S.A. de C.V., a producer of industrial and food phosphates□
- Mexichem Compounds, S.A. de C.V., and Mexichem Compuestos Colombia S.A.S., producers of compounds and plastici□ers□
- Mexichem Specialty Compounds (formerly Alphagary Corporation and Alphagary Ltd.), manufacturers of PVC and PVC-free compounds□
- Vestolit □mbH, a producer of chlorine, caustic soda and high-impact suspension PVC resin (HIS-PVC) and paste PVC resin□
- Ingleside Ethylene LLC, which began producing ethylene in February 2017 and entered into commercial operation in the second quarter of the same year□
- Vinyl Compounds Holdings Ltd. (VCHL), a leading supplier of PVC compounds.
- Sylvin-Technologies Inc. A speciali□ed manufacturer of PVC compounds.
- Shakun Polymers Private Limited, a leading player in the field of compounding for the wire and cable industry.

From 2019 to date the Polymer Solutions Business □roup has made the following acquisitions and executed the following investments:

Shakun Polymers Private Limited. On June 22, Orbia□s Polymer Solutions business acquired a ma□ority stake of Shakun Polymers Private Limited (Shakun), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the Indian subcontinent, Middle East, Southeast Asia and Africa. With its investment, Polymer Solutions is expanding its product and regional footprints as Shakun will continue to provide next-generation materials designed to meet the high safety and performance standards in the Asian and African markets.

Shakun□s product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. In addition, Shakun□s semiconductive and cross-linkable compounds extend Alphagary□s product portfolio and offer a platform for growth to meet customer requirements, which should bring synergies to the

operations of the Polymer Solutions group. Orbia has fully consolidated Shakun s results into the Polymer Solutions business group.

Sales

In 2021, Polymer Solutions business group sales and EBITDA were $3,438 million and $1,134 million, respectively, representing a 58% increase in revenue and a 145% increase in EBITDA, both compared to the previous exercise. In 2020, sales were $2,171 million and EBITDA was $462 million, representing a 7% decrease in sales and a 4.2% increase in EBITDA, compared to the prior year. In 2019, Polymer Solutions had net sales of $2,334 million and EBITDA of $443 million, representing decreases of 5.1% and 16.4%, respectively, compared to the previous year.

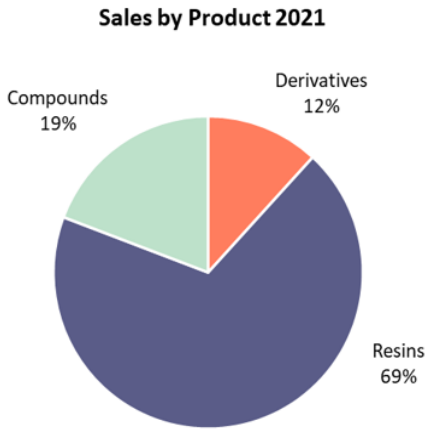
In fiscal years 2021, 2020, and 2019, Polymer Solutions contributed 39%, 34%, and 36% of the Company s net sales as well as 55%, 35%, and 34% of its consolidated EBITDA, respectively.

In 2021, the Polymer Solutions group had an outstanding performance driven by higher PVC market prices due to strong global demand and the tight environment.

The table below shows the Polymer Solutions business group s production and sales volumes for 2021, 2020 and 2019.

	Year ending December 31:					
	Volume Sold [1]			Sales [2]		
Polymer Solutions	**2021**	**2020**	**2019**	**2021**	**2020**	**2019**
Derivatives (3)	1,004	937	860	417	350	370
Resins	1,425	1,414	1,515	2,437	1,402	1,486
Compounds	257	226	232	680	466	513
Eliminations	(49)	(43)	(41)	(95)	(47)	(35)
Total, Polymer Solutions	2,638	2,535	2,565	3,438	2,171	2,334

(1) Thousands of tons.
(2) Figures in millions of dollars.
(3) Consolidates the Derivatives sales in the strategic interests of the Issuer.



Information excluding inter-chain transactions within the same business group

(a.1) Salt-Chlorine-Soda-Ethylene-VCM Process

Orbia has plants for the Salt-Chlorine-Soda process in Mexico where it produces chlorine, caustic soda, salt, hydrochloric acid, sodium hypochlorite□in Colombia where it produces sodium hypochlorite□and in □ermany where it mostly produces chlorine, caustic soda and VCM. It also has plants that produce industrial and food phosphates. Likewise, in a 50/50 □oint venture with OxyChem, the Issuer produces ethylene in a cracker located in Ingleside, Texas.

Products

Chlorine: It is mainly used for the production of long-life products such as VCM, which is the basic raw material for PVC production, titanium dioxide production (raw material for white paints), bleaching of cellulose in the pulp and paper industry, production of agrochemicals, water treatment, disinfection and purification, and chemical and pharmaceutical industry in general.

Caustic soda: It has several applications including: the production of oils, soaps and detergents, regeneration of ionic exchange resins for water treatment, washing of glass bottles, bleaching of cellulose in the pulp and paper industry, production of refined sugar, dyeing of cotton fabrics, production of agrochemicals, manufacture of gelatins, cleaning products in general, among others.

Sodium hypochlorite: It is mainly used for the manufacture of liquid bleach, as a general saniti□er, for the treatment and purification of water, manufacture of industrial catalysts, for bleaching and deinking paper, among others.

Hydrochloric acid: It is used for the production of high fructose which in turn is used as sweetener in the soft drink, candy and brewing industries□it is widely used for drawing and pickling metals, and is used in the pharmaceutical industry for the production of medicines, manufacture of pigments and dyes, and manufacture of ferric chloride, which is used in the lithography industry, among others. It is widely used for the manufacture of plastics and rubber, in the oil industry, and ceramics, among others.

Ethylene: Ethylene is the most important segment of the petrochemical industry and is converted into a large number of final and intermediate products such as plastics, resins, fibers and elastomers, including polyethylene (PE) and polyvinyl chloride (PVC), solvents, coatings, plastici□ers and antifree□es, among the most widely used.

VC□: Vinyl chloride monomer is used almost entirely (96-98%) in the manufacture of polyvinyl chloride or polyvinyl chloride resin (PVC), a very versatile product that has applications in the medical and construction sectors, as well as in cable sheathing, piping, rigid and flexible profiling, and toys.

Industrial and food phosphates: Used mainly for the manufacture of detergents, fertili□ers, animal feed, ceramics, water treatment, textiles, toothpastes, beverages, sausages, dairy products and bakery.

Plants and Mines (See Section 2, "The Issuer", item x, "Description of its Main Assets" of this Annual Report).

Raw Materials

The main raw materials in the Salt-Chloro-Soda Process are: salt, natural gas and electricity,. In Mexico, these raw materials are obtained through long-term supply contracts, with periodic reviews, with the National Water Commission (water), and the Federal Electricity Commission (electric power). There have been supply agreements with Iberdrola since 2015, contracts have been signed for the supply of electricity to Mexichem Resinas Vin□licas and Quimir since 2015, and in 2019 two contracts were signed for the supply of electricity to PMV and Mexichem Derivados□Pemex Industrial Transformation (natural gas), with the exception of salt, which is extracted from the concession for the exploitation of the salt dome that the Company has.

Sales and Marketing

Orbia has long-term contracts with some customers, for which it has established sales schemes that promote loyalty through discounts for volume acquired during specific periods of time. Long-term contracts represent approximately 70% of chlorine sales and 54% of caustic soda sales□and provide for the use of a price formula based on North American reference prices provided by IHS Markit and ICIS. The remaining volume is sold on the spot market at prices calculated by reference to the prevailing sales price at that time. In Europe, 100% of the chlorine produced is used to produce VCM and derivatives while caustic soda is sold to third parties.

Main Clients

The clients of the Salt-Chloro-Sose-Ethylene-VCM Process are concentrated mainly in the following secondary sectors (1) the petrochemical, secondary chemical, agrochemical and pharmaceutical industries□(2) PVC resin production, plastics processing, (3) soap and detergents, cellulose and paper, matches, and polymers such as polyurethane products for hygiene and cleaning of hospitals and homes, (4) water treatment, bottling, and metal-mechanical industry.

Distribution Channels

The products of the Salt-Chlorine-Soda-Ethylene Process are basic raw materials and are mainly marketed directly to industries as a business-to-business model that use them as inputs to produce other products. Sales are made through the group's sales force to direct customers, inter-company, and distributors, which in turn sell to end customers mainly in the same business to business model.

Distribution Contracts

The sale of Salt-Chlorine-Soda-Ethylene Process products is made directly and through distributors. Almost 7% of sales through distributors are made through service agreements.

Cyclic behavior

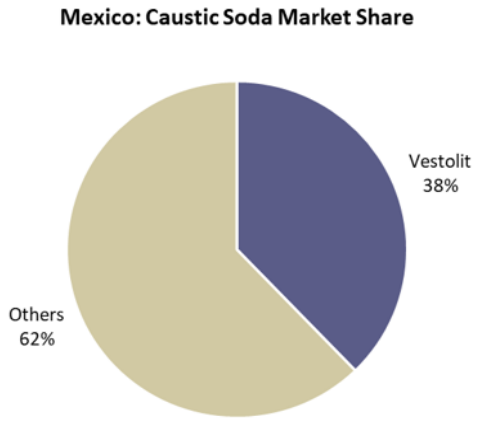
The chemical industry within the scope of raw materials production behaves in accordance with the international economy expansion and contraction cycles, and the supply and demand conditions of the main raw materials, which can have a significant impact on prices.

Competitive Position

The Company maintains its leadership position in the domestic market. Regarding the import of caustic soda, which competes with domestic production, the business has a favorable competitive position because it has a guaranteed supply due to local production as opposed to the supply imported for logistical reasons. However, in the face of a constant soda supply mainly from the U.S., competitiveness could be affected.

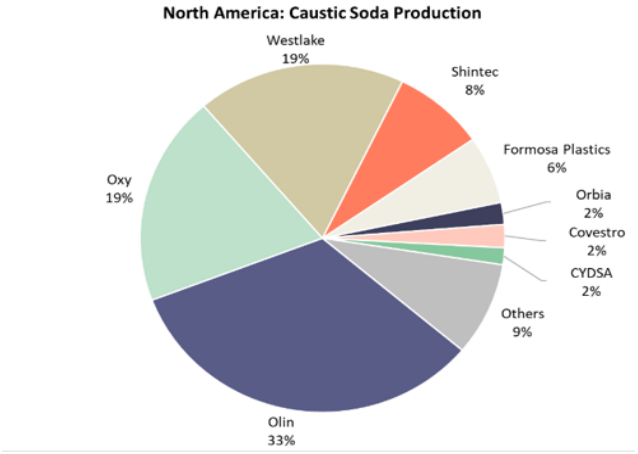
Market Share

The following graph shows Orbia's participation in the caustic soda market in Mexico during 2021:



Source: Orbia market research based on ANIQ and IHS Markit import-export reports.

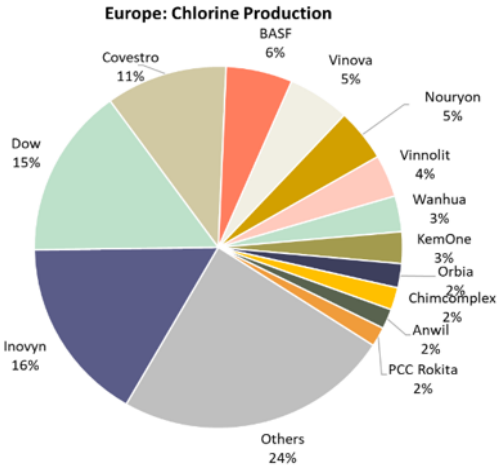
The total capacity in the caustic soda market in North America is 15.9 million metric tons.



Source: IHS Markit

In Europe, caustic soda is mainly consumed and produced locally due to the high cost of transportation and storage. The market is highly fragmented, with local producers competing in specific geographic markets. Orbia competes with integrated producers in the production of caustic soda such as Nourvon, Covestro and Dow Chemicals.

In 2021 the total chlorine capacity in Europe reached 12.1 million tons. The following graph shows the main producers of chlorine, graph based on the IHS Markit report.



Source: IHS Markit

The international market share of these products for Orbia is not substantial since it only exports its excess production.

(a.2) Process Chlorine and Caustic Soda

Raw Materials

Salt-Chlorine-Soda (alkali or chlor-alkali) is a term that refers to the chemistry of chlorine and caustic soda, produced mainly by electrolytic processes. Chlorine and caustic soda are co-products that result from the disintegration of salt into components by means of the electrolysis process. This process produces a fixed ratio of chlorine and caustic soda, which is referred to as an Electrochemical Unit (ECU). An ECU mainly consists of 1 unit of chlorine and 1.1 units of caustic soda. The main materials used in this process are electricity and salt, electricity being the main cost.

Although chlorine is used in many chemical processes, its main use is in the production of vinyl resins for the manufacture of PVC. Caustic soda is used in the production of pulp and paper, organic chemicals, soaps and detergents, textiles, oils and aluminum process.

The chlor-alkali industry is cyclical due to the direct impact of economic growth on demand, where periods of low profitability and low growth are often followed by periods in which attractive margins justify capacity expansion. In general, the demand for chlorine depends on the construction sector, while the demand for caustic soda depends on the manufacturing sector.

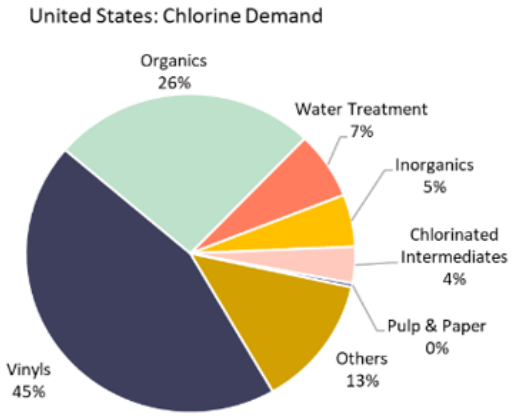
Most chlor-alkali producers are regional, with Dow Chemical Company being a notable exception, as it is a multinational and global company with a strong presence in North America and Europe.

According to an IHS Markit study, 2020 Chlor-Alkali 2022 World Analysis Chlor-Alkali, chlorine consumption is expected to show an annual increase of 2.1% worldwide.

Traditionally, chlorine demand drives the chlor-alkali production rate as chlorine plants are often integrated by facilities producing chlorine derivatives such as vinyl and PVC resins. The demand for chlorine is highly dependent on the demand for vinyl (particularly PVC resin). Since most of the chlor-alkali production is not composed of users of caustic soda, their demand may vary significantly.

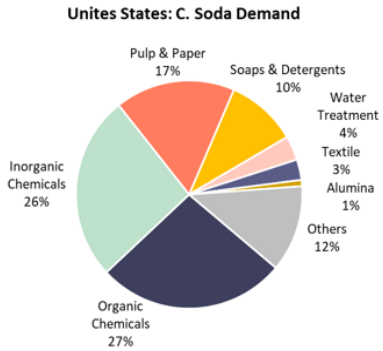
Main Customers

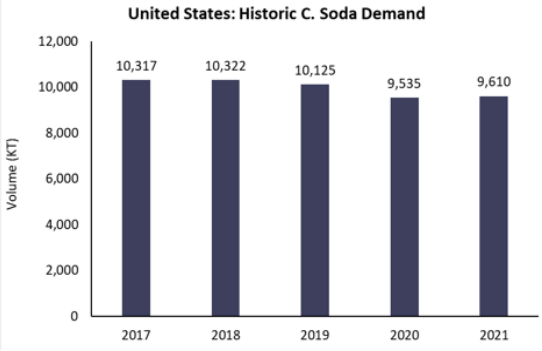
In the US, the production of vinyl, particularly PVC resin, represents the largest use of chlorine in the USA. As shown in the following graph, in 2021, 45% of the chlorine produced in the manufacture of PVC resins. PVC is one of the most versatile polymers and is widely accepted as it can be molded for a variety of uses in the construction industry, including rigid and flexible tubing, tubing connectors, flexible coatings, wire/cable accessories, and more. wire/cable coatings, among other applications.



Fuente: IHS Markit

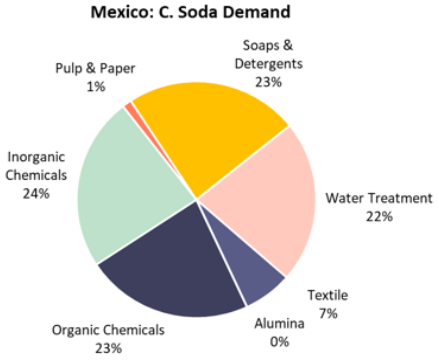
Caustic soda in the USA is used in a large number of industrial applications in the manufacture of organic chemicals (27%) such as propylene oxide and epichlorohydrin, in inorganic chemicals (26%) such as titanium dioxide and aluminum, as well as in the production of pulp and paper (17%). In 2021 the total productive capacity of soda in the US was 14.8 million tons per year and of chlorine 14.0 million tons. of chlorine.

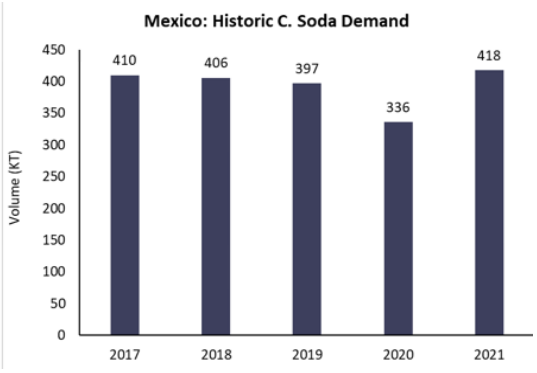




Fuente: IHS Markit

In Mexico, soda has a large number of industrial uses, including organic (23%) and inorganic (24%) chemical products, as well as in the production of soaps and detergents (23%). The total production capacity of soda in Mexico in 2021 was 594,000 tons, and chlorine is 551,000 tons, while the Issuer's production of soda and chlorine, in the same year, in Mexico was 206,000 and 184,000 tons, respectively. In 2021, the demand for chlorine in Mexico was 214 thousand tons, while the demand for soda was 418 thousand tons according to IHS Markit.

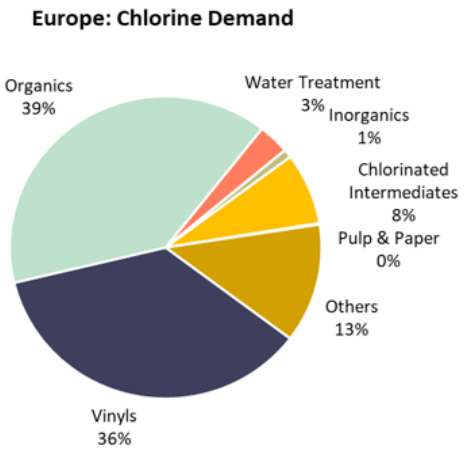




Source: IHS Markit

In the last 20 years there has been a significant change in the use of technologies for chlor-alkali production. Membrane cell technology intensified its use in the mid-1980s, which it has superseded in the 1980s, replacing mercury cell technology because membrane technology inherently brings improved environment and reduces energy costs. In Western Europe, mercury-based chlor-soda production has been converted to membrane cell technology since 2018. Some chlor-soda plants with asbestos-based diaphragm cells are modifying this material for another mercury-free polymer. asbestos and its operation is still in force, it is approved and regulated by their respective corresponding governments. Orbia does not use mercury technology in its mercury technology chlorine processes.

The production of soda in Europe in 2021 reached 9.7 million tons, presenting an increase of 1.6% compared to 2020



Fuente: IHS Markit

Chlorine and caustic soda prices

In North America, buyers of chlorine tend to concentrate, while consumers of caustic soda are generally more fragmented. Some of the largest buyers of chlorine have multi-year supply contracts, which include maximum prices and/or discounts to mitigate price volatility in the Spot Market.

(a.3) Vinyl and Composite Process

Products

The main products of the Vinyl Process are PVC Resins and plastic Compounds used to manufacture pipes and fittings, profiles and floors for the construction industry, as well as upholstery, films, bottles, containers, footwear and applications for the medical field such as bags for blood, dialysis and catheters.

□eneral PVC Resins: It is one of the most versatile and low-cost thermoplastics due to the variety of its end-use forming technologies. It is strong and light, flexible, cost effective and safe. The Vinyl Process serves various applications, mainly for the building and construction sector, pipes and accessories, profiles, wires and cables, window frames, medical devices, containers, among others.

Specialty PVC Resins: These resins are intended to serve core applications of flooring, wallpaper, textile and technical coatings, automotive and artificial leather, as well as other specialty sub-segments where these resins provide unique capabilities.

The following are results of the Vinyl Process:

PVC resins with very diverse applications, mostly for the construction sector, such as cable coatings, window frames, pipes for carrying drinking and sanitary water and in other sectors, such as toys, balls, containers, hoses, chairs, decorative items, house, automotive industry and more.

In the Composites Process, materials are produced for:

Materials for cables, flexible profiles, shoe in□ections, automotive use, computer circuit holders, in□ection of accessories for pipes and the like, bottles of purified water, production of containers and packaging by bi-orientation process, containers for edible oils, vinegar, detergents, cleaners, □uices, sauces, coffee powder, among others.

Plants (See Section 2, "The Issuer", item x, "Description of its Main Assets", of this Annual Report).

The production capacity of the vinyl and compounds manufacturing process as of December 31,2021 there was an average of 1.8 million tons of PVC resin and 412,000 annual tons of compounds.

Raw Materials

The main raw material used in the Vinyl Process is VCM. Orbia buys VCM from third parties such as Westlake and OxyChem. According to its installed capacity for the production of PVC at the end of 2021 in its Vinyl Process, the

Company required more than 1.8 million tons of VCM for all its plants (1.4 million tons in America and 0.4 million tons in Europe). In America, the Company maintains an integration of approximately 85% to Ethylene, while considering the production capacity of PVC in □ermany, its global integration is approximately 65%.

At the production plant in Europe (□ermany), the most important raw material purchased from third parties is ethylene, which is purchased through two current supply contracts with prices set monthly, while brine is obtained from S□W and electricity from Evonik Industries.

Sales and Marketing

For the sale of vinyl and composite products, Orbia maintains long-term contracts with its main clients and sales schemes that promote loyalty through discounts for volume acquired in specific periods of time. Long-term contracts are for continuous renewal and provide for the use of price formulas based on international references. Some of these references influence the cost of VCM, which allows Orbia to maintain differentials between the cost of VCM and the price of PVC throughout the cycles. On the other hand, these contracts provide their clients with adequate market conditions and competitive prices. Approximately 45% of PVC Resin sales are made under this scheme, allowing Orbia to have a solid marketing base. The remainder is sold on the Spot Market at the reference price at the time of sale.

Orbia has an important product marketing network to serve the national market and a considerable number of countries with high development potential, gaining a presence in the main regions of the world. The wide diversification in the sale of these products allows Orbia to maximi□e its income and reduce risks.

Main Customers

PVC products are used by customers in the manufacture of pipes and connections, flexible and rigid profiles, upholstery, flexible and rigid films, bottles and containers, synthetic flooring, blinds, laminated polystyrene, the toy industry, footwear and articles for the medical industry, among others. Including inter-company sales, the Vinyl and Composites business that is part of the Polymer Solutions business group represents 39% of Orbia□s total sales and the most important customer represents 1.1%, so there is no dependency on one or more customers, given that the loss of these would not materially adversely affect the results of operations or financial situation.

Distribution Channels

The products of this process are marketed directly to the industries that use them as inputs for the production of other products. All sales of the Composites Process are made through the Company□s sales force in its own branches and through distributors.

Distribution Contracts

The sale of PVC is typically directly to customers, however, there are some distribution contracts for the commerciali□ation of the products mainly in Europe, North America and Asia.

Cyclic behavior

Orbia is the largest producer of polyvinyl chloride (PVC) in Latin America and the sixth largest in the world, as well as the largest producer of specialty resins worldwide. The global PVC market is linked to the construction industry, which depends on the contraction or expansion of the economies of the world□s regions and countries.

□lobal demand for PVC is strong and supply is restricted, leading to high utili□ation of industry capacity. PVC demand is expected to grow at a CA□R of 3.5% from 2021 to 2026 and then 2.4% through 2031 driven by strong construction and infrastructure activity globally, adding □17 million tons of demand between now and 2031.

PVC supply additions are limited over the next 5 years in low-cost producing regions such as the US□C and the Middle East. In addition, barriers to entry are high due to the complexity of investing in and operating ethylene/chlor-alkali/VCM/PVC assets.

Competitive Position

The Vinyl Process:

It maintains the strategy of vertically integrating its business to be competitive in the markets it serves, investing in pro□ects that have the purpose of ensuring the national and international competitiveness of its products, as well as the development of speciali□ed and differentiated products.

In the recessionary stages of the national and international economic cycle, demand may be reduced and oversupply generated, affecting the international prices of the products manufactured by the Company. The products manufactured and traded by the Issuer compete in global markets and are therefore sub□ect to the supply and demand trends of such

markets and, therefore, to international prices that may affect profit margins, based on the efficiency levels of each producer. The vertical integration strategy has allowed the Company to consume a high percentage of intermediate products for final processes, reducing the impact of a decrease in the prices of basic products.

The supply and co-investment contract with OxyChem, and the acquisition of Policyd (a major resin producer in Mexico) have contributed to a strong position in the PVC market. In addition, with the latest acquisition of Vestolit in Europe, Orbia increased its portfolio of specialty products made to measure with high-impact suspension PVC resins (HIS-PVC). Orbia is the only producer with this technology in Europe and, with the current capacity, it is also the largest producer of specialty resins in the world.

The Company is a leader in the general resins segment in Mexico and Colombia, and is also a leader in the special resins segment in Europe and the U.S. The main competitors in the PVC market in Latin America and Europe are Shin-Etsu, Westlake, Formosa, INEOS, and OxyChem.

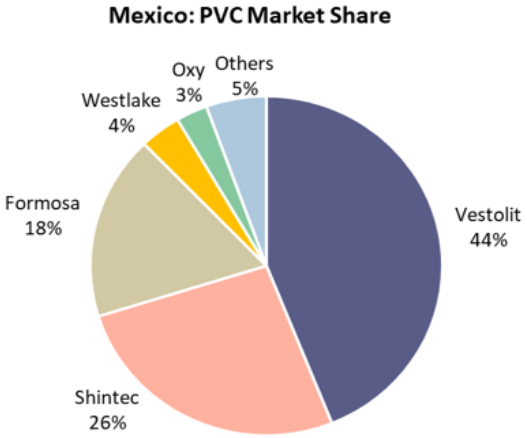
Worldwide PVC resin producers by company in 2021 (Average annual capacity)

Place	Company	Capacity (000 Tons)	Market Share
1	Shin-Etsu	4,440	8%
2	Westlake	3,470	6%
3	Formosa Group	3,164	5%
4	INEOS	2,315	4%
5	Xinjiang Zhongtai	1,970	3%
6	Orbia	1,797	3%
7	Oxy	1,683	3%
8	Hubei Yihua	1,350	2%
9	Beiyuan Chemical	1,250	2%
10	Others	37,701	64%
	Total	59,140	100%

Source: IHS Markit

Market Share

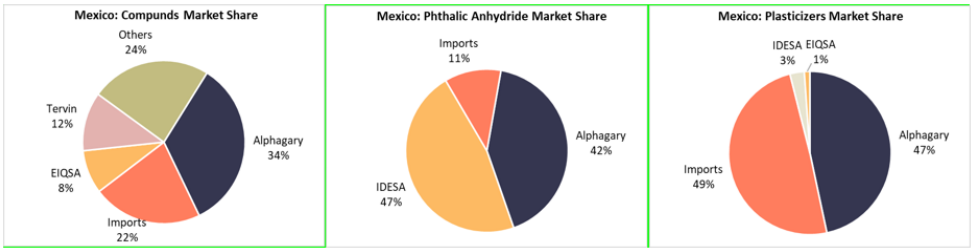
In 2021, Orbia's share of the Mexican PVC resin market was 44%, as shown in the graph below:



Source: IHS Markit y Orbia

The total market capacity of PVC resin in Mexico was 471,000 metric tons in 2021.

Orbia's market share in Mexico for compounds, phthalic anhydride, and plasticizers is shown below.



Source: Orbia market study based on ANIQ import-export reports

General Industry Information

Orbia focuses on the manufacture of products that are used in the construction, housing, infrastructure, telecommunications, water supply, automotive, sewage, and drainage and irrigation industries, among others. In addition, it participates in industries that use chlorine, caustic soda, chlorine derivatives and resins. It also manufactures transformed products, including pipes and fittings for the transportation of fluids such as water and other PVC compounds.

PVC resin

PVC is manufactured by polymerizing VCM, which is formed from the joint reaction of ethylene and chlorine. PVC resin has multiple applications such as pipes and connectors for conveying water (particularly for use in housing and sanitation), profiles, films and sheets, bottles, coating of wires and cables, and floors, among others.

PVC is the third most used plastic in the world after polyethylene and polypropylene. According to IHS Markit, global demand for PVC reached approximately 49.2 million metric tons in 2021, which is largely supplied to the construction sector. Pipes account for more than 45% of all PVC consumption globally. The estimated average annual growth rate of PVC demand until 2031 is an average of 3.4%.

PVC is a versatile plastic that has numerous applications for everyday use, such as: pipes for the transport of drinking water, sewage or water for irrigation, coatings for electrical cables, profiles for the construction of windows, doors, facades or entire houses, tiles, floors, furniture coverings, auto parts and appliances, clothing and footwear, containers and packaging, medical devices, adhesive tapes and many others.

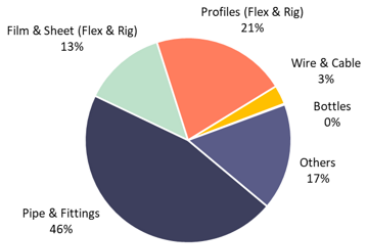
In the PVC production chain, vertical integration is a priority issue that, if not carried out, can lead to the disappearance of non-integrated PVC producers. In addition, the vertical integration of manufactured products can affect this industry. Non-integrated PVC producers are expected to face significant challenges in competing with integrated consumers, who typically have significantly lower production costs.

The PVC industry is greatly affected by changes in energy prices, particularly natural gas, from which ethane is derived, which is the main feedstock used to produce ethylene in North America, and crude oil from the from which different types of naphtha and other hydrocarbons are derived, which are the main raw materials used to produce ethylene in Europe and Asia.

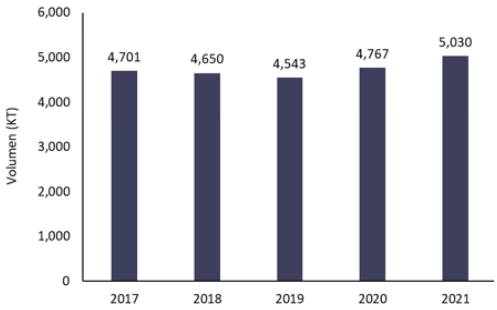
In addition to mature markets for the industry such as the United States and Western Europe, Orbia focuses on markets that are enjoying steady growth in areas such as government investment and infrastructure and construction projects in countries such as Mexico, Colombia, India, Brazil and Turkey.

Within PVC applications in Mexico, Colombia, USA, India and Brazil, most of the production is for pipes and accessories, while in Western Europe and Turkey, the most relevant segment is profiles, with pipes and accessories occupying the second place in these countries, as shown in the following graphs.

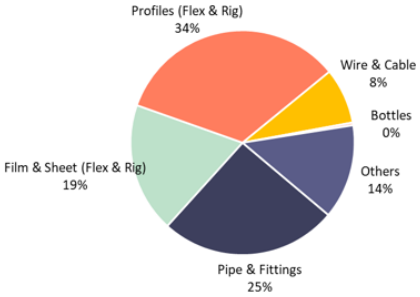
United States: PVC Applications



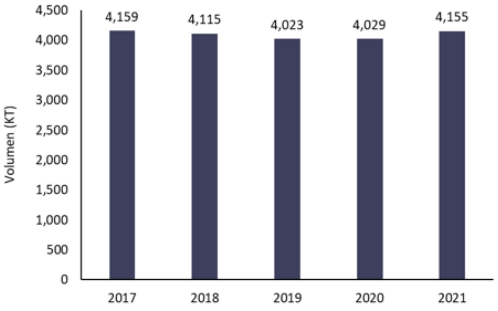
United States: Historic PVC Demand



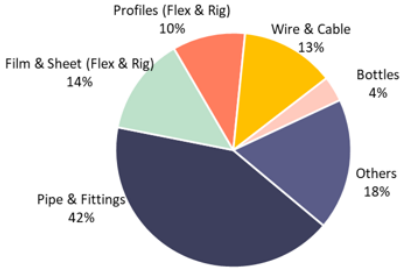
West Europe: PVC Applications



West Europe: Historic PVC Demand

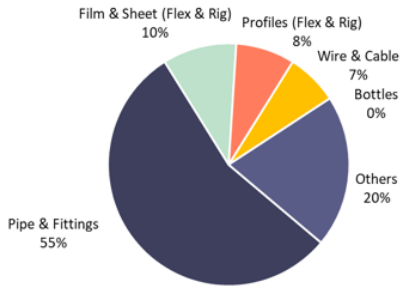


Mexico: PVC Applications

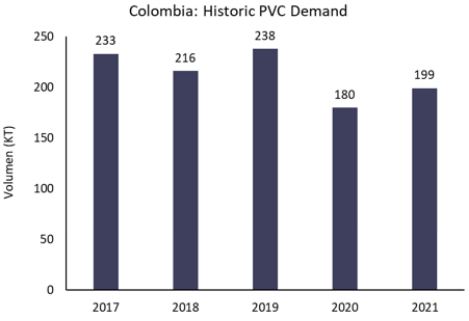


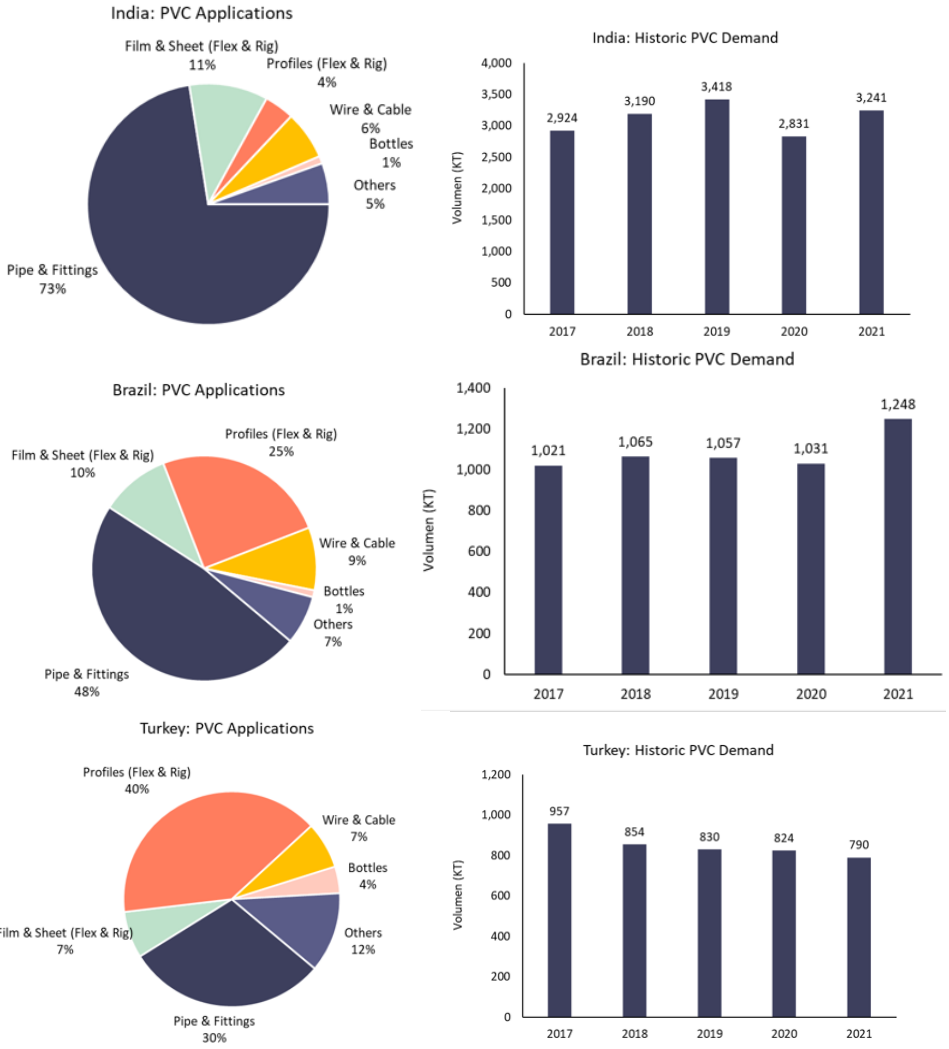
Mexico: Historic PVC Demand

Colombia: PVC Applications



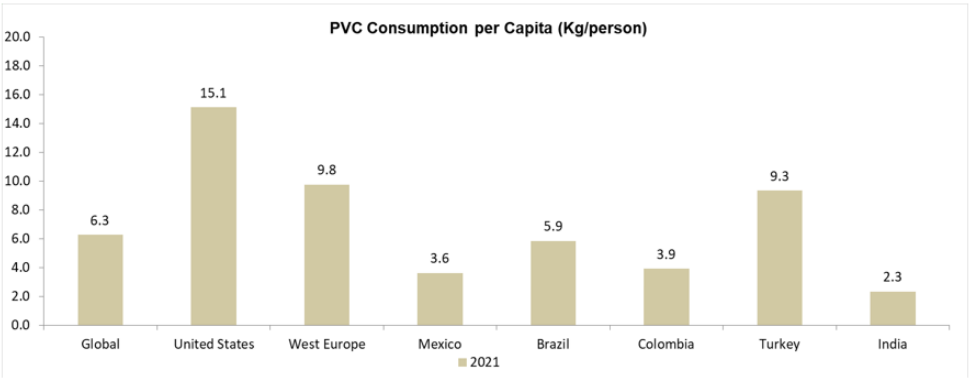
Colombia: Historic PVC Demand





Source: IHS Markit

Orbia focuses on markets with high growth potential, where PVC consumption per capita is increasing, and in mature markets where PVC consumption per capita is stable at high levels. The following graph shows the PVC consumption per capita of the main countries and/or regions where Orbia sells PVC resins:



Fuente: IHS Markit

(b) Building □ Infrastructure Business □roup

Building □ Infrastructure is a global provider of plastic piping systems and innovative solutions for the construction and infrastructure industries, with a broad product portfolio. Specific product segments are used for drainage solutions, stormwater management solutions, potable water solutions, indoor weatheri□ation solutions, and flooring and landfill systems. In order to keep the product portfolio up to date, Building □ Infrastructure has a □lobal Technology and Innovation Center in the Netherlands, including a pilot plant, an accredited laboratory and a design center.

In Europe, Building □ Infrastructure operates 24 production plants and 7 Research and Development facilities, with 4,200 employees. Building □ Infrastructure is the market leader in Europe, has a broad product portfolio with nearly 32,000 items, has a significant local presence and is committed to innovation and technical support for the solutions it offers. All these elements represent a benefit for its customers.

In Latin America, Building □ Infrastructure has 24 production plants that operate with 6,100 employees and in which it manufactures 38,000 articles. It markets its products through its well-positioned brands Pavco, Amanco and Plastigama (all of them now associated with the Wavin brand). Due to its experience and technical speciali□ation, as well as its perception of a high level of quality, Building □ Infrastructure is the market leader in Latin America.

In the Asia Pacific region, Building □ Infrastructure has relaunched its activities and started new facilities in Indonesia and India in 2020, as a base for future growth and becoming a true global player. In 2021, Building □ Infrastructure acquired 2 brownfield production facilities in Neemrana and Hyderabad from Data Communications, expanding its production capacity in the region to overcome import barriers. Building □ Infrastructure employs 270 employees throughout the Asia Pacific region.

Sales of the Building □ Infrastructure group of businesses during the years 2021, 2020, and 2019 represented 33%, 32% and 35% of consolidated revenues. The Building and Infrastructure □roup also contributed 21%, 20% and 20% to Orbia□s consolidated EBITDA during the same period. Detailed revenue data by region is shown below.

	Year ending December 31:		
	2021	**2020**	**2019**
Building □ Infrastructure business group [1]			
Europe / Asia Pacific	1,606	1,195	1,221
Latin America	1,330	883	1,032
Eliminations	(14)	(7)	(14)
Total Building □ Infrastructure	2,922	2,071	2,239

(1) Figures in millions of dollars.

During 2021 Building □ Infrastructure continued to execute the strategy, benefiting from the rapid growth of value-added products such as Aquacell, AS□, SiTech□, Tigris K5/M5, to expand both sales and profitability, offsetting sudden price increases of the raw material, through the use of appropriate pricing strategies.

That said, after unusually high volume in the second quarter, record lows in stock availability largely disrupted operations in the third quarter. This situation, combined with the scarcity of raw materials, meant that products could not always be delivered to customers. Beginning in the the second quarter of 2021, Building □ Infrastructure benefited from being part of Orbia and from the growing collaboration with other business groups (in this case, Vestolit and Alphagary), as many of the competitors ran out of stock.

Despite this fiercely competitive business environment, key milestones such as market share growth in most markets were achieved. New entrants were also welcomed with the acquisition of another factory in Neemrana, India, which will help accelerate market access for our sustainable products and solutions to serve India□s growing urban population.

In 2021, Building □ Infrastructure also launched the first □□ear Up 4□global marketing campaign in 25 countries, including Latin America, which aims to create customer loyalty and brand preference among installers. The purpose is to make the change to Wavin products and the concept of the campaign is to □install trust□

Products

The market segments served by Building □ Infrastructure business group:

□ **avin Hot □ Cold Systems:** The Hot □ Cold business unit is focused on serving five main applications: Potable Water, Fire Sprinkler, Industrial, Radiator Heating Piping Systems, Indoor □as. All of these systems are inherent in a variety of buildings, in residential, non-residential and commercial buildings. To serve these markets, Building □ Infrastructure offers a broad portfolio of pipes and fittings. These systems include flexible, rigid, and semi-rigid piping in various materials, connection techniques, pipe wall constructions, and diameters. APAC, Latam, EMEA countries have different installation habits and legislative requirements. Our ob□ective is to have adequate solutions for the market, but at the same time benefit from economies of scale. That requires extensive market research and a deep understanding of market dynamics. But Building □ Infrastructure□s offering goes far beyond products. We provide a wide range of additional services such as design and calculation, BIM models, service life assessment tool, drinking water quality and hydraulic performance. Over time it will continue to build smarter ways to manage drinking water in buildings.

Building □ Infrastructure□s drive and commitment: Today, with more than 2 billion people on earth still without access to fresh water, Building □ Infrastructure□s goal is to make our solutions available worldwide. The business□s approach to innovation is to avoid overly complicated solutions and to remove all barriers to installing them. This also means that we actively share our knowledge to help our customers.

Similarly, the quality of drinking water is of great importance. Therefore, Building □ Infrastructure actively contributes to the supply of safe water by raising product standards to the highest level. All Building □ Infrastructure systems are made from approved materials and help customers design their systems the right way. By offering high quality systems with the correct design specifications, B□I□s customers can limit the risk of bacterial contamination in their water systems during use.

□ **avin Indoor Climate Systems:** Building □ Infrastructure is continually strengthening its position in the indoor climate segment in Europe by expanding the dedicated Building □ Infrastructure organi□ation to serve the ma□or European markets.

The company develops, manufactures and sells various systems that provide a better and healthier indoor climate for people with energy reduction as a key factor.

The key systems are:

1. Water-based underfloor heating systems, including pipes, flooring solutions, collectors and distribution systems.
2. A water-based roof cooling system that provides healthy cooling of buildings with low energy consumption and no operating noise (alternative to air conditioning systems).
3. Thermal interface units for District energy (Calefa),
4. Ventilation systems with heat recovery (Venti□a) including units, ducts and accessories to make a complete installation.
5. Various ranges in control systems, including high-end Sentio, which is a sophisticated control system that connects all systems seamlessly.

These systems focus on ease of installation, long-term reliability, and connectivity through control systems that are the key differentiators in the market. Within indoor air conditioning systems, Building □ Infrastructure targets the newly built residential market. At the same time, the business is experiencing an increase in the light commercial building business and renovation market, including Precast.

□ **avin Soil □ □ aste:** Soil □ Waste products contribute to Building □ Infrastructure□s purpose in two areas: improved construction performance and improved sanitation and hygiene. The product range covers all segments of the value pyramid with low, medium and high specification PP, PE and PVC systems. Its broad product portfolio can cover the most diverse requirements of customers around the world. Whether in a competitively priced market or a high quality pro□ect, Building □ Infrastructure has a ready solution with a wide range of products, technical support and high levels of service to offer our customers.

The ability to develop value-added products such as PVC allows the business to set trends in markets such as LATAM and APAC. resulting in differentiation from the competition. In EMEA, it B□I is increasing its market position with products such as SiTech□ and AS□ that meet the highest demands. B□I□s customers appreciate the fresh designs, performance and quality of our product. Whether for social buildings, multi-family homes in urban settings, or five-star hotels in tourist destinations, the Wavin Soil □ Waste portfolio is always the right choice.

Building □ Infrastructure is well positioned for the challenges of the future. It is a pioneer in the development of 100% plastic wastewater systems. It has extensive knowledge of the segment that it takes advantage of to develop various applications for its own and industrial constructions. These capabilities are combined with B□I□s sound and fire protection expertise to offer a full range of products.

□ **avin□s Stormwater □anagement:** We live in a changing world. Cities continue to grow as the urbani□ation trend continues, resulting in increasingly harsher surfaces on the environment. Climate change is having a profound effect with increasingly intense rains and periods of drought. The result of the combination of shorter and sharper rains with

more roofs and paved roads is a higher risk of urban flooding To manage this risk, there is a growing demand for improved stormwater and stormwater drainage solutions.

Building Infrastructure is a leading global player helping towns and cities manage flood risk, control groundwater depletion, and manage urban heat stress within the urban environment through a broad portfolio of products and technical expertise.

Portfolio: Building Infrastructure offers a wide range of solutions for surface water management. QuickStream Siphonic Roof Drain is used for the efficient drainage of large roofs, while gutters, troughs and drainage channels can be used to collect other hard surfaces. Below the surface, Building Infrastructure offers transportation through X-Stream, Novafort and land drainage piping systems with access through Tegra manholes. Water quality can be improved by removing debris, sediment and oils with Tegra Road ullies and Certaro filters, while AquaCell and Q-Bic Plus can be used to allow collected water to infiltrate back into the ground or stored and released at a controlled rate to avoid overloading the piping system.

Sustainability: Developing systems in plastic means that a pro ect life of up to 100 years can be achieved with the added benefit of being recyclable at end of life. A significant portion of Building Infrastructure s stormwater portfolio is already produced from 100% recycled plastics from post-industrial applications.

Making cities more liveable and lovable: Building Infrastructure plays a role in making cities more liveable through the introduction of trees into the urban environment. Trees play an essential role in promoting health and social well-being by helping to reduce the effects of urban heat build-up, eliminating air pollution, encouraging physical activity and reducing stress.

To help trees grow faster and give them a chance to live in harsh urban environments, this business segment offers Wavin TreeTanks. In these underground boxes, a safe one is created in which the roots can grow as in the natural environment while collecting water and valuable nutrients to support their growth. The healthy growth of these trees helps rapidly cool temperatures in city centers (heat island effect) making our cities more sustainable.

avin Foul ater Systems: Foul Water Systems is one of Building Infrastructure s foundations and achieved unprecedented results in 2021 in both revenue and profit. Building Infrastructure Develops, produces, markets and sells plastic pipes, fittings, manholes, manholes and related materials to create a healthy and sustainable underground infrastructure. Its diverse teams with colleagues in Asia Pacific, Latin America and Europe share knowledge and closely cooperate with each other to deliver quality to customers. Tailored to customer requirements, Building Infrastructure s solutions made of polyvinyl chloride (for example, Novafort in Latin America) and polypropylene (for example, Acaro and Tegra in Europe) are used as combined sewage for dirty and storm water or installed as separate systems. True black water goes to water treatment facilities, while rainwater, with limited filtering, goes to lakes, canals, and rivers or is used locally to water trees and parks. In this way we contribute to the resilience of the city.

Building Infrastructure emphasi es sustainable products made from recycled materials, such as its multilayer pipes under the names Recycore, EcoTP and U3, in countries where legislation allows it. In other countries, it lobbies for the inclusion of recycling to be approved. Durability, reliability and ease of installation are key to their products. And circularity reigns at Building Infrastructure: any innovation is guided by it.

Foul Water Systems solutions support Building Infrastructure s commitment to improving sanitation and hygiene around the world.

Sustainability. Building Infrastructure s holistic sustainability strategy is based on six global programs (of which four are action-focused and two are supportive). Each program has clear goals and ambitions for 2025 in line with Orbia s goals. Its goal is to become an industry leader in sustainability by 2025. Building Infrastructure focuses on:

1. Innovation (Offer innovative solutions to help our clients adapt to climate change).
2. Circular economy (Contribute to the increase in the use of recycling and the recyclability of products).
3. Environmental Impact (Reduction of the environmental footprint for clients and in our operations).
4. Social inclusion (creating a positive impact on (local) communities and embracing diversity)
5. Reports (Reports on the performance of sustainability programs to stakeholders).
6. Public affairs (active participation in the development of policies to increase the impact of our sustainability activities).

Annually Building Infrastructure implements between 100 to 200 pro ects.

Raw Materials

During 2021, for the Building Infrastructure business in Latin America, approximately 66% of the cost of sales in the manufacture of its products was PVC resin and CPVC resin. The Company buys 55% of this raw material from USA and other regional suppliers where logistics costs or tariffs make sense, while the rest is obtained from the PVC resins subsidiary of the Polymer Solutions business group (Vestolit), of its operations in Mexico and Colombia.

In the case of Building □ Infrastructure□s business in Europe, 54% of its raw materials are Polyolefins: Polyethylene (PE) and Polypropylene (PP), while the remaining 46% is PVC resin (virgin and recycled) and additives, of which which the Polymer Solutions business group contributes approximately 11%.

Main Customers

Building □ Infrastructure□s main customers are from the construction and infrastructure industryincluding construction companies, installation companies and underground contractors, as well as municipal governments, cities and gas and water companies that carry out public works. Including inter-company sales, Building □ Infrastructure business group represents 33% of Orbia□s total sales and the most important customer represents 7.2%.

Distribution Channels

Building □ Infrastructure distributes its products to end consumers (installers, contractors and engineers, and specifiers) directly, through distributors, or through businesses speciali□ed in construction, dealers, plumbing specialists, civil engineering specialists or retail DIY businesses.

In Europe, Building □ Infrastructure primarily uses indirect distribution□that is, its products are shipped to the wholesalers or retailers, who have both centrali□ed distribution and storage centers, as well as multiple points of retail sale. Building □ Infrastructure products are available at approximately 65,000 points of sale in Europe, which include direct and indirect distribution.

In Latin America, B□I□s products are distributed through over 50,000 points of sale with more direct contact with the end consumer, as well as through construction companies.

Cyclic behavior

Building □ Infrastructure□s business performance is influenced by the economic cycles in each of the countries in which we operate, particularly the cycles present in the construction and housing sectors. Additionally, in Europe, there is a seasonal effect related to the winter season during some months of the first and fourth quarters, in which lower levels of sales are generated.

In 2021, the COVID-19 pandemic and industry-wide raw material shortages had a significant impact on Building □ Infrastructure□s performance throughout the year. The great efforts applied to continue supplying its customers in the best possible way in these challenging circumstances have strengthened its market position in the regions where it operates. Building □ Infrastructure made the well-being of its employees and customers a priority by adopting new ways of working, investing in safety measures and providing support to families affected by the Covid-19 virus.

Competitive position

Building □ Infrastructure□s market leadership has been built on the backing of its very well positioned brands: Wavin (with 66 years of history), Amanco, Pavco, Plastigama, while benefiting from an important track record in product development innovative systems and solutions. Taking innovation as a reference, Building □ Infrastructure offers a wide portfolio of products and solutions, such as those aimed at solving so-called □customer pain□with reliable service level performance. The close links established with customers have been reinforced in recent years through proactive commercial campaigns, as well as through the use of digital tools such as Building Information Modeling (BIM) throughout all regions, improving the service to our customers.

Market share

The Building □ Infrastructure business in Latin America holds about a **31**□ share of the PVC pipe market, based on the company□s own estimates, and the company also estimates that, in this region, it holds a significant share of the wholesale markets where it has a presence, since in most of the countries it is the market leader. For the European market, B□I estimates that it holds a market share of 14% for a wide range of applications for the interior and exterior design of buildings, as well as infrastructure.

(c) Data Communications business group (Dura-Line)

Data Communications develops and markets high-density polyethylene (HDPE) products and has positioned itself as a leader in the production and distribution of conduits and accessories, as well as cable and fiber optic conduit solutions for voice and data, and pipes for industries. of infrastructure.

Data Communications has 16 production facilities located in North America, Europe, India and Oman. Its clients are large North American corporations, as well as multinational companies that rely on the high quality of the products and services it offers.

Data Communications has positioned itself mainly in the United States and Canada regions, as well as in the Asia, Middle East and Africa (AMEA) region.

The Data Communications business group contributed 11%, 11% and 12% to Orbia's consolidated revenues in fiscal years 2021, 2020 and 2019, respectively and 7%, 13% 11% of Orbia's consolidated EBITDA. Revenues in millions of USD for all three years are shown below.

	Year ending December 31:		
	2021	2020	2019
Data Communications Business Group (1)	944	732	749

(1) Figures in millions.

Products

Telecommunications. The Company produces advanced engineered conduit, microduct and cable conduit solutions for the telecommunications (voice and data), electrical engineering and cable television markets, and offers multiple conduit solutions under the Dura-Line brand. Offering a microduct solution primarily for use in broadband and cable TV and telecommunications applications, its SILICORE ducts are made with a high-density polyethylene (HDPE) jacket and a solid polymer shell. The conduit has an outer jacket and a slip-on center that eliminates the need for lubrication, reduces friction and protects the cable before, during and after installation. The Tornado Plus Conduit product is specifically designed to facilitate better installation by creating an air chamber that allows cable to be installed over long distances. The company is a leader in the development and manufacture of small diameter ducts. These patented solutions provide flexibility to the network through the installation of fiber that increases the growth of data networks without the need for additional trenching.

Through its CableCon line of products, Data Communications is the leading provider, both by volume and sales, of pre-installed cable conduit solutions in North America. CableCon is a system in which fiber optic, coaxial or power cables are pre-installed during production at our factory, reducing installation costs for customers. CableCon's consumer growth has been achieved through Data Communications's ability to customize the solutions it offers its customers with products that fit their needs.

The Company has developed a new line of micro-duct solutions designed to be used inside and outside buildings in order to improve network capabilities in companies. Orbia's technology provides a comprehensive solution to meet future growth needs with affordable installation costs. Through the CableCon product, the Company is the leader in driving solutions in North America based on volume and sales.

It also sells a wide range of accessories for users in the telecommunications sector (voice and data) such as connectors, fiber optic woven tapes, cable television, and equipment installation. Accessories are designed to streamline and improve the installation of pipe and duct solutions.

Raw Materials

For Data Communications US/Canada and AMEA business, the primary raw material is high-density polyethylene resin, the price of which is substantially subject to fluctuating market conditions. Polyethylene resins are traded worldwide. A determinant in the price of resin is the price of oil, which usually experiences volatility. Purchases of this raw material are made from a small number of local suppliers. Generally, these contracts have a duration of between one and two years. The Company has a long-standing business relationship with regional resin suppliers, with an average tenure of eleven years. In terms of prices, contracts with suppliers are based on market prices according to the applicable region.

Main customers

Data Communications business customers belong to the telecommunications and infrastructure industries, which include large and small construction companies, installers, as well as telecommunications and energy companies.

Distribution Channels

Data Communications distributes its products to more than 1,700 customers, both directly and through distributors in more than 50 countries.

Cyclic behavior

Normally, the first and fourth quarters of each year have low sales levels due to the winter in the northern hemisphere. However, weather conditions in recent years have varied in such a way that sales performance may be affected in different ways.

Competitive position

The Data Communications business main competitive advantages are its presence in regions such as the United States, and countries such as India, Oman and Canada, having an extensive distribution network, as well as greater brand recognition. The business group faces strong international competition in the countries in which it participates.

The competitors in the US/Canada and AMEA are Performance Pipe (a division of Chevron Phillips Chemical Company), LP, Blue Diamond Industries, LLC, JM Eagle, and to a lesser extent small regional manufacturers, in addition to some European companies. such as Cabo Systemtechnik GmbH (dba Cabocom), Emetelle and Hexatronic. In developing countries, the competitive landscape is much more fragmented when compared to the US, Canadian or European markets.

Market share

The Data Communications business group considers that this information is of strategic importance, and it therefore reserves the right to disclose it.

(d) Precision Agriculture business group (Netafim)

Precision Agriculture is aimed at high-growth markets and it produces solutions to address two major global trends: the increasing scarcity of food and water.

The Company is a global leader in the production and sale of precision irrigation solutions, with 62 subsidiaries and 17 plants located in Israel, Turkey, The Netherlands, Spain, South Africa, Mexico, Brazil, Peru, Chile, China, Colombia, Australia, India and the United States, serving over 110 countries.

Precision Agriculture offers agricultural, civil engineering and project solutions related to the handling, use and control of water in agricultural, farming and aquacultural activities. All this allows it to offer the widest range and assortment of solutions that adapt to the needs of its customers.

The products operate under the Netafim brand, which is recognized in the key agricultural markets and is a symbol of its proven history as a pioneer and innovator in the agricultural irrigation market. Since the introduction of the world's first commercial drip irrigation system in 1966, Precision Agriculture has invested years of research into micro-watering to maximize the benefits of the technology. As a result of this investment, we have been pioneers in the key technological advances made in micro-irrigation, such as low-pressure drippers and drippers with pressure compensation. We have become a world leader in advanced micro- irrigation by helping the world "grow more with less", as demonstrated by our customers who, generally, achieve greater crop yields while using less water, as well as less land and power resources, allowing for reduced use of other inputs like labor, nutrients and crop protection.

Precision Agriculture contributed 13%, 15%, and 17% to Orbia's consolidated revenues for the years 2021, 2020 and 2019, respectively and 7%, 14% and 13% to EBITDA, respectively during the same periods.

Sales

	Year ending December 31:		
	2021	**2020**	**2019**
Precision Agriculture business group [1]	1,126	972	1,063

(1) Figures in Millions.

Products

Precision Agriculture's technologically advanced micro-irrigation solutions consist primarily of drip-based watering solutions, but we also sell sprinklers and micro-sprinkler products. This business provides services primarily to the agricultural market, while certain products are used for landscaping and mining applications.

The broad range of Precision Agriculture□s product portfolio includes drippers, drip lines, strategic system components (such as filters, valves and air valves) and advanced digital technology for agriculture. Advanced digital crop technology offers solutions for watering and fertirrigation, and in 2018, we launched an integrated digital agriculture system to the market that has monitoring, analysis and control capabilities. We also provide end- to-end solutions that include the provision of bulk water, feasibility and design studies, implementation, post- sales support and system maintenance. Also, through our leading presence in the irrigation market, we have built a base of in-depth agricultural knowledge and we offer agronomic services and support to help their end users maximi□e the productivity of their systems.

Raw Materials

For the Precision Agriculture business, the main raw materials are polyethylene (PE) resins in different grades and products made from PVC resins.

Main Customers

The main customers of the Netafim business group are individual and large corporate farmers. Most of these end users are served and supplied through large and medium si□ed wholesale distributors. Precision Agriculture□s top ten customers together represent about 2.5% of Orbia□s consolidated total revenue.

Distribution Channels

Precision Agriculture distributes its products directly and through a global network of more than 3,000 distributors in more than 110 countries.

Cyclic behavior

Precision Agriculture□s seasonality depends on the climate of the countries in which it operates, with the second quarter of each year being the one with the highest demand, followed by the fourth quarter, while the first and third quarters are weaker. In Europe, an increase in demand for the company□s products is observed in the spring months. The countries of the southern hemisphere experience greater demand in the months of September and October, which is the beginning of the spring season there. Finally, in December there is an increase in the demand for its products driven by an increase in sales in the US and India.

Competitive Position

Precision Agriculture□s main competitors are Jain Irrigation, Rivulis, Irritec, Toro, Met□er and smaller local competitors in the countries where it is present.

Market Share

Precision Agriculture has an approximate market share in precision irrigation products of 35% in North America, 40% in Latin America, 35% in Europe and 20% in AMEA.

(e) Fluorinated Solutions Business □roup (□oura)

Fluorinated Solutions is a world leader in the development, manufacture and supply of fluorinated products and solutions. It is the largest producer of fluorite in the world and has a leading position in the industry of hydrofluoric acid, aluminum trifluoride (AlF3), refrigerant gases and medical propellants. Fluorinated Solutions has also started supplying fluorinated products to the energy storage industry, a key growth segment in the coming years, and is perfectly poised for this. The launch of Koflyte□, a new brand for its next-generation electrolyte additives and co-solvents, the acquisition of Silatronix, a leading battery technology start-up, and Orbia□s investment in Ascend Elements, a lithium-ion battery recycler of closed cycle and manufacturer, are the first steps to enter these markets. Fluorine plays a critical role in a wide range of industries, including automotive, chemical, semiconductor, communications, construction, and pharmaceuticals, among others. It has also become relevant as a key feedstock for various decarboni□ation solutions, such as lithium-ion batteries, renewable energy, and low-□WP refrigerants for mobile and stationary applications.

The value chain of this Business □roup originates in calcium fluoride, better known as fluorite, a non-metallic mineral that acts as a flux, among other applications.

Concentrated fluorite (with a minimum concentration of 97%), without impurities, is known as acid grade and is used in the production of hydrofluoric acid, which is obtained through chemical processes using sulfuric acid from sulfur. Fluorinated Solutions competes with China in the production of this acid.

Fluorinated Solutions owns several mining concessions in Mexico. The largest concession is located in the state of San Luis Potos□and has the only known fluorite mineral body in the world. Fluorinated Solutions has the largest proven

reserves, equivalent to 1/8 of the world's reserves. Operating from two locations in the state of San Luis Potosí, Fluorinated Solutions's mineral production is three times that of the second largest producer of fluorite.

Environmental and sustainability issues are strongly integrated into Fluorinated Solutions plans for mineral extraction and processing to ensure that its environmental and social responsibility goals are achieved. The use of screening equipment for Metspar has enabled better utilization of the mineral resource, and significant investments have been made in Acid spar processing to use substantially less water per metric ton produced and go to paste or dry-related instead. of the traditional wet-related practice industry.

Fluorinated Solutions supplies approximately 20% of the worldwide demand for fluorite, either directly or through its distribution network. It is the number one player in the Americas and Europe and has a significant presence in Asia Pacific. Fluorinated Solutions sells fluorite to a variety of customers in different industries, including major manufacturers of fluorinated products, some of the largest steel mills in the world, and several of the largest players in the Latin American cement industry.

Fluorinated Solutions has been a world leader in promoting the use of Metspar for cement companies, since it allows to reduce the clinker content per ton of cement, thus helping the industry to reduce CO2 emissions.

The dynamics of the fluorite market have changed significantly since 2018, as China, the largest producer by country, went from being a net exporter to a net importer of fluorite. This situation has caused an opening of new markets in Asia Pacific and an increase in mineral prices. Although the Covid-19 affected the demand for fluorite in 2020 and the first half of 2021, the market recovered in the second half of 2021.

In the medium and long term, several external analysts and internal projections agree that the total global demand for fluorine will continue to grow faster than DP due to several megatrends, most notably the transition to clean energy and increased digitalization.

Fluorite in its natural state (whose concentration ranges between 50% and 90%), is used in the steel, cement, glass and ceramic industries, helping to eliminate impurities in the manufacture of steel, improving the structure molecular weight of clinker in cement and, generating energy savings, among the main benefits. This type of fluorite is called metallurgical grade.

Hydrofluoric acid is mainly used in the manufacture of refrigerant gases and propellant gases for air conditioning, refrigerators, freezers and medical applications for the treatment of respiratory diseases. It is also used as an input in the production of gasoline and aluminum fluoride, the pickling of stainless steel, in nuclear fuels, in the manufacture of integrated circuits, in the manufacture of specialized plastics such as fluoropolymers and in the production of fluorinated salts such as lithium salts, which are used in batteries. Fluorinated Solutions is one of the world's leading producers of hydrofluoric acid.

The Company is one of the world's leading suppliers of refrigerant gases, primarily R-134a gas, used primarily in the automotive and refrigeration industries. R-134a gas is also used as propellant gas in medical devices such as inhalers for asthmatics, an application in which Fluorinated Solutions has nearly 75% of the world market. Fluorinated Solutions is committed to the development of refrigerant gases and medical propellants with low global warming potential (LWP), investing in research and development through joint ventures.

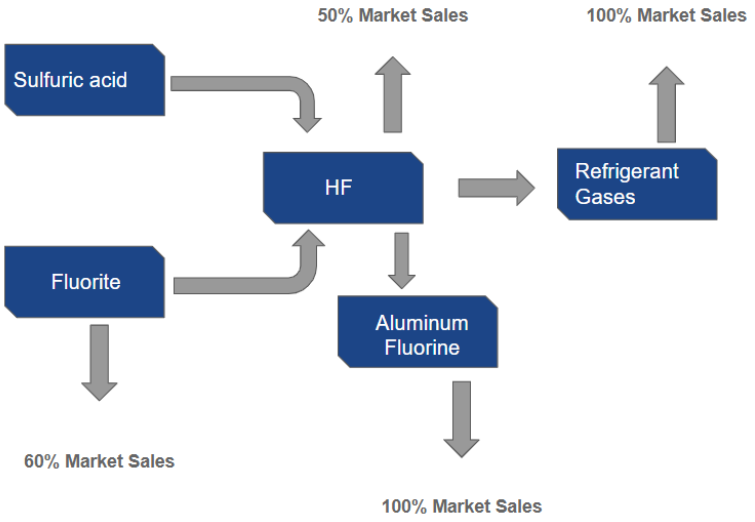
Eight operating plants established in Mexico, the United Kingdom, the United States, Taiwan and Japan were added to Fluorinated Solutions, of which 6 are certified in accordance with ISO-9001, 4 with ISO-14001, 3 with OHSAS 18001, 1 with TS 16949, 1 with Clean Industry Certification by the Federal Attorney's Office for Environmental Protection (Mexico), 1 with Integral Responsibility certification by ANIQ and 3 with ISRS (International Safety Rating System) levels 5 to 7. The 4 chemical process plants of this business group are signatories of the chemical industry's voluntary commitment to Responsible Care.

The oversupply of production in China resulted in an average reduction of 16% in the prices of acid grade fluorite from January 2015 to January 2018. This situation is mainly caused by a worldwide overproduction of aluminum and refrigerant gases, mainly from China. Similarly, from 2015 to early 2018, aluminum prices decreased 6%, so aluminum producers have had to operate below production cost and close several aluminum plants.

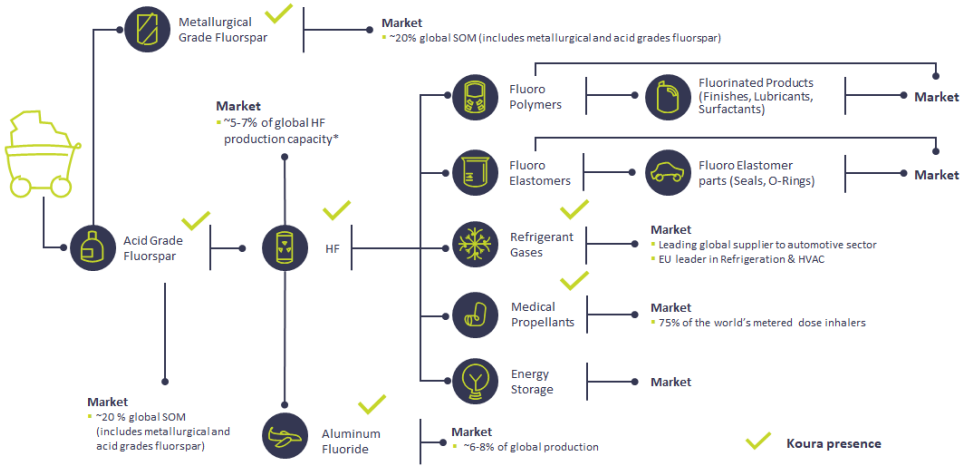
From 2012 to 2016, fluorite prices experienced a steady negative trend. However, the market situation changed dramatically in 2016 when China, the world's largest fluorite producer, significantly reduced its production capacity due to the implementation of new environmental laws. The decrease in Chinese fluorite production resulted in a restructuring of the supply chain and an increase in global prices.

In 2018, fluorite reached prices close to $500, the highest values in 6 years. In 2019, the average fluorite price stabilized at around $350 USD/T. In 2020, the fluorite supply chain was affected by the shutdown of various consumer industries caused by the COVID-19 pandemic. Due to the low demand for refrigerants and other fluoro-compounds, the average prices for fluorite dropped 17% over the course of the year. In the third quarter of 2020, fluorite exports were observed at prices below $250/ USD/T. The average price in 2020 was $300 USD/T.

Orbia is currently the world's largest producer of fluorite and integrated HF, excluding China. In addition, the Company is one of the world's largest producers of hydrofluoric acid (HF), considering the operations in Mexico, and the largest supplier in the U.S. Spot Market.



Fluorine value chain



The Fluorinated Solutions business group is one of the world's largest integrated refrigerant producers. Orbia also continues with its commitment to supply new generation refrigerants, which are more environmentally friendly.

Sales generated by the Fluorinated Solutions business group represented 8%, 11% and 12% during 2021, 2020 and 2019, respectively, of Orbia's consolidated sales. With respect to the Issuer's consolidated EBITDA, Fluorinated Solutions contributed 12%, 19% and 24%, respectively for the years 2021, 2020 and 2019.

Sales

Fluorinated Solutions's volumes and sales in the last three fiscal years have been as follows:

	Years ending December 31:					
	Volume Sold (1)			Sales		
Fluorinated Solutions	**2021**	**2020**	**2019**	**2021**	**2020**	**2019**
Acid □rade, Metallurgical □rade Fluorite, Acid □rade, HF and ALF3	1,042	1,052	1,121	421	432	474
Refrigerant and Medical □ases	51	53	57	344	310	379
Eliminations	(26)	(25)	(25)	(21)	(44)	(50)
Fluorinated Solutions Total	**1,075**	**1,080**	**1,152**	**744**	**698**	**805**

(1) Millions of Tons

(e.1) Fluorite Process

The activities of this process focus on the exploitation of fluorite, which is commerciali□ed in two basic presentations: (i) metallurgical grade, used in the production of steel, ceramics, glass and cement□and (ii) acid grade, used in the production of hydrofluoric acid, which is the main raw material for the manufacture of virtually all compounds containing organic and inorganic fluorite, including fluorocarbons, fluoroelastomers as well as aluminum fluoride for the production of aluminum.

Products

Fluorite (metallurgical and acid grade).

Fluorite is produced and consumed in two grades: metallurgical grade and acid grade.

Metallurgical grade, or Metspar, is mineral with a certain natural concentration of fluorine that varies depending on the application. It is a crucial raw material in the production of steel and cement. Metspar enables the removal of impurities, especially sulfur, when added to slag to produce stainless and low carbon steels. It is also a valuable additive in the production of clinker for the cement industry, increasing productivity and product performance. Acid □rade, or Acidspar, has a minimum concentration of 97%, and is obtained through flotation processes from minerals with a lower initial concentration. It is primarily used throughout the world to produce hydrofluoric acid, the chemical precursor to most fluorinated products.

Plants and mines

(See Section 2, "The Issuer", item x, "Description of its Main Assets", of this Annual Report).

Raw materials

The main suppliers of raw materials in Mexico are the National Water Commission (water), Iberdrola and the Federal Electricity Commission (electric energy) and Pemex Transformaci□n Industrial (natural gas).

Sales and marketing

Fluorinated Solutions maintains long-term contracts with its main metallurgical-grade and acid-grade fluorite customers, in which sales schemes have been established to promote customer loyalty for specific periods of time. Long-term contracts (between 3 and 5 years) provide for the use of a price formula based on international reference prices, which provides Fluorinated Solutions with long-term stability

Main customers

Flourinated Solutions□main customers are in the iron and steel, glass, ceramics, aluminum, cement and chemical industries (fluorocarbons for refrigeration, propellants, foaming agents, thermoplastic polymers and others). Fluorinated Solutions 10 largest customers represent 5% of Orbia□s total sales. No single customer for this process represents more than 1% of the Company□s total sales and, therefore, there is no dependence on one or more customers, since the loss thereof would not have a material adverse effect on the Company□s results of operations or financial position.

Distribution Channels

Fluorite process products are marketed through distributors worldwide, as well as direct plant deliveries, via rail, ocean, and trucking. All sales are made through the sales force or distributors.

Freight is managed through long-term contracts with trucking, railway and maritime companies, in which a consideration is established represented by a fixed portion (rent) in some cases, and a variable portion in some cases. which includes a price per kilometer or mile traveled, which is linked to the price of fuel, which guarantees a reliable and continuous supply for the operation of the plants.

Distribution contracts

Sales through distributors are made through long-term contracts, who purchase the described fluorite products directly for resale in the markets in which they are present.

Cyclic behavior

The Fluorite process of the Fluorinated Solutions Business roup shows low cyclical behavior on a regular basis.

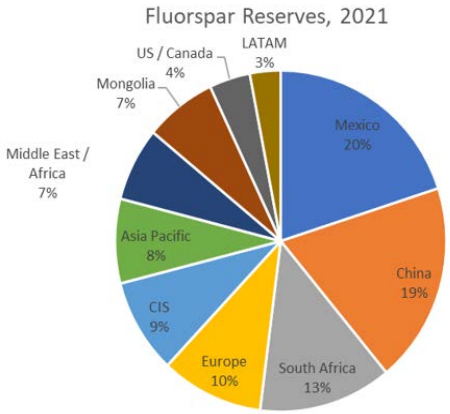
Competitive Position

Fluorinated Solutions produces 1.8 million tons of fluorite in two different locations and with rail access to the cities of Altamira and Tampico, which are worldwide distribution ports. As a point of reference, according to a study performed HCA Consulting, China produces approximately 4.8 million tons in more than 650 mines, currently being the world leader in the production of fluorite and representing Fluorinated Solutions greatest competition in the country as a whole.

Competitive strengths of Fluorinated Solutions include its continuous investments in productivity, positive labor union relationships, high quality of ore extracted from its mines requiring lower levels of additional processing and long-term customer contracts.

Market share

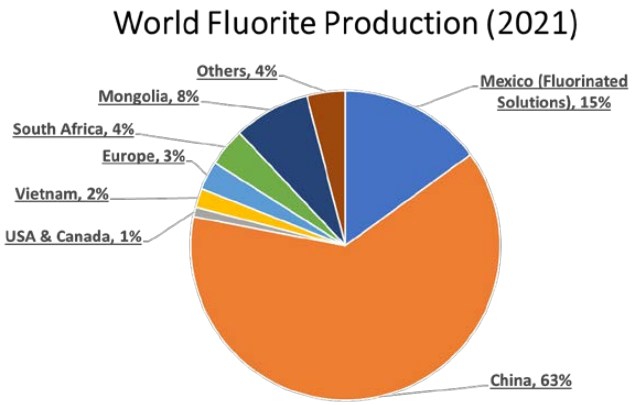
The chart below shows the distribution of fluorite reserves around the world in 2021. Based on data from the USA eological Survey, Chinese sources, and internal analysis by the Business Intelligence team, global reserves equal approximately 331 million metric tons:



Source: US S internal report and analysis.

Fluorinated Solutions maintains a significant 18% share of the global fluorite market and exports around 80% of its production worldwide. China has a 63% share of the world market, Mongolia 8% and South Africa 4%, these countries being its biggest competitors. Five countries, China, Mexico, Mongolia, South Africa, Vietnam and Spain consistently account for more than 90% of the world s fluorite production.

China became a net importer of fluorite for the first time in 2017 and it has now maintained this position for three consecutive years.



Source: HCA Consulting and internal analysis (2021)

(e.2) Hydrofluoric Acid (HF) and Aluminum Fluoride (AIF3) Process

Hydrofluoric acid (HF) is produced by reacting fluorite (CaF2) with sulfuric acid. Once produced, the hydrofluoric acid is subjected to various stages of distillation until it reaches a purity of 99.99%, which is necessary to meet the high standards demanded by the market. Sulfuric acid is made by Fluorinated Solutions starting from sulfur, which, once it comes into contact with air at high temperatures and with water, is converted into sulfuric acid. Fluorinated Solutions is one of the largest producers of HF worldwide.

Aluminum fluoride is an essential element for the manufacture of aluminum, and is produced by the reaction of hydrofluoric acid (HF) with aluminum hydroxide. From its Matamoros plant, Fluorinated Solutions supplies several of the main global aluminum producers.

Products

Acid grade fluorite is a mineral with a minimum calcium fluoride concentration of 97%. By making it react with sulfuric acid, which comes from sulfur, hydrofluoric acid is generated it is mainly used in (1) the manufacture of refrigerant gases and propellant gases for air conditioning, refrigerators, freezers and medical applications for treatment of respiratory diseases, (2) the manufacture of highly specialized plastics known as fluoropolymers, (3) the manufacture of aluminum fluoride, (4) the manufacture of high octane gasolines, (5) cleaning of metallic surfaces such as the pickling of stainless steel, and in other uses to a lesser extent, such as the manufacture of uranium fluoride for the nuclear industry, the manufacture of integrated circuits and fluorinated salts for a wide variety of applications.

Plants

(See Section 2, "The Issuer", item x, "Description of its Main Assets", of this Annual Report).

Fluorinated Solutions owns and operates one of the largest HF plants in the world, located in the city of Matamoros, Tamaulipas, Mexico, with an annual installed capacity of 143,000 tons. The plant is strategically located to have easy access to its main raw materials in Mexico and exports 97% of its production of hydrofluoric acid, mainly to the USA, as well as 100% of its production of aluminum fluoride. The Matamoros plant is operated with the highest technology in compliance with all applicable regulations.

Raw materials

The main raw materials used in the production of HF are acid grade fluorite and sulfur. Fluorite has traditionally been obtained from the San Luis Potosi mine and, to a lesser extent, through purchase from third parties.

Sales and marketing of hydrofluoric acid (HF) and aluminum fluoride

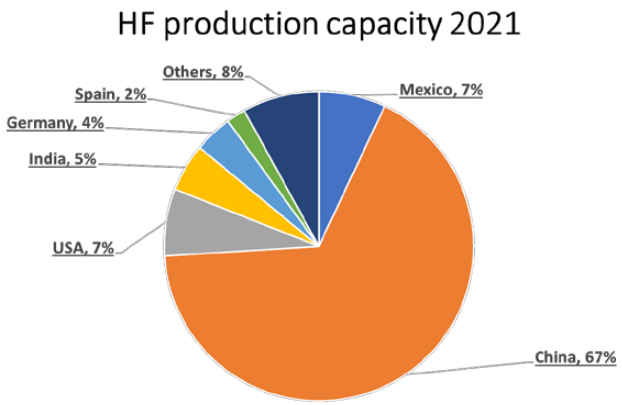
The Issuer has several long-term HF supply contracts with its major customers in North America. Aluminum fluoride is sold to customers through purchase orders or contracts with a term of less than or equal to one year.

Fluorinated Solutions Business Group HF Market Share

The Issuer estimates that global demand for hydrofluoric acid (HF) in 2021 amounted to 2.8 million metric tons, of which approximately 73% was produced in China, 14% in the USA and Mexico, and □10% in Europe. In 2021, global demand for HF was still affected by closures in consumer industries, but prices recovered compared to the previous year.

Fluorinated Solutions competes in the HF market with Do-Fluoride and other ma□or Chinese producers and Honeywell International and Solvay.

The chart below shows a breakdown of global HF production capacity, with a current total production capacity of approximately 2.8 million metric tons (1.0 million metric tons is held for AIF3 aluminum fluoride production)



Source: Internal Analysis, HCA Consulting 2021), Roskill Consulting Fluorite Report 2021)

(e.3) Refrigerant □ases and Fluorocarbons Process

Fluorocarbons

Fluorinated or fluorocarbon hydrocarbons are aliphatic compounds that have fluorine atoms or a combination of carbon and fluorine in their structure. They have a highly developed industrial application: they are used as anesthetics in medicine, as a propellant gas in aerosols, they are also used as degreasers in metallurgy, as electrical and electronic contact cleaners, but their most important use is as refrigerants in air conditioning systems. and domestic and industrial refrigeration.

Fluorocarbons were originally developed in the 1930s and were widely used for refrigeration, air conditioning, aerosol sprays, foam blowing, fire protection, and solvents. Both pure aqueous solutions and mixtures of fluorocarbons are common in these applications.

Fluorocarbons have unique production processes, but all require HF as a key feedstock. In the last decade, the production and demand of Fluorocarbons has been significantly transformed by environmental legislation, which has focused on eliminating the production of chlorofluorocarbons (CFCs) to protect the o□one layer and ultimately reduce the use of hydrofluorocarbons (HFCs) to reduce global warming. impact of gases in the atmosphere. As the use of HFCs is phased out around the world, new generations of refrigerants are being introduced to accelerate the transition to low-carbon solutions. It is important to distinguish between non-feedstock and feedstock applications of fluorocarbons, as the production of some CFCs, HCFCs and HFCs for feedstock use is still permitted with appropriate measures to minimi□e environmental impact.

Refrigerants: Fluorocarbons combine good thermodynamic properties (with boiling points below target-typical temperatures, high heat of vapori□ation, moderate density in liquid form, and high density in gas phase) with a safe nature (low toxicity and flammability) and non-corrosive.

Propellants The total volume of fluorocarbon refrigerants in 2021 was estimated at 900,000 metric tons. China remains the leading producer (73%), followed by the USA (21%).

Fluorinated Solutions has two refrigerant production plants, one in St. □abriel, Louisiana, and the other in Mihara, Japan, for 134a, an HFC used primarily for automotive and stationary refrigeration. Fluorinated Solutions□s refrigerant portfolio is complemented through alliances and supply agreements with other Fluorocarbon producers.

Fluorinated Solutions is one of the world□s leading suppliers of refrigerant gases, mostly marketed under the Klea□ brand. It sells both directly, especially to OEMs, and through its distribution network, mainly to the aftermarket segment. It is a leader in Europe and a ma□or player in America, Japan and India.

Fluorinated Solutions has one of the largest shares of HFC consumption within the European regulation of fluorinated gases. However, this historic legislation, aimed at progressively reducing the consumption of HFCs, is compromised by significant illegal imports of HFC products. Fluorinated Solutions actively participates in the European Fluorocarbons Technical Committee (EFTCC) as one of the member companies working collectively to fight this illegal HFC business and preserve the intent of F-□as regulation.

Fluorinated Solutions is committed to the development of Low □lobal Warming Potential (L□WP) refrigerant gases, investing significantly in research and development to design a new portfolio that will provide a material improvement on currently available products, benefiting industry and the environment alike. mid to long term. Some new L□WP products have already been introduced in 2021, such as Klea □ R473A, R456A, R448A and LFR3, with several more in the pipeline for the next few years.

Covid-19 affected refrigerant gas demand in 2020, but the market recovered in 2021. Demand is expected to remain strong for the next several years, especially as new L□WP products are rolled out.

Medical Propellants: Fluorite-based propellants are used to safely deliver a variety of medications in aerosol form, including use in inhalers for the treatment of asthma. Fluorinated Solutions acquired the exclusive worldwide rights to sell and distribute the product to the regulated medical and pharmaceutical market under its □EPHEX□ brand, the global brand of medical propellant gases contained in around 75% of inhalers produced worldwide.

Fluorine-based propellants are used to safely deliver a variety of medications in aerosol form, including use in MDIs (metered dose inhalers) for the treatment of asthma and other lung diseases. They are produced by purifying certain HFCs to medical grade in accordance with pharmaceutical specifications and c□MP standards.

As the use of HFCs is phased out around the world, new generations of medical propellants are being sought to accelerate the transition to low-carbon solutions. Fluorinated Solutions is leading the industry in this transition to L□WP medical propellants with the development and commerciali□ation of HFA-152a.

The total volume of medical propellants in 2021 was 11,000 metric tons. Fluorinated Solutions supplies 70% of the world□s needs for medical propellants. Other producers in China and India also produce medical propellants.

Fluorinated Solutions has a medical grade purification plant for 134a at Runcorn in the UK. This facility is the only one of its kind to have received an FDA audit as well as UK Medicines and Healthcare Products Regulatory Agency (MHRA) inspections for c□MP compliance. Fluorinated Solutions sells medical propellants under its □EPHEX□ brand, supplying most of the world□s pharmaceutical companies.

Fluorinated Solutions has been a leader in the introduction of low □WP medical propellants based on HFA-152a, and is working with global pharmaceutical companies on this transition. In 2020, Fluorinated Solutions announced the commissioning of a new □ephex□ 152a c□MP medical propellant production facility, also in Runcorn.

The demand for medical propellants increased during Covid-19, as certain MDIs were used in the critical care of Covid-19 patients. The demand remained stable during 2021 and is expected to continue to grow in the following years due to megatrends such as urbani□ation and the growth of the population with certain medical conditions such as asthma and COPD.

Energy Store: The □ourney to net-□ero emissions is creating one of the biggest business opportunities in the coming years, requiring significant investments in capital, people, and technological development to effectively reduce carbon emissions. Energy storage applications, especially lithium-ion batteries, are critical enabling technologies in the global conversion of fossil fuels to renewable energy sources.

Cobalt, lithium and nickel are some of the critical materials used in cathodes and other key battery cell components. Fluorine is another important element currently used in battery electrolytes and binders□its unique properties make it indispensable in battery technology.

Fluorinated Solutions is developing materials, technologies and solutions that improve battery performance, cost and safety while ensuring a safe and reliable battery supply chain. In December 2021, it launched Koflyte□, a new brand for its next-generation electrolyte additives and co-solvents, facilitating better performance and safety in lithium-ion batteries. A range of Koflyte□ products is currently under development and will soon be ready for sale. These include polyfunctional ether compounds for high-energy lithium-ion batteries and cyclic polyether compounds that, when used

as co-solvents, can facilitate safe, stable, and energy-efficient cycling of lithium metal anodes with various cathode chemistries.

The launch of Koflyte has been the latest move for Fluorinated Solutions as it executes a comprehensive energy materials strategy. In November 2021, Fluorinated Solutions announced the acquisition of Silatronix, a leading battery technology startup with unique expertise in fluorosilane additives for lithium-ion batteries. This followed the announcement in October that Fluorinated Solutions and Orbia had led a $70 million investment round in Ascend Elements (formerly known as Battery Resourcer), a recycler and manufacturer of closed-loop lithium-ion batteries.

Plants.

(See Section 2, "The Issuer", item x, "Description of its Main Assets", of this Annual Report).

Raw materials

The main raw material used in the production of refrigerant gases is HF, which comes mostly from the plant in the city of Matamoros for production of refrigerant gases at our plant in St. abriel in the state of Louisiana, USA, and is mainly imported from third parties for production of refrigerant gases in the city of Mihara, Japan.

Sales and marketing of refrigerant gases

Fluorinated Solutions sells refrigerants worldwide through regional distributors, key to the aftermarket, mainly without a contract or with a short-term contract. It sells directly to OEM (original equipment manufacturers) on short- term contracts.

Medical thrusters are sold in bulk directly to pharmaceutical companies under contract and packaged for business through agents and distributors without contract.

Main customers:
The Fluorinated Solutions Business roup s represents about 4.3% of Orbia s total sales. No single Fluorinated Solutions customer represents more than 1% of the Company s total sales and, therefore, there is no dependence on one or more customers, since the loss of such customers would not have a material adverse effect on the Issuer s results of operations or financial position.

Distribution Channels

Fluorinated Solutions markets its products directly to customers and with some distributors.

Distribution Contracts

Most sales are made directly to customers and do not have distribution contracts.

Cyclic behavior

The Fluoric Acid Process and Refrigerant ases market are not cyclic.

Competitive Position

The main competitive advantage of the Hydrofluoric Acid and Refrigerant ases Process lies in the vertical integration with respect to its main raw material, fluorite, which it obtains from its mines in Mexico, giving it long-term viability by having a guaranteed supply, which differentiates it from the main non-integrated producers dependent on fluorite s external supply.

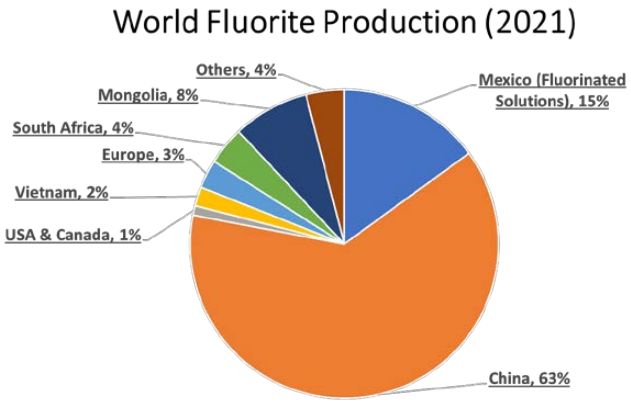
As previously mentioned, China is the main producer of fluorite worldwide, and China s strategy has consisted of using this mineral to manufacture finished products in this industry, such as fluorocarbons and fluoropolymers, thus significantly reducing the supply of ore that is metallurgical or acid grade worldwide.

However, Fluorinated Solutions has a strategic and unique geographic location that gives it access to the North American market (one of the main consumers of hydrofluoric acid and other fluorochemicals in the world), which gives the Company a sustainable competitive advantage that is difficult to match. In addition, Fluorinated Solutions proximity to such an important market for such products as the North American market represents a significant competitive advantage with respect to the strict transportation regulations applicable to hydrofluoric acid.

Fluor Industry Overview

Fluorochemicals are compounds containing the chemical element fluorine, which obtained by mining and processing fluorite they are used in refrigerant gases, fluoropolymers and fluoroelastomers.

In 2021, worldwide production of fluorite was approximately 8.4 million metric tons according to US□S and HCA estimates and internal analysis.



Source: HCA Consulting and internal analysis (2021)

In 2021, the leading country in fluorite production was China, accounting for 63% of the world□s annual production. Just five countries worldwide (China, Mexico, Mongolia, South Africa and Vietnam) accounted for 92% of production.

The ma□ority of acid grade fluorite is consumed in the production of HF, required for the manufacture of fluorochemicals, followed by use in the production of aluminum and the manufacture of steel. The global consumption of acid-grade fluorite was affected □during 2020 due to the drop in demand for HF and refrigerant gases, caused by industrial closures related to the COVID-19 pandemic□

Fluorinated Solutions is the world□s largest fluorite producer, accounting for approximately 96% of Mexico□s active production capacity, equivalent to 18% of the world□s annual fluorite needs.

HF is the most important chemical derived from fluorite. The world□s largest HF production capacity is in China, followed by North America and Western Europe.

Global production capacity of hydrofluoric acid (thousands of metric tons from 2019 to 2021)

	2021	2020	2019
China	2,017	2,017	1,947
North America	220	220	220
Europe	257	257	257
Asia	166.5	166.5	167
Mexico	196	196	196
Rest of the World	131	127	127
Total	**2,988**	**2,984**	**2,914**

Source: Roskill Consulting 2019, HCA Consulting 2021, Internal Analysis.

Do-Fluoride in China, the largest producer of HF in the world, has about 10% of the world□s capacity. Excluding China, Fluorinated Solutions was the largest producer of HF in the world during 2021 followed by Honeywell adding the US and □erman plants. The ma□ority of Fluorinated Solutions production is exported to the US where it is consumed for the production of fluorocarbons and other applications.

□eneral Description of Industrial Processes of the Issuer

Orbia has different technologies for manufacturing its products. In many cases, it uses its own technologies, such as PVC production, fluorite purification, compounds and piping, among others.

The main processes for the manufacture of the Company□s most important products by business and business group are explained below:

(a) Polymer Solutions Business □roup (Vestolit and Alphagary)

Within the Polymer Solutions business group, the main production processes are Chlorine-Soda and PVC Resin. The processes are described below.

Chlorine-Soda Process
Chlorine and Caustic Soda are obtained mainly by electrolysis of Sodium Chloride (NaCl) in aqueous solution, called the chlor-alkali process. The industry employs three methods: mercury cell electrolysis, diaphragm cell electrolysis and membrane cell electrolysis. Orbia uses diaphragm and membrane electrolysis cells.

Ethylene Process
The industrial process for the production of Ethylene is carried out using ethane from cryogenic units, which is fed to pyrolysis ovens also called Crackers. During the cracking of ethane in the ovens (Crackers) ethylene, hydrogen and other hydrocarbons are produced, products that are subsequently separated at low temperatures for use and to achieve the purification of ethylene to polymer grade.

Orbia in its strategic association with OxyChem in Ingleside has been producing ethylene since February 2017.

VCM Process
VCM is manufactured from chlorine and ethylene. These raw materials are reacted in a catalytic reactor to form an intermediate product called dichloroethane (Ethylene Dichloride or EDC). Purified dichloroethane undergoes thermal decomposition to produce VCM.

VCM is produced at Vestolit□s facilities in □ermany.

Vinyl Process
In the production of PVC, three basic processes are used worldwide for the polymeri□ation of VCM: by suspension, by emulsion and by mass. Orbia uses only the first two processes, of which approximately 77% of its production is obtained by suspension and 23% by emulsion. Both processes are explained below:

PVC by suspension
This is the most widespread and used process in the world. Using this method, VCM is combined with water in the presence of a suspending agent. Water and VCM are added in a reactor with agitation to form a suspension of VCM in an aqueous phase. Once mixed, this suspension is stable until polymeri□ation begins, which occurs when a VCM-soluble starter is added to the mixture.

PVC by Emulsion
The preparation of PVC Resins by dispersion (including those made by the micro-suspension process) are generally used in the formulation of Plastisols for coatings and molds. In the dispersion polymeri□ation process the VCM, water, emulsifier and catalyst are loaded into a stainless steel reactor where they are stirred. The reaction occurs under moderate pressure and temperature in a reactor with cooling to remove the heat generated during polymeri□ation.

The dispersion resin process is often more complex than suspension technology. The polymeri□ation cycle time can be 2 to 3 times longer than in the suspension process. Catalysts are more water soluble than VCM.

Compounds
Plastic resins are used for the manufacture of Compounds□the resin is combined with other additives through a mixing process in order to obtain a mixture that integrates the appropriate quantities in the entire mixture. From this part of the process, a dry blend is obtained, and it is cooled to a certain temperature and through various steps and processes it is converted into pellets for sale.

(b) Building □ Infrastructure business group (□ avin)

Orbia/Building □ Infrastructure operates in Europe and LATAM about 50 manufacturing plants that operate extrusion lines, in□ection molding machines, rotational molding, assembly equipment and dedicated lines for geotextiles.

Although it masters the usual technologies for PVC, PP, PE and other materials, Orbia/Building □ Infrastructure is also a world leader in a unique technology for producing pipes that transport drinking water. This extrusion technology is called Biaxial where the pipe undergoes a biorientation of its molecules axially and longitudinally, generating a structure of laminar layers, providing the pipe with significantly greater mechanical resistance compared to conventional pipes and flexibility that makes them practically unbreakable.

Integrating our customers□concerns regarding sustainability, we are also progressively introducing recycled materials in our products, where regulations allow, to further harness the circular approach we seek.

Last but not least, Orbia/Building □ Infrastructure operations are innovating by:

- Progressively growing in the space of manufacturing systems incorporating electronics and sensors, paving the future for more technology content.
- Offering customers prefabricated systems, ready for site integration.

(c) Data Communications Business □roup (Dura-Line)

The Data Communications business manufactures speciali□ed ducts for the telecommunications sector using its primary raw material, which is polyethylene. The manufacturing process for the telecommunications ducts consists of using virgin polyethylene with certain additives to then run them through a one or two stage extrusion process, depending on the product to be manufactured. These ducts are prepared and customi□ed specifically for customers with telecommunications sector specific requirements.

(d) Precision Agriculture Business □roup (Netafim)

This business group manufactures drip irrigation pipes using polyethylene and different additives through an extrusion process, which results in flexible pipes that the drip points are inserted into at specific intervals. The pipes are drilled at each drip point.

(e) Fluorinated Solutions Business □roup (□oura)

The different industrial processes of the Fluorinated Solutions Business □roup are described below:

Fluorite Process

Fluorite ore is extracted from the mine, along with some impurities such as carbonates and silicates. The ore is crushed and ground to small particle si□es to separate impurities.

The ground material must meet a certain particle si□e, so it is classified with the help of cyclones, screens and separators, the part that does not meet the required specifications is returned to grinding.

The classified material is conditioned by adding oleic acid, depressants and ad□usting the pH. This is done in order to carry out the flotation process, where the fluorite is concentrated and the impurities are separated.

Concentrated fluorite is found in an aqueous medium and it is necessary to separate it. With the help of a settler and rotary filters, the solids are separated from the water, thus obtaining the acid grade fluorite.
The main stages for obtaining fluorite are:

Exploration: This phase consists of locating, evaluating quality and quantifying mineral reserves.

Planning: In this stage, the preparation, development, tumbling, extraction, hauling and manteo, (extraction of ore to the surface by means of double-drum electric winches), as well as services (water, electricity, compressed air, ventilation, workshops, canteens, etc.), mining equipment and operations personnel are all planned for.

□**ine Production**: Drilling and ore tumbling activities are carried out by means of controlled blasting, extraction by means of speciali□ed equipment from the mined area to the loading bays, hauling by truck to the primary broken area, where the ore is sent to the shafts. of extraction (manteo), to deposit it on the surface to the preparation and crushing plants.

Preparation and Crushing Plants: In these plants, the ore extracted from the mine is received, where it is screened to obtain the metallurgical grade ore in its different si□es and obtain fine by-product (product of -3/4□), which are the raw material premium for processing plants.

Processing Plants: In these plants, the fine material fed to a quality of at least 97% purity in CaF2 (acid degree) is concentrated.

Hydrofluoric Acid Process

The manufacture of hydrofluoric acid consists of reacting fluorite with sulfuric acid, and from this reaction hydrogen fluoride, better known as hydrofluoric acid, is obtained.

Sulfuric acid is obtained from the oxidation of sulfur into sulfur dioxide SO2, to convert it into sulfur trioxide SO3 and subsequently obtain sulfuric acid.

Aluminum Fluoride Process

The production of aluminum fluoride is based on hydrofluoric acid, which evaporates and overheats before being in□ected in gaseous form into a pair of double bed fluidi□ed reactors. In the reactors, it contacts and reacts with aluminum hydroxide, which is in solid form, to produce aluminum fluoride. This product leaves the reactor in solid form at high temperature (700□C) so it must be cooled before being sent to storage and transport. Aluminum fluoride is used in the production of metallic aluminum.

Refrigerant Gas Process

Refrigerant gases are fluorocarbons that are produced by the fluoridation of trichloroethylene with hydrofluoric acid. Once the reaction takes place, the hydrochloric acid that is produced as a by-product must be removed and the product must be distilled. Fluorocarbons are used in air conditioning equipment for automobiles.

ii. Distribution Channels

See Section 2) "The Issuer", item b, "Description of Business" "Main Activity" for each Business Group, of this Annual Report.

iii. Patents, Licenses, Trademarks and other contracts

a) Patents and Licenses

Orbia holds rights to over 2,250 patents, including current patents and patents in the process of registration.

The Company has more than 4,600 trademarks, including current trademarks and trademarks in the process of registration.

The Company also has technology licenses in Mexico, Bra□il, Colombia, the Netherlands and several other countries, which are currently used, or will eventually be used, in its operations. Most of the patents relate to the development of new products and processes for manufacturing and will expire by 2027. Orbia renews the registration of its brands on a regular basis. Although Orbia believes that its patents and trademarks are a valuable asset, thanks to its broad range of products and services, it does not believe that the loss or expiration of any patent or trademark would have a material adverse effect on its results of operations, financial condition or the continuity of its business.

b) Research, Development (R□D) and Innovation

Orbia recogni□es the importance of innovation and development to remain a leader in its markets. Investments and actions in R□D are aimed at improving the performance of its products for the benefit of customers and complying with stricter regulations in the different geographic markets where we compete. We maintain 19 research and development centers with a technology center focused on developing technology to create products, improve processes and applications that positively impact the quality of life of users through comprehensive products and solutions.

The Polymer Solutions business group has research and development centers located in the USA (4), Mexico (2), Colombia (1), □ermany (1), United Kingdom (2) and India (1) to be completed in April 2022□The Fluorinated Solutions (Fluorine) business group has R□D centers in the United Kingdom (1), the United States (1) and Mexico (1). The Building □ Infrastructure business group has an R□D center located in the Netherlands, as well as 8 academies. The Data Communications business group has three R□D centers located in the United States, the C□ech Republic and India. Finally, the Precision Agriculture business group has an R□D center in India. The Company opened an innovation lab in San Francisco, California to explore innovative enhancements to our existing products and/or new non-existing products for all business groups.

Orbia has a Technology Committee (Innovation Board) located in the Netherlands in its Building □ Infrastructure business to create synergies between Europe and Latin America (focusing on satisfying the global market it serves and transferring technology between both regions. The result has been that □lobal solutions have been created and a technical team has been executing relevant technological changes in manufacturing processes.

The strategy in the R□D centers is focused on increasing the profitability (rate of return) of the pro□ects and covering customer requirements by geographic region, even if necessary, pro□ects are created in the countries that require it. This approach by region has allowed the research and development centers to better meet the technological needs of customers.

Orbia maintains its strategy of migrating to higher value-added products in its five business groups: in Polymer Solutions with the assets of Mexichem Specialty Resins, Mexichem Specialty Compounds, focused on high-end plastic compounds, and Vestolit, the largest producer of PVC resins. of high impact, for example, the Company is developing a new generation of safer, more durable flexible PVC resins that use less energy to produce final products or the development of better retardant solutions for the production of cables□in Building □ Infrastructure, through the

Technological Committee and its R□D centers, generating innovative products such as heating systems controlled digitally through mobile phones (Sentio) or cycle paths made of recycled plastic (PlasticRoad), in the Dura business - Line with high-density polyethylene products through conduit and pressure pipe solutions for telecommunications (voice and data) and energy, while in its Precision Agriculture business through its agricultural solutions NetBeat digital with technologies that allow farmers and farmers controlling their crops through their mobile phone through the installation of systems (NetBeat) that allow the Company to support them with the support of agronomists and technologists who, through said digital technology, advise them on the administration of nutrients, fertili□ers and irrigation and in general in the management of their field during the production process□in Fluorinated Solutions (Koura) with the development and commerciali□ation of medical grade propellants and fluorocompounds for the cement industry.

Orbia invested $68.5 million, $61.6 million, and $55.7 million in R□D in 2021, 2020 and 2019, respectively.

Specific innovation at Orbia□s businesses include recent developments in Wavin highlighted below.

Innovation on the move: Within Wavin Technology □ Innovation, innovation is driven to provide inspiring solutions to the challenges that matter: building healthy and sustainable environments. Its global innovation team is growing rapidly with smart, creative, young and dynamic experts from around the world. The goal is to create change and drive disruptive human-centric innovations with maximum impact towards a better world, together with its customers and R□D/industry partners worldwide. We develop solutions from idea to market launch for your strategic global markets with multi-disciplinary pro□ect teams in locations around the world. Building □ Infrastructure□s customers have a central role in the development □ourney: inspiring, challenging, improving, validating, and reviewing their solutions under development. They aim for a portfolio of products with minimal environmental impact, based on recycled and/or non-fossil plastics, reduced material content, design for recycling and minimal energy consumption.

At its main facility in Dedemsvaart NL, Building □ Infrastructure houses, among others, several well-equipped accredited mechanical, application and analytical laboratories, a Virtual Simulation Laboratory (CAE), field test facilities (a test house and outdoor areas), prototyping facilities, a pilot plant with extrusion and in□ection molding lines, and much more. The main plastic technologies we use are PP, PE, PVC, PPSU and PB.

In 2021 the business launched several new solutions in the field of mechanical ventilation for a healthy indoor climate (Venti□a). They also brought to market a unique, sustainable, circular climate-smart infrastructure solution, PlasticRoad. Parking spaces have been reali□ed in three different cities in the Netherlands, along with the most sustainable car-sharing parking space in the country. PlasticRoad and Orbia inaugurated the first PlasticRoad pilot in Latin America (Mexico City). A bike/trail proving ground was set up at Building□ □roningen.

c) Brands

- The trademarks owned by Orbia are registered either directly by the Company or by its subsidiaries in various countries in which it operates or may start operations.
- The main brands under which Orbia markets its products are:
-

Polymer Solutions Business □roup	
Line of business	**Brand**
PVC Resins	Primex, Petco, I□tavil
PVC Specialty Resins	Vestolit
Compounds	Provin, Polivisol, Vindex B, I□tablend
Specialty Compounds	Alphagary, Alphaseal, Evoprene, □araflex y Smokeguard
Plastici□ers	MexiFlex, I□tablend, Lugatom
New	Ecotek, Frtek, Vinyltek, Escontek

Building □ Infrastructure Business □roup	
Line of business	**Brand**
Civil Construction, Infrastructure	Amanco, Pavco, Plastigama, Plastubos
□eosynthetics.	Amanco, Pavco, Bidim
Plastic piping systems and solutions for customers in the civil construction, agriculture and wholesale sectors, plumbing dealers, home developers, large installers, telecommunications companies, utilities and municipalities, architects, specifying engineers.	Amanco, Pavco, Plastigama, Colpo□os, Plastubos, Aquacell, AS□, Chemidro, Climasol, Hep 2 O, HepVO, Q-Bic, QBB, Tegra, Tigris, Pilsa, Smartfix, Sitech□, Quickstream, Ekoplastik, Supertemp, Warmafloor, Warmawall, Wavin

Data Communications Business □roup	
Line of business	**Brand**
Telecommunications, Energy, Infrastructure.	Dura-Line

Precision Agriculture business □roup	
Line of business	**Brand**
Irrigation	Netafim

Fluorinated Solutions Business □roup (□oura)	
Line of business	**Brand**
Medical Propellants	□ephex, Respia
Refrigerants	Klea, Arcton
Batteries/Electrolytes	Koflyte

Currently, globali□ation forces companies to differentiate themselves from others in order to compete in the international market□for this reason, brands are important for the development of the Company, as they are distinctive signs that denote quality of the products marketed under them.

The brands are distinctive signs which allow to identify the diverse products that the Company offers in the market. These brands are fundamental assets to the business and maintaining a good reputation is essential to attracting and retaining customers.

The trademarks listed above are valid at the time of this publication and are periodically renewed.

d) Concessions

Within the Polymer Solutions and Fluorinated Solutions, the Company has rights to several renewable mining concessions. These are valid and sub□ect to being renewed in accordance with the applicable Mining Law of Mexico.

Additionally, Polymer Solutions holds two valid port concessions. One for its operating port in Altamira M□xico and the second one for its operating port in Cartagena, Colombia.

iv. □ain Customers

See Section 2) "The Issuer", item b, "Description of Business" "Main Activity" for each Business Group, of this Annual Report.

Orbia□s top ten clients combined represented **10.9**□ of its consolidated net sales in 2021. Orbia□s largest individual customer represented 2.1% of its total net sales in 2021, and so there is no dependence on any one or various

customers, since the loss of these would not materially adversely affect the Company's results of operations or financial condition.

v. Applicable Legislation and Tax Situation

The Company's operations are subject to the laws and regulations of the countries in which it operates.

Orbia

The shares representative of the Issuer's capital stock are publicly traded on the BMV, and are therefore subject to the following laws and regulations: (i) the Stock Market Act in Mexico; (ii) the General Provisions Applicable to Securities Issuers and Other Participants in the Securities Market issued by the CNBV; (iii) the General Provisions Applicable to Entities and Issuers Supervised by the National Banking and Securities Commission (CNBV) and that Engage Independent Audit Services for their Basic Financial Statements; (iv) the Internal Regulations of the BMV; and (v) the General Business Organizations Act.

Business groups.

The Company's five business groups operate in 50 countries and are subject to the following general laws and regulations in all of them:

- Regulations of an international, national and local nature, primarily in financial aspects, monetary policies, access to the currency markets. They must comply with administrative requirements to obtain permissions to operate facilities, plants, and to import raw materials and finished products. They must comply with labor regulations at some sites that are influenced by unions and environmental regulations.

- Laws regulating health, safety, environment, unfair competition and monopolies, municipal construction and zoning, local licenses and permits for facilities. With respect to international commerce, customs regulations, control of imports and exports, specifically related to quotas, tariffs and anti-dumping protections, as well as government policies and regulations related to commerce, product sales, manufacturing operations and relationships with customers, distributors and competitors.

- Finally, all of the business groups comply with the laws against corruption such as the U.S. Foreign Corrupt Practices Act (FCPA), and other similar laws.

Specifically, some of Orbia's business groups may be subject to specific government laws and regulations. Below is a summary of the effects that these laws and regulations have on the development of the Company's business, for each one of its business groups:

1. Polymer Solutions (Vestolit and Alphagary)

Polymer Solutions' business is subject to environmental laws and government regulations that require it to carry out its supply, transportation and disposal operations of raw materials and finished products in accordance with environmentally friendly standards and care for industrial safety. This regulation is strict and non-compliance can lead to financial losses for the business group.

Considering the nature of the chemicals business, the business group is subject to a multitude of regulatory requirements in 6 main jurisdictions in Germany, USA, Mexico, Asia, India, UK and Colombia. Polymer Solutions' business is subject to environmental laws and government regulations that require it to carry out its activities of supply, transportation and disposal of raw materials and finished products in accordance with standards that respect the environment and protect industrial safety. These rules are strict and violations can lead to financial loss for the business group.

Vestolit operates vinyl resin production sites in North America, South America and Europe, with global sales. Vestolit's business is subject to environmental laws and regulations that require the company to source, store, transport and dispose of its raw materials and products in accordance with ecological and safety standards.

The current administration of Mexico is making and proposing significant changes in various aspects of the Mexican legal framework. The President recently introduced bills to reform the electricity sector, giving priority to the state-owned utility company and virtually banning outsourcing. Both changes have caused concern in the private sector.

2. Fluorinated Solutions (Foura)

Fluorinated Solutions operates mining projects located in Mexico and that are subject to many laws and government regulations on various matters, including, but not limited to: exploration, development, production, payment of taxes and royalties for extraction, environmental aspects, labor standards, maintenance of claims and mining concessions, land

use, territorial claims of local inhabitants, use of water, waste disposal, power generation, protection and remediation of the environment, claims for the conservation of historical and cultural resources, industrial safety, occupational health, and the handling and disposal of toxic substances and explosives.

The □roup□s refrigerant chemicals operations are located in Mexico, the United States, the United Kingdom and Japan. The manufacturing processes of these products are sub□ect to the specific health and safety regulations of each country. Our refrigerant products are also governed by various environmental laws and regulations. Worldwide, many countries have signed the Kigali Amendment to the Montreal Protocol, which addresses climate change, limiting and progressively reducing the impact of global warming caused by this class of products. Regional blocs of countries and some individual countries have also adopted their own regulations in terms of control mechanisms and phase-out schedule. The company also produces a medical propellant that is sub□ect to country-specific medical regulatory controls, such as those of the US Food and Drug Administration. The EU is currently consulting on the definition and possible future control of substances known collectively as PerFluoroAlkySubstances (PFAS). Although Fluorinated Solutions does not produce or use PFAS chemicals as they are commonly defined, the company monitors legislative and regulatory processes that may affect our business to contribute to those processes.

3. Data Communications (Dura-Line)

Data Communications is present and has operations in the AMEA and Asia Pacific regions, as well as in the U.S. and Canada. In the normal course of its business, Data Communications is regulated by the general government laws and standards mentioned in the paragraphs above.

This business group does not report any specific additional standards that affect the development of its operations.

4. Building □ Infrastructure (□ avin)

Building □ Infrastructure is a company with presence and operations in the EMEA, Asia Pacific, and Latin America regions. In the normal course of business, Building □ Infrastructure is sub□ect to the general government laws and regulations listed above at the beginning of this Section.

Due to COVID policies, the company suffered freight disruptions impacting the availability of containers and, therefore, disturbances in the delivery of materials.

During 2020, the Netherlands and Panama issued specific regulations on sustainability that had an effect on the development of this business group. These regulations are listed below:

Netherlands:

- Use of raw materials and □economy without waste or residues□(circular products, discharge / removal and recycling).
- Top / CO2 and compliance with the Paris Climate Agreement (which means 40% less CO2 emissions in the year 2030, compared to the emission of the year 2020). The Netherlands has set its goal to reduce CO2 emissions by 55% by 2030 compared to 2020.
- Nitrogen legislation which impacts the construction industry.
- Health / Reach □ Other. Support of the European Union towards the obligation to recycle PVC. (REACH)
- For Hygienic Aspects Within Permitted Limits (WNL), for products that are in contact with drinking water, such as PVC, PE and Tigris).
- Transparency in sustainable production, for example: EPD (Environmental Product Declaration □ Environmental Product Declaration), LCA (Life Cycle Assessment □ Life Cycle Assessment), MKI (Milieu Kosten Indicator □ Environmental Cost Indicator). As well as in the so-called □Eco labelling□or Environmental Labeling.

Panama:

- The President of the Republic and the Minister of the Environment of Panama signed Executive Decree No. 100 of October 20, 2020, which creates the National Program □Reduce Your Footprint□, which also regulates Chapter II of Title V of the Single Text of Law 41 of July 1, 1998, which will govern the preparation of national inventories of □H□ □reenhouse □as emissions by sources and absorptions by carbon sinks, in order to execute a strategy for the management and monitoring of the economic and social development of the low-carbon country.

5. Precision Agriculture (Netafim)

Precision Agriculture is an Israeli company with presence and operations in the AMEA, Asia Pacific and Latin America regions. In the regular course of its business, it is sub□ect to general government laws and regulations as described in the preceding paragraphs. However, it is also regulated by specific regulations that have an effect on the operations that Precision Agriculture carries out:

- Agricultural activity is subject to environmental laws or regulations, which may impact the operations of end users and/or the demand for Precision Agriculture products. The adoption of new environmental laws may require Precision Agriculture to remove or recycle its products or impose obligations related to climate change concerns, as well as its final consumers, and the eventual impossibility of recovering the potential costs associated with the development of those regulatory scenarios, and could represent costs and adverse impacts for Precision Agriculture's business

- Compliance with laws that sanction corruption is especially important, as Precision Agriculture operates in countries or regions where laws criminaling bribery and bribery are strictly enforced, Laws that may conflict with local customs and practices, particularly in markets irrigation of emerging countries.

Tax Situation

Income Tax

Income tax (ISR by its acronym in Spanish) is based on taxable income, which differs from the gain reported in the consolidated income statement and other comprehensive income, due to items of taxable income or expense or deductible in other years and items that are never taxable or deductible. The Company's current tax liability is calculated using the tax rates enacted or substantially approved at the end of the reporting period by the countries in which the Company and its subsidiaries are located. The following table shows the legal income tax rates applicable for 2021 in each of the countries in which we operate.

Country		Country	
Argentina	30	Japan	31
Australia	30	Kenya	30
Austria	25	Lithuania	15
Belgium	25	Morocco	31
Brazil	34	Mexico	30
Canada	27	Nicaragua	30
Chile	27	Oman	15
China	25	Norway	22
Colombia	31	Panama	25
Costa Rica	30	Peru	30
Denmark	22	Poland	19
Ecuador	25	United Kingdom	19
El Salvador	30	Czech Republic	19
Estonia	20	Romania	16
Finland	20	South Africa	28
France	28	Switzerland	21
Germany	34	Italy	24
Greece	22	Singapore	17
Guatemala	25	Sweden	21
Honduras	25	Taiwan	20
Hungary	9	Turkey	25

Country		Country	
India	25	Ukraine	18
Indonesia	22	Venezuela	34
Ireland	13	Vietnam	20
Israel	23	Uruguay	25
Slovakia	21	Republic of Serbia	15
Spain	25	Russia	20
The Netherlands	25	Thailand	20
United States of America	21	Rwanda	30

* Tax rate is a blended effective tax rate comprised of both a federal tax and a local tax. The actual blended rate can vary depending upon the municipality, province, or canton which each have differing tax rates within the particular country.

** Tax rate is based upon progressive rates. The actual effective rate can vary depending upon the amount of taxable income and the corresponding tax brackets that apply.

In the ordinary course of business, Orbia applies various treaties to avoid double taxation and is responsible for making tax withholdings.

vi. Human Resources

Orbia's global headcount at the end of last three years is summarized below:

Personnel	2021	2020	2019
Unionized employees and temps	12,431	12,095	12,426
Non-unionized	9,919	9,593	9,697
Total	**22,350**	21,688	22,123
% Unionized employees and temps	56%	56%	56%
% Non-unionized	44%	44%	44%
Total	**100**	**100**	**100**

Headcount in 2021 largely returned to pre-pandemic levels.

During the last 3 years, there has been no labor conflict with a material impact on the Company's operations. The Company maintains a positive relationship with the unions, which is characterized by mutual understanding and support to achieve significant changes for the Group's companies. Unionized workers of the subsidiary companies are affiliated to the corresponding unions and labor centers in each locality. In addition, each plant has a specific function that coordinates the labor relationships for that site.

Orbia administers its labor relations in accordance with applicable labor legislation in the locations in which it operates and by use of a set of global policies, procedures, and Code of Ethics.

Orbia is aware that in order to become a world-class company, its people play a critical role. Accordingly, the Company has transformed its talent management model to implement best market practices to attract, retain, evaluate, develop, compensate, and recognize its talent. Orbia has a salary structure based on the principles of internal equity based on job specifications and external competitiveness. Specifically, geographic salary market data and macroeconomic indicators are reviewed periodically to ensure that the Company remains competitive.

Certain subsidiaries of the Company have defined benefit plans funded for qualifying employees of its subsidiaries. Defined benefit plans are administered by a fund legally independent of the Entity. There is a pension fund board which is responsible for investment policy in relation to the fund's assets.

In its Code of Ethics, Orbia includes its position regarding diversity, establishing it as an important pillar for the success and strengthening of the Company. The diversity and inclusion policy launched in 2018 aims to create a culture that

incorporates different ideas and perspectives to enable its employees to have the opportunity to perform to their fullest capacity. Orbia hopes to achieve this objective by acting in accordance with applicable legislation and fostering communication, dialogue and collaboration.

vii. Environmental Performance

Sustainability Model and Commitment to safety, social and environmental responsibility

At Orbia, sustainability is deeply embedded in our businesses, a core component of our growth strategy, and drives our culture. From how we operate to the highest standards, to how our solutions help address today's pressing challenges, to how our investments are targeted for long-term positive impact. We believe that advancing solutions to improve the quality of life around the world brings business success, as well as social and economic value to all those connected directly or indirectly with our activities. Our purpose-driven approach to addressing the world's most pressing challenges drives our business agenda and our strategic approach to sustainability.

Orbia puts purpose into action as a leader in sustainability, with a science-based commitment to address climate change. It has bold, measurable goals, transparency on our progress, including our alignment of short-term with long-term goals.

Orbia's strategy is based on three pillars, supported by specific action programs, which are transcribed below:

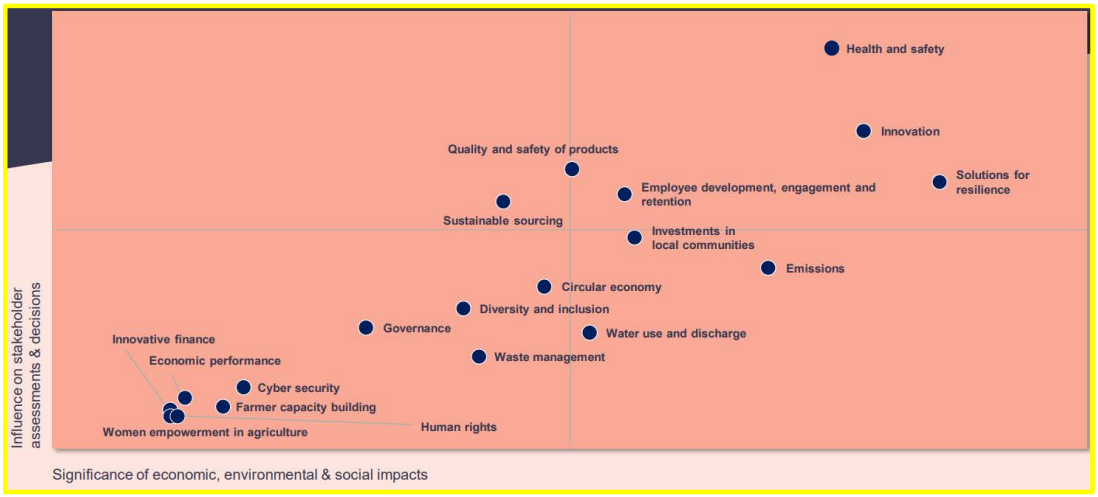
Sustainable solutions Provide solutions that improve the resilience of people, society and the planet.	Impactful undertakings to maximize our impact for a net positive future.
Our solutions help solve some of the world's most pressing challenges: ● Increase food availability, using less water, land and energy. ● Build smart, safe, sustainable and regenerative cities. ● Connect and empower communities through better access to data. ● Support innovation to offer advanced health technologies. Read how our solutions contribute to addressing the UN SDGs here.	Our investments aim to: ● Support the development of new businesses and technologies through Orbia Ventures. ● Drive the transition to a net-zero emissions world while strengthening our business value through strategic acquisitions. ● Advancing innovative technologies that will have long-term impact by promoting circularity, climate technology, agriculture and food technology, smart cities, and energy storage.
Responsible business Operating according to the highest standards, accountability, responsibility and transparency. - Corporate Governance and Risk Management - Ethics and Compliance - Health and security - Environment - people and community - Stakeholder participation	

Materiality

At the beginning of 2016, Orbia completed its first global materiality analysis, through which it identified the most relevant issues for stakeholders based on their economic, social and environmental impacts. In 2019, given the acquisition of Netafim and the transformation into 5 business groups, a new materiality analysis was carried out at the business group level and then aggregated at the Orbia level.

Below is the materiality matrix. The top 10 material issues identified for Orbia are:

1. Health Safety
2. Innovation
3. Solutions for resilience
4. Talent development, engagement and retention
5. Investments in local communities
6. Emissions
7. Quality and safety of the products.
8. Sustainable sourcing
9. The circular economy
10. Use and discharge of water



Sustainability strategy and goals

Orbia contributes to sustainable development at a global level through its wide range of products, services and solutions that allow us to solve some of the world s greatest challenges. We are committed to responsible business growth, aligned with compliance with the regulations of all the countries where we have a presence. We continually seek to minimi e any risks identified in your production processes and products. Similarly, Orbia works to reduce the environmental footprint of the products and services it offers, generating the greatest value for its stakeholders, with the least possible impact. See the Sustainability Policy for more details about its commitment.

Orbia s long-term sustainability ob ectives are shown below:

Area of impact	Ob ective	Target Year
Climate change	Achieve ero net carbon emissions.	2050
	Reduce Scope 1 and 2 H emissions by 47%.	2030
	Reduce Scope 3* emissions by 30%.	2030
Air emissions	Reduce sulfur oxide (SOx) emissions by 60%.	2025
Environmental management	100% of sites certified with an environmental management system.	2025
aste	100% of the plants will send ero waste to landfills.	2025
Security	Total Recordable Incident Rate (TRIR) less than 0.2 for employees and contractors.	2025

Additional details regarding Orbia s sustainability initiatives and performance in recent years can be found at the Company s Sustainability Reports included at Sustainability Policies.

In addition, in line with the Company s purpose of promoting life throughout the world, it has identified the United Nations Sustainable Development oals (SD s) to which it can contribute as a company. Specifically, the organi ation has identified which of the 17 SD s which represent the greatest opportunity for Orbia to make an impact as shown below:

SD	How Orbia Can ake an Impact
2: ero Hunger	Our greatest contribution to ensuring global food security is through our precision irrigation systems, which allow farmers to produce more with less water. Through our Precision Agriculture business group, we are the global leader in precision irrigation and fertigation solutions, which enable farmers to grow more food efficiently using less water, as well as other scarce resources.
3: ood Health and ell-Being	We are a world leader in solutions for the health sector. Our fluorine-based products provide propellant gases for metered-dose inhalers. Additionally, our PVC resins are widely used in applications across the spectrum of healthcare infrastructure, facilities and devices.
6: Clean ater and Sanitation	Our broad portfolio of products, services, and technology for the planning, design, construction, monitoring, and maintenance of water and sewage management systems ensures the most efficient use and distribution of water for residential, industrial, and municipal use. We develop innovative solutions for urban drainage and rainwater harvesting that allow better adaptation to climate change. We participate in social responsibility pro ects with our communities through initiatives such as the Water Funds in Latin America, which allow us to protect and conserve water sources, as well as hydrographic basins. In addition, we have adopted efficient use practices within our operations, where the ma ority of our plants have closed water cycles.
7: Affordable and Clean Energy	Products, services, pro ects or technologies that support the development, delivery of renewable energy and alternative fuels or address growing energy demand and minimi e impacts on the environment, such as Fluorinated Solutions s low WP refrigerants and propellants or climate solutions for interiors by Building Infrastructure.
8: Decent ork and Economic rowth	We are a fair and decent employer for our nearly 22,350 employees around the world. We offer employment opportunities to members of the communities in which we operate, seeking to improve their quality of life and contribute to local economic development. Likewise, we provide our employees with the conditions and environment they need to reach their potential through our talent and leadership development programs.
9: Industry, Innovation and Infrastructure	Our products contribute to the development of reliable, resilient and quality infrastructure that promotes economic development and human well-being. We offer soil management solutions for the structural improvement of road infrastructure works, which significantly reduces the use of inert materials, such as gravel, and increases the quality and life cycle of pro ects.
11: Sustainable Cities and Communities	We produce materials that contribute to improving construction. PVC is a low-maintenance, long-lasting building material due to its strength and durability. We offer solutions for the installation of fiber optic cable at the intra-urban and inter-urban level, which serve to connect the world and improve access to high-speed and high-performance information technologies.
12: Responsible Consumption and Production	We develop products or services that generate lower net carbon emissions than alternative products. We also invest in processes or technologies that produce substantially lower amounts of greenhouse gas emissions than conventional methods.
13: Climate Action	Products, services, processes and technologies that use the Earth s limited resources sustainably and minimi e impacts on the environment. We constantly invest in the decarboni ation of our operations.

In 2019, the Company completed its first climate-focused risk assessment, including 12 sites across 3 business groups in six countries. The main findings of the analysis were the following:

Physical risks: The physical risk of Orbia s priority sites is low to medium. This is due to exposure to weather events such as cyclones, floods, fires, extreme temperatures and water stress.

The analysis was not limited to physical facilities it also considered the impact on logistics and the flow of raw materials.

As an example of the above, in September 2017, as a result of Hurricane Harvey, certain subsidiaries of the Polymer Solutions business group declared Force Ma eure in relation to the supply of all their PVC resin suspensions, copolymers and emulsions produced in Mexico, Colombia and USA because its main supplier of vinyl chloride (VCM) and other raw materials had declared Force Ma eure.

arket, technological and regulatory risks: In addition to the direct effects of meteorological phenomena, other impacts on the business were analy ed regarding government or commercial regulations, new market rules or the emergence of technologies. Using a 2030 hori on, a greater exposure to these risks were pro ected, with some high business risks derived from a transition to a low-carbon economy. They are likely to include market pressure to use low-carbon materials, broader regulation of global carbon prices, or increases in the cost of resources, primarily electricity and water by 2030. Higher water stress scenarios, for example, could affect water costs. for the Company s operations. Such scenarios, in turn, can impact the supply chain or production processes from a continuity and cost standpoint.

Orbia has used the results of this analysis to develop specific risk mitigation strategies for its businesses. These plans include reducing the Company s carbon exposure, which complements the Company s commitment to set science-based targets for emissions reductions and achieve net- ero operations by 2050.

***Opportunities*:** In addition to the consideration of risks resulting from climate change, opportunities for Orbia were also analy ed, such as solutions for resilience that allow adaptation to climate change or replacementof products by others with lower carbon footprint. Orbia already has a range of products that provide resilience to high rainfall, for example, or solutions to replace water piping systems or installation of fiber optic ducts, without affecting or minimi ing the impact on traffic and operation of a city It is also the leader in precision agriculture, which, due to the higher productivity per hectare and the efficient use of agrochemicals, minimi es the growth of the agricultural frontier and therefore deforestation, while eliminating or minimi ing the pollution of rivers and aquifers by runoff and leaching, as well as greenhouse gas emissions. Similarly, we have started an effort to replace propellant and refrigerant gases with others with alower greenhouse effect. These are ust a few examples of what the Issuer is doing at present, and as a result of the climate risk study, we estimate that the adoption of products and solutions that take into accountthe opportunities of a more carbon-regulated context and that allow the Company to face the onslaught of climate change will be accelerated.

Water is a fundamental part of the Company s operations, from the consumption of water in the extraction process and in its operations, to the solutions and products we provide for collection, distribution, sanitation and irrigation. Therefore, all but one of Building Infrastructure, Precision Agriculture and Data Communications plants have a closed circuit.

Through Precision Agriculture, we offer solutions or precision irrigation systems that help reduce water consumption in the agricultural sector, which, it should be noted, is responsible for about 70% of water consumption.

The Company s Building and Infrastructure group offers solutions for better water management as well as more efficient building solutions. As an example, our range of rainwater management products can prevent flooding or at least minimi e impacts, while also contributing to help replenish urban water tables. In addition, our trenchless pipe renewal technology helps reduce losses in water distribution networks in large cities.

Fluorinated Solutions is developing products to improve the performance and reusability of power storage batteries.

Awards, Certifications and Distinctions

Orbia is proud of the recognition our sustainability efforts and achievements have received from outside organi ations. Details can be found at: https://www.orbia.com/sustainability/esg-indices-and-external-recognition/

Orbia has been a member of the FTSE4 ood Sustainability Index since 2015. At the end of 2018, Orbia was selected as a member of the FTSE4 ood Emerging Index in its first edition of the sustainability index for emerging markets, after demonstrating good environmental, social and corporate governance practices.

The company was included for the first time in the S P Sustainability Yearbook 2021, of companies that meet sustainability criteria.

The Issuer is also a member of the Dow Jones Sustainability Index (DJSI) and a member of the S P/BMV Total M xico ES Index of the Mexican Stock Exchange. In 2021, our total score increased by 5%, reflecting a commitment to continually improve our ES performance across all aspects of our business.

These are some of the awards, recognitions and certifications that Orbia and its business groups received during the year:

Distinctions:

- Member of the S P Sustainability Yearbook in 2021
- Member of the Dow Jones Sustainability Index (DJSI) MILA since 2019
- Member of the S P/BMV Total Mexico ES index of the Mexican Stock Exchange since 2012
- Member of the FTSE4 ood index since 2015
- EcoVadis Silver Medal
- Boscars Awards 2020
- The Forest Conservation Award granted by Reforestamos M xico to Orbia in 2020.

- CAMACOL Social Responsibility Award to Pavco Wavin Colombia
- PREAD Recognition District Environmental Excellence Program in Colombia for commitment to environmental management and performance
- Xpossible Colsubsidio Awards to Pavco Wavin Colombia
- Ekos de Oro, for being the most efficient company in the Plastics and Rubber sector in Ecuador
- reen Award in Costa Rica for the use of renewable energy
- Carbon Disclosure Pro ect (CDP) Climate Change score B
- Maala Award for Business Diversity 2020
- Latin Trade Index Americas Sustainability Award 2019
- Ideas that Change the World Award 2019

Certifications:

- ISO 14001: Environmental Management Systems
- ISO 50001: Energy Management
- EMAS: Environmental Management System in the European Union
- ESOS (Energy Savings Opportunity Scheme)
- Clean Industry awarded by the Environmental Authority of Mexico
- OHSAS 18001: Occupational Health and Safety Management Systems
- ISO 45001: Occupational Health and Safety
- ISRS (International Safety rating system) International safety rating system
- Certificate in Self-management in Safety and Health, Ministry of Labor and Social Welfare (STPS)
- IQNet SR10 Social responsibility management system in ermany.
- IRA (SARI initals in Spanish): Comprehensive Responsibility Management System granted by the National Association of the Chemical Industry in Mexico
- Mexico without child labor
- Family-responsible company, awarded by the Ministry of Labor and Social Welfare of Mexico
- Kosher Certificate, granted by Calidad Kosher, S.C.
- ISO 9001: Quality Management Systems
- ISO 22000: Food Safety Management
- NSF: NSF International is an ob ective, nonprofit, independent product testing and certification agency that sets global performance standards for a wide variety of household and industrial products

Other ES certifications:

- Carbon Disclosure Pro ect: In 2021, Orbia obtained a B rating (Management Level) for our performance in both Climate Change and Water Security in the CDP evaluation.

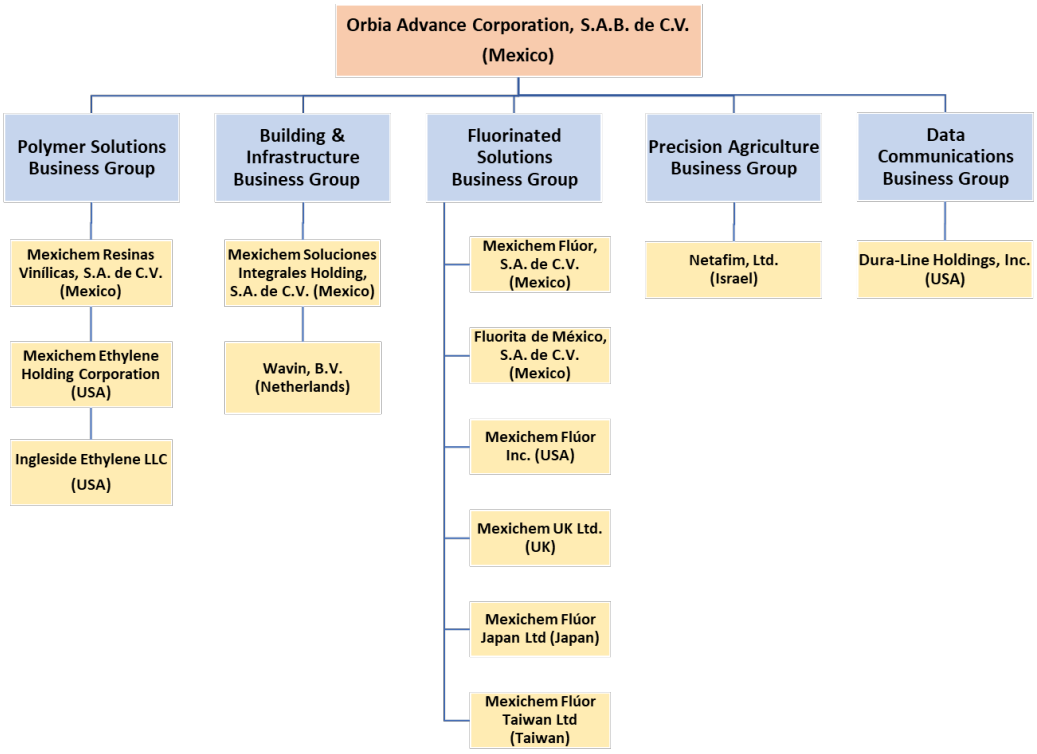
- Ecovadis: Orbia oined the Ecovadis platform in 2019. In the 2020 evaluation, we maintained our silver rating, ranking among the top 18% of companies evaluated. Through this Ecovadis assessment we can understand, compare and share our company s sustainability performance with stakeholders.

viii. arket Information

For more information see Section 2, "The Issuer", item b, " Business Overview", sub-item i "Main Activity" of each business group, in this Annual Report.

ix. Corporate Structure

The Issuer is part of a business group with 228 subsidiaries as of December 31, 2021. The organi ation chart provided below shows the most important Orbia subsidiaries in yellow, the assets and revenue of which, on an individual basis for each one, exceed 10% of the total consolidated assets and/or 10% of the total consolidated revenue, based on the Company s audited consolidated financial statements for fiscal year 2021.



The table below shows the shareholding structure of the Issuer's most significant subsidiaries.

No.	Jurisdiction	Business Group	Corporate Name of Subsidiary	Shareholders	Equity Interest in Subsidiaries
1	Mexico	Polymer Solutions	Mexichem Resinas Vinílicas, S.A. de C.V.	Orbia Advance Corporation, S.A.B. de C.V.	99.99999980%
				Mexichem Derivados, S.A. de C.V.	0.00000011%
				Mexichem Servicios Administrativos, S.A. de C.V.	0.00000009%
2	United States	Polymer Solutions	Mexichem Ethylene Holding Corporation	Mexichem Resinas Vinílicas, S.A. de C.V.	100%
3	United States	Polymer Solutions	Ingleside Ethylene LLC	Mexichem Ethylene Holding Corporation	50%
				Oxychem Ingleside Ethylene Holdings, Inc.	50%
4	Mexico	Building & Infrastructure	Mexichem Soluciones Integrales Holding, S.A. de C.V.	Orbia Advance Corporation, S.A.B. de C.V.	99.9999863%
				Mexichem Servicios Administrativos, S. A. de C. V.	0.0000137%
5	Netherlands	Building & Infrastructure	Wavin B.V.	Mexichem Soluciones Integrales Holding, S.A. de C.V.	100%
6	Israel	Precision Agriculture	Netafim, Ltd.	Netafim Hatzerim Holdings (Cooperative Society) Ltd.	20%
				Mexichem Soluciones Integrales Holding, S.A. de C.V.	80%

For more information on "the activities of the subsidiaries" see Section 2, "The Issuer", item b, "General Description of the Business", sub-item i. "Main Activity" for each business group, in this Annual Report.

x. Description of ain Assets

Listed below are the main assets of Orbia's business groups, all of which are free from liens or encumbrances of any kind, since none of them constitute any guarantee of financing, except for those assets that are being acquired through financial lease contracts which serve as a natural guarantee for the fulfillment of the obligation to pay the amount of the respective lease, and which represent a total amount of $367 million. All assets are insured, are in good working condition and there are no environmental issues that affect their use.

The following table shows the information on Orbia's main production plants. In accordance with the provisions of article 33, subparagraph b), numeral 1, of the Single Issuer Circular, the Company has determined that the information on the percentage of utili ation of the installed capacity of the Polymer Solutions business plants is strategic, and accordingly has reserved the right to disclosure of this information.

Business group	Process	Country or Region	Number of Plants	Type of Asset	Products	Installed Capacity Thousands of Tons/year	□ of use in 2021
Polymer Solutions	Chlorine-Soda	Mexico	1	Mine	Brine	250 (1)	N.D.
Polymer Solutions	Chlorine-Soda	Mexico	2	Plant	Chlorine, Caustic Soda, Derivatives	895	N/A
Polymer Solutions	Chlorine-Soda	Colombia	1	Plant	Chlorine, Caustic Soda, Derivatives	50	N/A
Polymer Solutions	Chlorine-Soda	□ermany	2	Plant	Chlorine, Caustic Soda, Derivatives	970	N/A
Polymer Solutions	Chlorine-Soda	Mexico	4	Plant	Phosphates	146	N/A
Polymer Solutions	Ethylene Chloro-Soda	EUA	1	Plant	Ethylene	550	N/A
Polymer Solutions	Vinyl	Mexico	5	Plant	PVC resins	781	N/A
Polymer Solutions	Vinyl	Colombia	3	Plant	PVC resins	500	N/A
Polymer Solutions	Vinyl	EUA	2	Plant	PVC resins	116	N/A
Polymer Solutions	Vinyl	□ermany	2	Plant	PVC resins	400	N/A
Polymer Solutions	Vinyl	Mexico	2	Plant	Compounds	68	N/A
Polymer Solutions	Vinyl	Colombia	1	Plant	Compounds	22	N/A
Polymer Solutions	Vinyl	EUA	3	Plant	Compounds	83	N/A
Polymer Solutions	Vinyl	United Kingdom	2	Plant	Compounds	93	N/A
Polymer Solutions	Vinyl	In dia	4	Plant	Compounds	38	N/A
Polymer Solutions	Vinyl	Mexico	2	Plant	Compounds	108	N/A
Building □ Infrastructure LatAm	Wavin	Latin America	24	Plant	Pipes and Connections	773	61%
Building □ Infrastructure Europe	Wavin	Europe	24	Plant	Pipes and Connections	750	52%
Data Communications US/Canada	Dura-Line	EUA, Canada,	13	Plant	Ducts, HDPE microducts	258	73%
Data Communications AMEA	Dura-Line	India, Oman, South Africa, China	6	Plant	Ducts, HDPE microducts	93	60%
Precision Agriculture	Precision Irrigation	Americas	6	Plant	Pipeline	45 Lines	87%
Precision Agriculture	Precision Irrigation	AMEA	6	Plant	Pipe and drippers	40 Lines	80%
Precision Agriculture	Precision Irrigation	India	2	Plant	Pipeline	23 Lines	29%
Precision Agriculture	Precision Irrigation	APAC (excluding India)	3	Plant	Pipeline	23 Lines	85%
Fluorinated Solutions	Fluorite	Mexico	2	Mines	Acid and metallurgical grade fluorite	□1,700	100%
Fluorinated Solutions	Fluorite	Mexico	3	Plant	Acid □rade Fluorite	□9000	100%
Fluorinated Solutions	HF	Mexico	2(2)	Plant	Hydrofluoric acid	144	64%
Fluorinated Solutions	AlF3	Mexico	1	Plant	Aluminum fluoride	64	95%
Fluorinated Solutions	Refrigerant □ases	EUA.	1	Plant	Fluorinated hydrocarbons and refrigerants	39	69%
Fluorinated Solutions	Refrigerant □ases	Japan	1	Plant	Fluorinated hydrocarbons and refrigerants	21	64%

(1) m^3/hour
(2) A productive unit that includes 2 plants

The following describes the Company□s most significant fixed assets with the following plants as part of its Building □ Infrastructure, Data Communications and Precision Agriculture business groups.

- ***In Latin America. Building & Infrastructure*** owns and operates 24 plants in 12 countries in Latin America, with a combined installed production capacity of 773,000 tons of PVC extracts, PVC, in ected polyethylene products and polyethylene products, using state-of-the-art transformation technologies.

- ***In Europe. Building & Infrastructure*** owns 24 manufacturing plants and sales and distribution points in 25 countries in Europe, with a combined installed production capacity of 750,000 tons. It has procedures in place to comply with the standards established by ISO 9000 and ISO 9001, which are reviewed and certified by independent certifying companies. These plants operate in accordance with regionally established health and safety policies, complying with ISO 12001 and similar standards.

- ***In North America. Data Communications*** owns 13 manufacturing and assembly plants located in the US and Canada. It has procedures in place to comply with ISO 9001 standards, as well as other relevant standards for the competent authorities, which are reviewed and certified by independent companies. Design practices are sub ect to various regulatory tests to ensure products meet or exceed customer expectations and applicable regulatory requirements.

- ***In EMEA. Data Communications*** owns 4 manufacturing and assembly plants located in Europe, India, and Oman. It has procedures in place to comply with ISO 9001, ISO 14001, OHSAS 18001 standards, Underwriters Laboratory and Bureau of India Standards certifications, as well as other relevant standards for competent authorities, which are reviewed and certified by independent companies. Design practices are sub ect to various regulatory tests to ensure products meet or exceed customer expectations and applicable regulatory requirements.

- ***Precision Agriculture*** owns 17 manufacturing and assembly plants located in Israel, Turkey, the Netherlands, Spain, South Africa, Mexico, Bra il, Peru, Chile, China, Colombia, Australia, India and the US, with a sold volume of 7 billion meters in fiscal year 2021.

Additionally, in 2021 the Company carried out different permanent investments that are part of maintenance and organic growth which totaled $204 million.

Orbia asserts that there are currently no regulatory measures that affect the use of its assets, which guarantees compliance with all regulatory requirements in all its facilities.

So that Orbia s operations are not suddenly affected, it is a policy to have predictive preventive maintenance programs applied to its assets including machinery y and other equipment. The ob ective of this is to maintain the facilities in optimal conditions, comply with government standards and regulations in accordance with each country, and if necessary to identify corrective maintenance measures to be executed. The Company allocates approximately 1.7% of its sales to preventive, predictive and corrective maintenance. All these resources have been financed through the Company s own cash flow.

Insurance

Orbia has contracted, at the holding company level, for all the companies that make up the roup, the following coverage usually required and based on the standards for the mining, chemical, petrochemical and industrial industries:

A. ultiple business insurance (assets and business interruption), which covers**:**

- Wide fire coverage, including hydro meteorological risks, earthquake and volcanic eruption covering: building, contents (machinery and equipment), inventories and gross profit.

- Technical branches, covering machinery breakage, electronic equipment, (underground) mobile equipment without circulation plates.

The values declared for this insurance have been reported considering the replacement value for fixed assets and the last purchase price for inventories. ross profit has been determined based on the approved budget for 2021 and the sums insured vary according to the values of each company.

B. Cargo transport insurance that covers all shipments where there is an insurable interest (purchases, sales, inter-warehouses, etc.).

C. Civil liability insurance that covers damages (including pollution) to third parties in their property and persons, as well as damages caused because of such direct damages.

D. Civil liability insurance for directors and civil servants, which protects such persons against claims by third parties arising from wrongful acts committed in the exercise of their functions.

E. Crime Insurance that covers damages as a result of criminal acts, both internal and external.

F. Credit Insurance whose ob ective is to cover the risk of non-payment or prolonged default by debtors.

In addition to the aforementioned insurance, each subsidiary has insurance policies according to its particular needs, or to comply with contractual obligations and/or with the applicable legislation in the locality where it is located.

Although management believes that we have adequate and sufficient coverage in accordance with industry practices, there is the possibility that insurance coverage against possible unforeseen losses and other liabilities may not be sufficient in some cases. extremely catastrophic or very unpredictable. Likewise, in the event that the losses derived from a claim exceed the insured limit, the result would have an adverse effect on Orbia's financial results in the form of higher costs which may not be anticipated.
The following companies and their affiliates and/or subsidiaries that are part of Orbia, have, for the most part, contracted similar insurance schemes independently and outside the insurance contracts contracted and controlled at the holding company level: Netafim Ltd, Dura-Line Holdings, Inc., Vestolit mbH, Wavin BV, Sylvin Technologies, Mexichem Specialty Compounds, Mexichem Brasil Industria de Transformacao Plastica Ltda and Mexichem Trading Comercio, Importacao e Exportacao S/A

xi. Judicial, Administrative or Arbitral Proceedings

With the exception of the information provided in regard to Data Communications, based on the information relevance criteria established in Annex N of the Sole Issuers Circular, the Company and its subsidiaries are not, and there is no high probability that they will be in the future, involved in any relevant proceeding of judicial, administrative or arbitration nature, that are different from those that are a normal part of the course of business and that have, had or could have a significant impact on the operating results or the financial position of Orbia or its business groups.

Notwithstanding the foregoing, in compliance with applicable regulations, internal policies and good practices, the Company and its subsidiaries maintain some reserves to meet the obligations that may arise as a result of the proceedings in which it or its subsidiaries are party.

As far as the Company and its subsidiaries are aware, as of December 31, 2021, none of its shareholders, directors and main officers are part of any judicial, administrative and/or arbitration procedure that could affect the results of the operation or the financial situation of the Issuer in a material adverse manner.

Likewise, neither the Company nor its subsidiaries are part of any tax proceedings that could affect the results of the operation or financial situation of the issuer in a material adverse manner.

xii. Shares representing Capital Stock

As of December 31, 2021, the Company does not have open positions in derivative instruments that can be settled in kind whose underlying assets are ORBIA* shares.

In the fiscal years 2020 and 2019, Orbia did not modify the number or amount of outstanding shares representing its share capital.

At the ordinary shareholders meeting held on July 21, 2021, the shareholders agreed to cancel 90,000,000 Class II ordinary shares, without par value, which represented the variable part of the Entity's capital stock. On December 24, 2021, the Company canceled 90,000,000 of its own shares, which was authorized at the meeting of July 21, 2021. Said shares were acquired through the use of the resources authorized by the Ordinary General Meeting of Shareholders for the Repurchase Fund. and that the Issuer bought in the stock market, charged to its stockholders equity.

As of December 31, 2021, the Entity's capital stock is represented by 2,010,000,000 ordinary registered shares with voting rights, issued and outstanding, without par value. In 2020 and 2019, the share capital was represented by 2,100,000,000 shares. The fixed part of the Entity's capital stock is represented by registered Class I shares without withdrawal rights. The variable part of the Entity's capital stock is represented by Class II nominative shares, without par value and may not exceed ten times the minimum fixed capital stock. An analysis of the Entity's capital stock as of December 31, 2021, 2020 and 2019 is as follows:

December 31, 2019, and 2020 Subscribed capital	Number of shares	Amount (millions of dollars)
Class I	308,178,735	$38
Class II	1,791,821,265	219
Total	**2,100,000,000**	**257**

December 31, 2021 Subscribed capital	Number of shares	Amount (□illions of dollars)
Class I	308,178,735	$38
Class II	1,701,821,265	219
Total	**2,010,000,000**	**□257**

xiii. Dividends

During the last three years (2019, 2020 and 2021) Orbia has decreed the payment of dividends in cash, as follows:

□eneral Shareholders□ □eeting	Dividend Declared in millions of USD	Number of Payments	Payment Dates
Aug-20-18	150	5 payments	Dec. 24, 2018 ($50 million), from May 29, 2019 to Feb. 26, 2020 ($100 million)
Nov-26-18	168	4 payments	Feb. 27, May 29, Aug. 28, Nov. 27, 2019
Dec-2-19	180	4 payments	Feb. 26, May 27, 2020, Aug. 26 and Nov. 25
Mar-30-21	200	4 payments	Apr. 14, 2021, Jul. 14, 2021, Sept. 15, 2021 and Dec 15, 2021

In the Ordinary and Extraordinary Annual Shareholder Meeting held on April 23, 2019, after the explanations offered by the Secretary of the Meeting on the reasons and effects of the respective proposal, the extension of the payment term of the extraordinary dividend declared in the Ordinary Shareholders□Meeting held on August 21, 2018 for the remaining $100 million was approved, so that the payment may be concluded within the 12 (twelve) months following the Shareholders□Meeting held on April 23, 2019. The above with the ob□ective of aligning the Company□s cash flows to the current cycle.

During the □eneral Ordinary Stockholders□Meeting of Orbia held on November 26, 2018, it was agreed to pay a dividend equivalent to $168 million to be distributed among the outstanding shares, discounting the amount corresponding to the shares that are in the Company□s repurchase fund in each partial payment. The dividend will be paid in Mexican pesos in four equal installments, each equivalent to $42 million during the 12 months following such meeting, for outstanding shares, excluding those shares held by the Company as a result of the share repurchase program on each of the payment dates, at the exchange rate published in the Official Federal □a□ette by the Bank of Mexico. On November 27, 2018, the Company notified that each of the four installments will be paid on each of the following four dates: February 27, May 29, August 28 and November 27, 2019.

The Company□s shareholders approved, at an Ordinary □eneral Meeting held on December 2, 2019, the payment of a cash dividend in the amount of $180 million, in four payments. The first was on February 26, 2020, the second on May 27, the third on August 26 and the fourth on November 25, 2020.

The Issuer□s □eneral Ordinary Shareholders□Meeting held on March 30, 2021, authori□ed the payment of a cash dividend in the amount of $0.10 dollars per share payable in four installments in 2021, the first of which was made on April 14, 2021.

The declaration, amount and payment of dividends are approved by the Ordinary □eneral Shareholders□Meetings, on the recommendation of the Board of Directors, and dividends may only be paid from profits withheld from accounts previously approved by the shareholders, provided that a legal reserve has been created and any losses from previous fiscal years have been paid or absorbed.

The distribution of Orbia□s dividend payments depends on the generation of profits, flow generation and the investments pro□ected in its different business groups. (*See Section 1, "General Information," subsection c, "Risk Factors," subsection c, "Risk Factors Related to Securities Issued by the Company.")*

The amount and payment of Future Orbia dividends, if any, will be sub□ect to applicable law and depend on a variety of factors that may be considered by the Board of Directors or shareholders, including future operating results, financial condition, capital requirements, investments in potential acquisitions or other growth opportunities, legal and contractual

restrictions on current and future debt instruments and the ability to obtain funds from subsidiaries. Such factors may limit the ability to pay future dividends and may be considered by the Board of Directors in recommending, or by shareholders in approving, the payment of future dividends.

There is no dividend payment policy. In recent years Orbia has paid a dividend of around 10% of the EBITDA of the corresponding fiscal year, even though it is not a formally adopted policy and there is no document that establishes it.

At the Ordinary Shareholders Meeting on March 30, 2021, it was agreed to pay a cash dividend to the shareholders of the Company at the rate of USD$ 0.10 (ten cents) per outstanding share with the right to collect dividends, in four partialities payable throughout 2021 that will come from the Company s Net Tax Profit Account.

3. FINANCIAL REPORTIN

a) Selected Consolidated Financial Information

The following tables present selected consolidated financial information for Orbia for each of the periods indicated. This information should be read in con unction with and is sub ect in its entirety to the complete terms of Orbia s audited financial statements as of December 31, 2021, 2020 and 2019, including the related financial statement disclosures.

The consolidated financial statements of the Company and its subsidiaries for the years ending December 31, 2021, 2020 and 2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

Orbia s functional currency is the U.S. dollar and it publishes its financial statements in this currency. Unless otherwise specified, references in this Annual Report to $, Dollars or dollars shall be construed as references to U.S. dollars and references to Peso , Pesos or Mexican Pesos shall be construed as references to Mexican pesos. *See notes on the audited financial statements in Section 7, "Annexes", "Consolidated Financial Statements", in this Annual Report.*

The comparability of the financial information presented in the following table, as well as that of the Audited Consolidated Financial Statements, may be affected by certain events that occurred in the years 2021, 2020 and 2019.

The financial figures included in the section of the Annual Report have been rounded to millions of Dollars except for the figures for earning per share and number of shares, which are expressed in units, or when otherwise indicated, while the figures presented in the Company s audited financial statements that are presented in the Annexes of this Annual Report have been rounded to thousands of Dollars (except where otherwise indicated), for convenience of presentation. The percentage figures in this Annual Report have not been, calculated on the base of the figures rounded to millions of Dollars, but rather on the base of such amounts before rounding. For this reason, the percentage figures in this Annual Report may vary from the percentage obtained when performing the same calculations using the financial statement figures. Certain financial figures, such as the totals in certain tables, may not be the result of adding up the figures prior to rounding.

There are factors of an uncertain nature that may make Orbia s past performance, as shown in the financial statements, not indicative of its future performance. Such factors are described in detail in Section 1, *"General Information", item c, "Risk Factors"*.

A few notable events that affect the financial figures that are presented, analy ed and commented on in this section are the following:

(1) Establishment and acquisition of new business -

In the last three years, Orbia established and acquired the businesses outlined below:

2021

During 2021 Orbia made the acquisition of three companies that represented an approximate amount of $64 million dollars, as a whole. In accordance with the provisions of IFRS 3, the disclosure of additional information to that presented in the notes to the audited financial statements and to this Report was not considered relevant.

i. Investment in **akon Horticultural Pro ects** On April 1, 2021, the Precision Agriculture business segment acquired akon Horticultural Pro ects, the Dutch leader in turnkey greenhouse pro ects. The acquisition is synergistic, combining the global presence and expertise of Precision Agriculture and akon s greenhouse technology. akon brings unique experience in all aspects of greenhouse pro ect execution, greenhouse manufacturing capabilities and a proven track record in key verticals.

ii. Investment in **Shakun Polymers Private Limited**. On June 22, 2021, Orbia acquired the ma ority of the outstanding shares of Shakun Polymers Private Limited (Shakun), a private, family-owned company that is a market leader in the production of compounds for the wire and cable markets in the subcontinent. Indian, Middle East, Southeast Asia and Africa. Shakun s product development focuses on halogen-free flame retardant compounds and PVC-based compounds for power and data cables. With this investment, Polymer Solutions expands Alphagary s product portfolio and regional presence as Shakun will continue to offer next-generation materials designed to meet the high safety and performance standards required in the Asian and African markets. There is a put / call option related to the acquisition under the agreement between the shareholders in respect of the minority or the non-controlling party of shareholders who retain a portion of the capital of Shakun. Orbia believes that this investment will bring synergies to the operations of the Polymer Solutions business group, in which Shakun s operations will be consolidated.

iii. Investment in **Silatronix**, On November 1, 2021, Orbia s Fluorinated Solutions business acquired Silatronix, a Madison, Wisconsin-based Company. Silatronix has expertise in fluorosilane additives for Lithium-ion batteries and has an industry-wide reputation for developing innovative solutions that deliver improved battery safety and performance in a range of applications, from electric vehicles to stationary, grid-scale storage.

2020

i. Investment in **SeeTree** - On November 18, 2020, Orbia completed its first corporate venture capital transaction through an investment in SeeTree, a leading start-up in the agricultural technology sector with a focus on tree farming. SeeTree uses military-grade telecommunications, surface sensors, artificial intelligence and machine learning in an integrated way to prevent tree pests and maximize productivity at a low cost. Precision Agriculture is partnering with SeeTree to bring SeeTree's advanced technology to Precision Agriculture's solution offering. This investment represents a significant step for Orbia and Precision Agriculture, to the extent that it allows us to promote the development of conscious and profitable agriculture.

(2) Subsequent event, not included in the financial information presented:

On February 1, 2022, Orbia's Building and Infrastructure business, Wavin, acquired 67% of the shares of Vectus Industries Limited ("Vectus"), a privately held manufacturer of plumbing and drainage pipes and the market leader in water storage tanks in India for $132 million paid in $108 million of cash and $24 million of other consideration at closing, subject to customary working capital and net indebtedness adjustments.

With this acquisition, Orbia's Building and Infrastructure businesses will operate at the forefront of India's quickly growing water management industry, supplying customers in the residential, commercial, industrial, infrastructure and agricultural sectors.

The Company has begun consolidating Vectus's results as of February 1, 2022.

Consolidated statements of income			
(Figures in millions of US Dollars)	**2021**	**2020**	**2019**
Continuous operations:			
Net sales	**8,783**	**6,420**	**6,987**
Cost of sales	6,156	4,651	5,114
Gross profit	**2,627**	**1,769**	**1,873**
Selling and development expenses	573	507	539
Administrative expenses	600	508	468
Other costs, net	6	33	43
Exchange gain	(78)	(102)	(49)
Exchange loss	110	104	68
Interest expense	248	239	272
Interest income	(16)	(10)	(14)
Change in fair value of redeemable non-controlling interest	28	10	18
Monetary position profit	4	1	-
Participation in the results of associates	(1)	(1)	(4)
Income before income taxes	1,154	479	533
Income taxes	381	151	206
Income from continuing operations	773	328	327
discontinued operations:			
Income (loss) from discontinued operations, Net	-	(10)	-
Consolidated net income for the year	**772**	**319**	**327**
Consolidated net income for the year:			
Controlling interest	657	195	207
Noncontrolling interest	115	124	120
Continuous operations:	**772**	**319**	**327**
Earnings per share of the controlling interest	$0.33	$0.10	$0.10
Weighted average number of shares outstanding	1,992,657,096	2,024,791,839	2,067,362,601

Consolidated statements of financial position	As of December 31:		
(Figures in millions of US dollars)	2021	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	$782	$875	$586
Accounts receivable, net	1,595	1,325	1,352
Accounts receivable from related parties	1	5	5
Inventories, Net	1,292	861	834
Advance payments	50	60	65
Derivative financial instruments	3	20	0
Assets held for sale	3	10	9
Total current assets	**3,724**	**3,156**	**2,852**
Non-current assets:			
Property, machinery and equipment, Net	3,051	3,186	3,349
Right-of-use assets	346	323	337
Investment in shares of associates	40	39	3. 4
Other assets, Net	104	69	89
deferred taxes	174	200	126
Employee benefit asset	17	13	14
Intangible assets, Net	1,617	1,734	1,766
□oodwill	1,514	1,491	1,492
Total non-current assets	**6,862**	**7,055**	**7,205**
Total assets	**10,587**	**10,211**	**10,057**
Liabilities and stockholders□equity			
Current liabilities:			
Bank loans and current portion of long-term debt	240	495	322
Providers	1,046	788	679
Letters of credit to suppliers	459	538	585
Accounts payable to related parties	1	1	101
Other accounts payable and accrued liabilities	521	467	478
dividends payable	1	3	134
Provisions	29	33	52
Employee benefits	226	160	128
Short-term lease liabilities	86	82	78
Derivative financial instruments	34	14	13
Liabilities associated with assets held for sale	-	6	6
Total current liabilities	**2,643**	**2,588**	**2,577**

Consolidated statements of financial position	As of December 31:		
(Figures in millions of US dollars)	2021	2020	2019
Non-current liabilities:			
Bank loans and long-term debt	3,280	3,131	3,129
Employee benefits	221	274	229
Long-term provisions	17	21	-
Other long-term liabilities	41	31	36
Redeemable non-controlling interest	316	274	264
Derivative financial instruments	17	95	67
deferred taxes	318	314	335
Long-term finance leases	281	263	267
Long-term income tax	49	42	35
Total non-current liabilities	**4,539**	**4,444**	**4,385**
Total liabilities	**7,182**	**7,032**	**6,963**
Stockholders equity:			
Contributed capital			
Social capital	256	256	256
Premium on issuance of shares	1,475	1,475	1,475
Update of share capital	24	24	24
	1,755	**1,755**	**1,755**
Earned Capital			
Accumulated utilities	966	1,108	1,059
Redeemable non-controlling interest	(241)	(227)	(227)
Reserve for acquisition of own shares	851	400	296
Other comprehensive income	(594)	(543)	(508)
	981	**738**	**620**
Total controlling interest	**2,737**	**2,493**	**2,375**
Total non-controlling interest	668	687	719
Total Stockholders Equity	**3,404**	**3,180**	**3,094**
Total liabilities and stockholders equity	**10,587**	**10,211**	**10,057**

Net debt to EBITDA:

	As of December 31,		
(□illions of dollars)	2021	2020	2019
Liability with cost	3,520	3,626	3,451
circulating portion	240	495	322
long term debt	3,280	3,131	3,129
Cash and cash equivalents	782	875	586
Net debt**	2,738	2,751	2,865
EBITDA*	2,047	1,318	1,365
Net debt to EBITDA ratio	1.34	2.09	2.10

* For purposes of this calculation, real EBITDA is considered, which only includes EBITDA of businesses acquired as of their date of incorporation in Orbia's consolidation.

Financial indicators
(Figures in millions of US dollars)

Indicators	2021	2020	2019
Investments in property, plant and equipment	286	204	261
Depreciation and amorti□ation for the year	598	598	542
EBITDA	2,047	1,318	1,365
Accounts receivable turnover (days)	48	53	51
Average supplier payment term (days)	61	61	48
Inventory turnover (days)	63	66	60

b) Financial information by business group, geographical area and export sales

The main historical sales indicators by business group are shown below:

Sales by Business □roup [1]	2021	□	2020	□	2019	□
Polymer Solutions	3,438	39	2,171	34	2,334	33
Fluorinated Solutions	744	8	698	11	805	12
Building □ Infrastructure	2,922	33	2,071	32	2,239	32
Data Communications	994	11	732	11	749	11
Precision Agriculture	1,126	13	972	15	1,063	15
Controlling Entity	215	2	184	3	97	1
Eliminations	(656)	(7)	(408)	(6)	(300)	(4)
Total	**8,783**	**100**	**6,420**	**100**	**6,987**	**100**

Operating income by Business roup (	2021		2020		2019	
Polymer Solutions	876	60	224	31	210	25
Building Infrastructure	183	13	193	27	267	32
Data Communications	283	20	127	18	142	17
Precision Agriculture	102	7	140	19	116	14
Fluorinated Solutions	46	3	89	12	92	11
Controlling Entity	(23)	(2)	(53)	(7)	(3)	(0)
Eliminations	(17)	(1)	0	0	0	0
Total	1,449	100	720	100	823	100

Sales by geographical area of origin, for the years 2021, 2020 and 2019, are presented below:

Net sales by region where customers are located			
	2021	2020	2019
United States of America	$1,838	$1,382	$1,414
Northwest Europe	1,462	1,040	1,113
Southwest Europe	1,148	839	932
Africa, Middle East and Asia	645	703	796
Mexico	971	633	665
Bra il	653	455	516
Central and Eastern Europe	395	286	285
Colombia	441	271	319
Central America	277	190	226
Peru	231	136	164
Southeast Europe	172	122	142
Ecuador	139	91	105
Canada	96	65	66
Other rest of the world countries	68	55	87
Chile	86	51	47
Argentina	81	45	47
Israel	46	40	42
Other Latin American countries	31	14	22
Vene uela	4	1	1
Total	**8,783**	**6,420**	**6,987**

Sales by destination region			
Region	**2021**	**2020**	**2019**
Europe	3,177	2,286	2,472
North America	2,905	2,081	2,145
South America	1,634	1,050	1,198
AMEA	691	743	838
Others	376	259	335
Total	**8,783**	**6,420**	**6,987**

Figures in millions

c) Relevant Credit Report

Historically, the growth strategy through capital investments and, especially, with the acquisition of companies that offer synergies of vertical integration and add value to the basic raw materials of the Issuer, has been supported by the contracting of long and short-term loans, which have been repaid using the cash flows generated by the operation of the subsidiaries.

Historically, Orbia's credit requirements have driven by acquisition opportunities rather than normal operational factors. That growth strategy has changed under the current management team that is focused on organic growth opportunities.

It has been the Company's policy to reduce its leverage levels once it has utilized its credit to to maintain its net debt to EBITDA ratio of approximately 2.0x Net Debt / EBITDA, to protect the Group's position in potential future recessionary or lower growth cycles. At the end of the 2021 financial year, this ratio stood at 1.34 times.

Leverage Ratios	2021	2020	2019
Total Liabilities/Total Assets	68%	69%	69%
Total Liabilities/Stockholders' Equity (times)	2.11	2.21	2.25
Liabilities with Cost/Stockholders' Equity (times)	1.03	1.14	1.12
Net debt to EBITDA ratio	1.34	2.09	2.10

As of December 31, 2021, the Company's future interest-bearing long-term debt payment obligations, net of related placement expenses, are as follows:

Payable during-	
2022	$240
2023	25
2024	38
2025 and thereafter	2,977
	$3,280

Orbia's treasury function has maintained the policy of maintaining sufficient liquidity to guarantee the necessary financial flexibility to commit to strategic growth projects at the overall Orbia level.

Due to the nature of its operations, Orbia and its subsidiaries maintain bank and investment accounts in both local currencies, for the countries where it has operations, as well as in U.S. dollars.

Both the Company and its subsidiaries have no relevant tax debts as of December 31, 2021.

Orbia's net outstanding debt as of December 31, 2021 was $2,738 million.

Short-term indebtedness

As of December 31, 2021, Orbia has access to revolving lines of credit with an undrawn balance of $1,000 million.

As of the date of this Annual Report, the Company has uncommitted short-term lines of credit with several banks, which are mainly used to improve its working capital. Credit lines include short-term financing lines and letters of credit, among others, consisting mainly of letters of credit for payment with raw material suppliers.

Orbia's short-term debt represents $240 million at the end of fiscal year 2021.

Financial indebtedness

The table below presents selected information regarding the Company's outstanding indebtedness as of December 31 of the most recent three fiscal years.

Summary of loan agreements denominated in U.S. dollars, euros and other currencies:	2021	2020	2019
Issuance of a 30-year International Bond for $750 million, bearing semiannual interest at a fixed rate of 5.875%. The loan principal is repayable in a single installment upon maturity in September 2044.	$750	$750	$750
Issuance of a 10-year International Bond for $750 million, bearing semi-annual interest at a fixed rate of 4.875%. The loan principal is repayable in a single installment upon maturity in September 2022. This loan was fully repaid in September 2021.	-	750	750
Issuance of a 10-year International Bond for $500 million, bearing semi-annual interest at a fixed rate of 4.00%. The loan principal is repayable in a single installment upon maturity in October 2027.	500	500	500
Issuance of a 30-year International Bond for $500 million, bearing semi-annual interest at a fixed rate of 5.50%. The loan principal is repayable in a single installment upon maturity in January 2048.	500	500	500
Issuance of a 30-year International Bond for $400 million, bearing semi-annual interest at a fixed rate of 6.75%. The loan principal is repayable in a single installment upon maturity in September 2042.	400	400	400
Issuance of a 5-year International Bond for $600 million, bearing semi-annual interest at a fixed rate of 1.875%. The loan principal is repayable in a single installment upon maturity in May 2026.	600	-	-
Issuance of a 10-year International Bond for $500 million, bearing semi-annual interest at a fixed rate of 2.875%. The loan principal is repayable in a single installment upon maturity in May 2031.	500	-	-
Issuance of Commercial Paper Program for up to □750 million through the issuance of notes with maturity less than one year. As of December 31, notes have been issued for □101 million with maturity in March 2022.	115	-	-
Bank of England			
Issuance of Commercial Paper for □300 million. The loan□s discount rate is 0.60%, and matured on May 18, 2021.	-	409	-
Rabobank			
5-year bank loan for $75 million, bearing quarterly interest at a variable rate (1-month LIBOR □ 1.85%) The loan principal is repayable quarterly, and matures in March 2024.	50	60	70
IFC			
Bank loan for $40 million, bearing interest at a variable rate (1-month LIBOR □1.95%). The loan matures on June 28, 2024.	29	40	-
Bank loan for 1,520 million Indian rupees, bearing interest at a fixed rate of 8.3275%. The loan matures on June 15, 2029.	20	-	-
Bank loan for 107 million Turkish lira, bearing interest at a fixed rate of 16.45%. The loan matures on June 15, 2024.	6	15	-
MUF□			
5-year bank loan for $50 million, bearing quarterly interest at a variable rate (3-month LIBOR □ 2.00%) The loan principal is repayable quarterly, and matures on March 25, 2024. This loan was fully repaid in March 2021.	-	39	46
Scotiabank			
1-year bank loan for $200 million, bearing quarterly interest at a variable rate (1-month LIBOR □ 0.496%). The loan principal is repayable in a single installment upon maturity. The Entity repaid $49 million in December 2019. The loan was refinanced by changing the maturity date to June 2020 and with a new variable rate (1-month LIBOR □0.35%) This loan was repaid in full in June 2020.	-	-	151
Other	55	38	42
□exican peso denominated loans:			
10-year structured note for 3,000 million, bearing semi-annual interest at a fixed rate of 8.12%. The loan principal is repayable in a single installment upon maturity in March 2022. This loan was fully repaid in June 2021.	-	150	159
Bancomext			
Term loans for 3,000 million and 69,443,000, bearing quarterly interest at the TIIE rate □0.825% and TIIE rate □0.71%, respectively. The loan principal is repayable on a semi-annual basis, from September 2017 to March 2021.	-	15	49

Summary of loan agreements denominated in U.S. dollars, euros and other currencies:	2021	2020	2019
Citibanamex			
6-month bank loan for 1,566 million, bearing monthly interest at a variable rate (28-day TIIE 0.15%) The loan principal was repaid in a single installment upon maturity in May 2020.	-	-	83
BBVA Bancomer	-	-	-
6-month promissory note for 1,000 million Mexican pesos, bearing monthly interest at a variable rate (28-day TIIE 0.55%). The note s principal is repayable in a single installment upon maturity in June 2022.	49	-	-
	3,573	3,666	3,501
Less - Bank loans and current portion of long-term debt	(240)	(495)	(322)
Less - Debt issue costs	(54)	(40)	(50)
	3,280	**3,131**	**3,129**

Some of the Company s outstanding debt is sub ect to certain covenants which are outlined below.

Positive Covenants	Negative Covenants	Causes of Early aturity
Deliver periodic financial information and information on relevant events	Do not modify the predominant line of business	Failure to pay principal and/or interest
Simultaneously with each delivery of financial statements, issue a certificate by the Company signed by a financial officer certifying that no default has occurred in the contracts	Not to merge or liquidate, or sell important assets except that, at the time of this and immediately after it is applied, there is no Default and that the Issuer subsists as a corporation.	Deliver false or incorrect relevant information
Issue a document by the Company signed by a financial officer when it becomes aware of the filing or commencement of any action, lawsuit or proceeding by, or before, any arbitrator or government authority against or that affects a company of the Issuer that is reasonably expected to result in a Material Effect	Neither the Company nor any of its Subsidiaries may carry out sale and leaseback operations, except for temporary term leases, including any renewal thereof, of no more than three years, and with the exception of leases between the Company and a Subsidiary. or between Subsidiaries) unless the net proceeds from the sale and leaseback is at least equal to the fair value of the property.	If the early maturity of any instrument or contract is declared that evidences, or derives in, a debt of the Issuer (or subsidiaries) that, individually or as a whole, amounts to an amount equivalent in any currency to at least US$30 million per a later period greater than 30 (thirty) Business Days
Preserve, renew and maintain in full force and effect its legal existence and the necessary permits to carry out its operations	Do not constitute encumbrances except for permitted encumbrances	If the Company or any of its important subsidiaries initiates a process of insolvency or bankruptcy and that subsists more than 60 days
Use the funds for the agreed destination	No company will pay dividends when there is an Event of Default, or when such payment triggers one.	Failure to comply in an amount greater than $50 million in the payment of principal or interest on a debt
Be up to date with your labor and fiscal obligations, including the payment of taxes.	Do not enter into operations with affiliates unless they are in market terms or in certain exceptions.	Failure to comply with any obligation to do or not to do in the corresponding contract or instrument
Maintain a pari passu payment priority with respect to other contracted debts	Not modify its shareholding structure in such a way that it implies that the current ma ority shareholders of the borrower no longer control 51% (fifty-one percent) of the shares representing the share capital of the borrower.	If the Company does not pay the fees of the Mexican Institute of Social Security, Institute of the National Fund for Workers Housing (in Mexico) or Retirement Savings System (in Mexico) in an amount greater than $50 million
Maintain register and account books in which the complete and correct entries are of all transactions related to their business and activities		If a change of control occurs
Compliance with applicable legislation		Acceleration of other debt for more than $50 million

Positive Covenants	Negative Covenants	Causes of Early aturity
The Issuer will keep its assets in good condition to carry out its operations, will insure them and will comply with the necessary payments to the different insurers.		If a udgment is entered against the Company that imposes the payment of an amount greater than $50 million and that subsists more than 30 days
		If any of the obligors sues the banks for the invalidity of the credit
		If the Company or any material subsidiary is unable to pay its debts
		Do not allow the personnel designated by the bank to carry out inspections of its records in order to determine compliance with the obligations

The Company is in compliance with all its covenants as of the date of this Report.

Additionally, some of Orbia s financial instruments include other restrictions including the following:

a) Certain restrictions for the existence of new liens.
b) Maintain a consolidated interest coverage ratio no greater than 3.0 times.
c) Maintain a ratio of net debt to earnings before interest, taxes, depreciation and amorti ation of around 2.0 times.
d) Ensure and maintain property, machinery and equipment in good operating conditions.
e) Comply with all applicable laws, rules, regulations and provisions.

The Company has assumed the obligations of the companies acquired under the financing operations, as a result of the mergers between them and the Company.

In the last three fiscal years, the securities that the Company has registered in the Registry have not undergone significant changes in the rights granted to their holders.

The *Senior Notes* or International Bonds issued in the years 2021, 2012, 2014 and 2017, establish restrictions on the encumbrance or mortgage of properties, assets or securities of the Issuer or its subsidiaries they also establish restrictions for the sale and subsequent lease of assets relevant to the operation of the business (except temporarily) likewise, the terms of the *Senior Notes* stipulate limitations to the consolidation, merger or transfer of assets of the Issuer.

Hedging of foreign currency obligations

Orbia is exposed to market, operational and financial risks derived from the use of financial instruments such as interest rate, credit, liquidity and foreign exchange risk, which are managed centrally. The Board of Directors establishes and monitors the policies and procedures to measure and manage these risks.

Exchange risk management - The Company carries out transactions denominated in foreign currency consequently, it is exposed to fluctuations in the exchange rate, which are managed within the parameters of the approved policies using, where appropriate, forward exchange rate contracts, when they are considered effective.

The book values of the monetary assets and liabilities denominated in foreign currency to which the Entity is mainly exposed, at the end of the reporting period, are as follows:

	Assets			Liabilities		
	2021	2020	2019	2021	2020	2019
Euros	217	197	150	1,301	1,154	1,360
Bra ilian real	623	752	408	358	416	243
Mexican pesos	2,789	2,029	1,817	6,560	6,347	6,854
Colombian pesos	365,372	288,536	230,941	475,322	219,561	186,266
Sterling pounds	79	93	108	114	127	157

Foreign currencies expressed in millions

- *Instruments used*

The Company subscribes, on a case by case basis, a variety of derivative financial instruments to manage its exposure to foreign exchange risk and interest rates, and ensures that no derivative instrument can be considered speculative. Orbia utili es the following instruments:

Principal Only-Swaps Contracts - In accordance with currency swap contracts, the Company agrees to exchange Dollar-Euro cash flows of the principal and a fixed rate in dollars, established in said contracts, which allow the Entity to mitigate the risk of variations in exchange rates due to the exposure generated by its investment in euros due to the acquisition of its subsidiaries in Europe Wavin and Vestolit.

Currency Swaps Contracts (Cross Currency Swaps) – According to the currency swap contracts. Orbia agrees to exchange Peso-Dollar flows calculated on the amounts of the notional amounts and the interest established in said contracts, to cover the exposure of its bank debt and in stock certificates in pesos.

Interest rate swap agreements - In accordance with the interest rate swap agreements that cover bank debt, the Entity agrees to exchange a variable interest rate for a fixed interest rate.

Forwards contracts and Exchange rate forwards and options – Orbia enters into Forwards and Exchange rate options in different currencies other than its functional currency in order to hedge the foreign exchange exposure in balance sheet items and results. The hedged items other than the Entity's functional currency are mainly denominated in: Euro (EUR), Pounds (BP), Israeli Shekel (ILS), Indian Rupee (INR), South African Rand (AR) and Turkish Lira (TRY), among others. These contracts have a maturity period of less than one year.

Orbia is an entity whose functional currency is the US dollar. Orbia has issued: debt in Euro Commercial Paper for 101 million pounds maturing in March 2022.

The following financial instruments have been formally designated as hedging transactions for accounting purposes, as follows:

Swaps:

- 5 Principal Only-Swaps U.S dollar-Euro, designated as hedging relationships on a net investment for subsidiaries in Europe.
- 1 Cross Currency Swap U.S dollar- MXN, to hedge bank debt exposure in Mexican pesos.
- 1 Interest Rate Swap in U.S dollar, to exchange variable interest rate for a fixed interest rate.

Forwards:

- As of December 31, 2021, the Entity has 107 active forward contracts.

Orbia has determined that its hedging strategy is highly effective as of December 31, 2021, 2020 and 2019. The Entity uses the ratio analysis method using the hypothetical derivative model to simulate the behavior of the hedged item, in which the changes in the fair value of the hedging instruments are compared with the changes in the fair value of the hypothetical derivative that would result in a perfect hedge of the hedged item.

As of December 31, 2021, 2020 and 2019, the fair value of the Foreign Exchange Swaps represents a liability of $48 million, $102 million and $79 million, respectively. Changes in the fair value of these swap contracts were recogni ed in other comprehensive income and as gains (losses) on foreign exchange transactions.

See Note 12. c of the audited consolidated financial statements included in the Appendices for further detail.

- *Hedging or trading strategies implemented*

Due to its activities in the national and international spheres, the Company is exposed to risks of foreign exchange fluctuations, volatility of prices of inputs from the chemical industry, as well as financial risks related to the financing of its pro ects.

The Issuer's policy is to use certain hedges that allow it to mitigate the volatility of the prices of certain raw materials and interest rate and exchange rate risks in financial operations, all of them related to its business.

Derivatives are initially recogni ed at fair value on the date the derivative contract is signed and are subsequently measured at fair value at the end of the reporting period. The Company designates certain derivatives either as hedges of fair value, of recogni ed assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions, or hedges of foreign currency risk of firm commitments (hedges of cash flows), or hedges of the net investment in a foreign operation.

Note 11 of the Consolidated and Audited Financial Statements included in Section 7, Annexes of this Report, includes details on the fair value of the derivative instruments used for hedging purposes.

Lease financial liabilities

The following tables shows lease activity for the previous two years:

Lease liabilities	Amount
Balance of the lease liability as of anuary 1, 2019	346
Liabilities from new leases	83
Cash outflow for lease payments	(89)
Effect of currency conversion	6
Balance of the lease liability as of December 31, 2020	345
Liabilities from new leases	141
Provisions	(11)
Cash outflows for lease payments	(97)
Effect of currency conversion	(11)
Balance of the lease liability as of December 31, 2021	367
Short-term lease liability	86
Long-term lease liability	281

Figures in millions

	Leases under IFRS 16 Leases		
aturity analysis	2021	2020	2019
One year	$86	$82	$78
Two years	55	53	56
Three years	42	42	41
Four years	43	35	32
more than four years	141	132	138
	$367	$345	$346

Figures in millions

The Company also recogni ed the follow expenses related to its leases in the past two fiscal years:

	2021	2020
Interest expense for lease liabilities	$18	$14
Expense related to short-term leases	31	25
Expense related to low-value asset leases	1	1
	$49	$40

Figures in millions

d) anagement s Discussion of the Results of Operation and Financial Situation of the Issuer

The following discussion is based on and should be read in con unction with Orbia s audited consolidated financial statements and notes thereto, which have been prepared in accordance with IFRS. This management analysis of the Company s results of operations and financial situation must be read in con unction with its audited consolidated financial statements for the fiscal years ended December 31, 2021, 2020 and 2019, and their respective explanatory notes included in this Annual Report, as well as with the information included in the sections *"See Section 3, "Financial Information", subsection a, "Selected Financial Information", of this Annual Report.*

This section contains statements regarding future or anticipated events, which are sub ect to various risks. Actual results could differ materially from the results discussed in this section in the context of future events for various reasons, including those factors indicated in *"Section 1, "General Information, item c, "Risk Factors" of this Annual Report.*

The financial figures contained in this Section have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "IFRS"), with the US dollar as the functional and reporting currency. Unless otherwise specified, figures are reported in millions.

Figures and percentages have been rounded and may therefore not add arithmetically.

i. Operating Results

2021 Fiscal Year. Consolidated Income Statement

During fiscal year 2021 Orbia achieved solid financial results with record numbers in sales and EBITDA. The high levels of performance were achieved in accordance with the corporate purpose of promoting life around the world, in an economic environment still affected by the pandemic and uncertainty. The Company established its focus on execution as well as organic growth and through the acquisitions of its business groups. The outstanding financial results were achieved thanks to the dedication of the 22,000 employees to add value to Orbia's clients and shareholders.

In addition to record highs in revenues and cash flows, Orbia maintained a healthy balance sheet and rewarded its shareholders through dividends and share buybacks.

Consolidated statements of income **(Figures in millions of US Dollars)**	**2021**	**2020**	**Variation**
Continuous operations:			
Net sales	**8,783**	**6,420**	**36.8**
Cost of sales	6,156	4,651	32.3%
ross profit	**2,627**	**1,769**	**48.5**
Selling and development expenses	573	507	13.0%
Administration expenses	600	508	18.0%
Other expenses, Net	6	33	(82.5%)
Exchange gain	(78)	(102)	(23.3%)
Exchange loss	110	104	5.9%
Interest expenses	248	239	3.9%
Interest income	(16)	(10)	54.5%
Change in fair value of redeemable non-controlling interest	28	10	186.9%
Monetary position profit	4	1	182.1%
Participation in the results of associates	(1)	(1)	68.7%
Earnings before income taxes	1,154	479	140.8%
Income taxes	381	151	152.8%
Income from continuing operations	773	328	135.2%
Discontinuous operations:			
Income (loss) from discontinued operations, Net	(0)	(10)	(96.1%)
Consolidated net income for the year	**772**	**319**	**142.2**
Consolidated net income for the year:			
Controlling interest	657	195	237.5%
Noncontrolling interest	115	124	(7.3%)
	772	**319**	**142.2**

Net Sales

Orbia's revenues grew 37% during 2021, reflecting the recovery of the global economy and a growing demand for the Company's products. The main reasons for the year-on-year increase include the strong results of Polymer Solutions due to higher PVC prices and Building Infrastructure which benefited from higher demand.

By region, the sales growth in Europe was 39%, North America was 40% and South America was 56%.

The revenue change by business group was as follows:

- Polymer Solutions: 2021 sales grew 58% compared to the prior year to $3,438 million.
- Fluorinated Solutions: 2021 sales grew 7% compared to the prior year to $744 million.
- Building Infrastructure: 2021 sales grew 41% compared to the prior year to $2,922 million.
- Data Communications: 2021 sales grew 36% compared to the prior year to $994 million.
- Precision Agriculture: 2021 sales grew 16% compared to the prior year to $1,126 million.

Cost of sales

The cost of sales grew 32% in 2021 to $6,156 million, due mainly to the higher cost of raw materials and higher volumes sold, and, to a lesser extent, to increases in freight and labor costs in all business groups.

Gross profit

Due to the significant increase in revenue only partially offset by the smaller increase in cost of sales and operating expenses, Orbia recorded an operating profit of $1,449 million in 2021 which was 101% higher than the prior year, while operating margin grew from 11.2% in 2020 to 16.5% in 2021.

EBITDA

During 2021, EBITDA of $2,047 million increased 55% compared to 2020 and EBITDA margin increased approximately 280 basis points to 23.3%. The increase in EBITDA during 2021 was mainly due to Polymer Solutions and Building Infrastructure.

Net financial expense and variation in the exchange rate

The net financial cost of 2021 was $265 million, an increase of 15% compared to 2020, derived from foreign exchange losses related to the depreciation of the Turkish Lira, the Mexican Peso and the Colombian Peso, as well as the impact of the valuation of the put options held by the minority shareholders of the operating entities of Netafim and Shakun Polymers. Additionally, the increase includes a non-recurring charge associated with early debt withdrawal during the year.

Income tax

During 2021, taxes were $381 million, an increase of 153% compared to 2020. The full-year tax rate was 33.0%, representing an increase of approximately 160 basis points compared to 2020. The increase in taxes and the tax rate, are mainly due to the impairment of certain tax assets, an increase in profit before taxes, and the geographic mix of profits. In addition to these factors, for the full year, foreign exchange losses incurred in Mexico are included in the Company s tax calculations, as well as inflationary ad ustments in tax profit in Mexico.

Majority net income

During 2021, the Company s controlling net income increased by 238% compared to 2020 to reach $657 million. The ma ority net margin incomed increased from 3% in 2020 to 7.5% in 2021. Both increases are driven by the movements in the other income statement line items discussed above.

Fiscal Year 2020. Consolidated Operating Results

Amid the global impact of the COVID-19 pandemic, Orbia s business model demonstrated its resilience, achieving high profitability and robust free cash flow generation.

The Company s consolidated statements of income for 2020 compared to 2019 are included below.

Consolidated statements of income **(Figures in millions of US Dollars)**	**2020**	**2019**	**Variation**
Continuous operations:			
Net sales	**6,420**	**6,987**	(8.1%)
Cost of sales	4,651	5,114	(9.1%)
□ross profit	**1,769**	**1,873**	(5.6%)
Selling and development expenses	507	539	(5.9%)
Administration expenses	508	468	8.6%
Other expenses, Net	33	43	(22.9%)
Exchange gain	(102)	(49)	105.8%
Exchange loss	104	68	53.4%
Interest expenses	239	272	(12.3%)
Interest income	(10)	(14)	(28.7%)
Change in fair value of redeemable non-controlling interest	10	18	(47.5%)
Monetary position profit	1	(0)	(1051.0%)
Participation in the results of associates	(1)	(4)	(79.1%)
Earnings before income taxes	479	533	(10.0%)
Income taxes	151	206	(26.6%)
Income from continuing operations	328	327	0.4%
Discontinuous operations:			
Income (loss) from discontinued operations, Net	(10)	(0)	8925.2%
Consolidated net income for the year	**319**	**327**	(2.5%)
Consolidated net income for the year:			
Controlling interest	195	207	(5.8%)
noncontrolling interest	124	120	3.3%
	319	**327**	(2.5%)

Net Sales

Orbia□s net sales in 2020 were $6.42 billion. Revenues decreased 8% compared to the previous year, due to the negative impact of the COVID-19 pandemic, mainly in the second quarter, which was not fully offset by the strong rebound in the second half of the year.

The revenue change by business group was as follows:

- Polymer Solutions: Net sales were $2,171 million, down 7% from 2019, due to lower sales volume as a result of the pandemic and the availability of VCM, partially offset by higher derivatives volume, mainly in the cleaning industry.
- Fluorinated Solutions: Net sales totaled $698 million, down 13% from 2019, as a result of the impact of illegal imports in the refrigerant business to Europe and the impact of COVID -19 on global volumes and prices.
- Building □ Infrastructure: Revenues from this business group fell 8% to $2,071 million due to the impact of the COVID-19 pandemic in the second quarter, which was partially offset by the recovery in the second half of the year.
- Data Communications: Net sales decreased 2% to $732 million, reflecting pro□ect delays due to COVID-19 primarily in Europe, India, the Middle East and Latin America, partially offset by increased sales in USA and Canada.
- Precision Agriculture: Sales of $972 million, down 9% from 2019, mainly due to the impact of COVID, especially during the first half of the year, which was partially offset by strong growth in the US, Middle East, China and Australia in the remainder of the year.

Cost of sales

Cost of sales decreased from $5,114 million in 2019 to $4,651 million in 2020 due mainly to the impact of lower sales as result of the COVID-19 pandemic. As a percentage of sales, cost of sales decreased from 73.2% in 2019 to 72.5% in 2020 or a reduction of 74 basis points as a result of additional cost containment efforts.

During 2021, the Company reclassified certain amounts related to Direct Storage and Shipping of approximately $78 million in 2020 and $85 million in 2019, from the selling, general and administrative expense account to cost of sales.

Gross profit

□ross profit for 2020 decreased to $1,769 million when compared to the figure of $1,873 million in 2019, which represented a decrease of 5.6%.

Operating expenses

Operating expenses remained relatively flat in 2020 vs. 2019.

EBITDA

In 2020, EBITDA totaled $1,318 million, down 3% compared to 2019 due to a sustained recovery starting in Q3 led by Vestolit and Wavin, which was complemented with cost management initiatives across all businesses. EBITDA margin increased 100 basis points, reaching 20.5%.

Net financial expense and variation in the exchange rate

In 2020, net financing costs decreased 16% to $231 million. This reduction was mainly due to a more efficient financing strategy in terms of lower costs, and leverage at the end of 2020 and a significant reduction in interest rates. Additionally, Orbia had additional non-recurring charges related to its lines of credit in 2010 that did not recur in 2020.

Income tax

2020 income taxes were $151 million, down from $206 million in 2019.

Majority net income

In 2020, Orbia□s net income decreased 5.8% to $195 million while the ma□ority net margin increased 8 basis points to 3.0%.

Operating results by business group

The following tables show the results of each of our business groups and the reconciliation of these with our consolidated results of operations for the periods mentioned below.

	Year ended December 31, 2021				
Business □roup	**Net sales**	**Cost of sales**	**□ross profit**	**Operating expenses**	**EBITDA**
Polymer Solutions	3,438	2,344	1,094	218	1,134
Fluorinated Solutions	744	473	271	88	244
Building □ Infrastructure	2,922	2,183	739	456	424
Data Communications	994	765	229	127	134
Precision Agriculture	1,126	804	322	275	146
Controlling Entity	215	106	109	133	(18)
Eliminations	(656)	(519)	(136)	(119)	(17)
Total	**8,783**	**6,156**	**2,627**	**1,178**	**2,047**

	Year ended December 31, 2020				
Business □roup	Net sales	Cost of sales	□ross profit	Operating expenses	EBITDA
Polymer Solutions	2,171	1,764	406	182	462
Fluorinated Solutions	698	407	291	98	254
Building □ Infrastructure	2,071	1,565	506	380	261
Data Communications	732	498	235	94	173
Precision Agriculture	972	643	329	240	181
Controlling Entity	184	109	75	128	(14)
Eliminations	(408)	(334)	(74)	(74)	-
Total	**6,420**	**4,651**	**1,769**	**1,048**	**1,318**

	Year ended December 31, 2019				
Business □roup	Net sales	Cost of sales	□ross profit	Operating expenses	EBITDA
Polymer Solutions	2,334	1,900	434	224	443
Fluorinated Solutions	805	434	371	104	325
Building □ Infrastructure	2,239	1,718	520	379	272
Data Communications	749	544	205	89	146
Precision Agriculture	1,063	716	347	255	179
Controlling Entity	97	(1)	98	102	-
Eliminations	(300)	(198)	(102)	(102)	-
Total	**6,987**	**5,114**	**1,873**	**1,050**	**1,365**

Polymer Solutions Business □roup

	Year ended December 31,	
Polymer Solutions [1]	2021	2020
Net sales	3,438	2,171
Cost of sales	2,344	1,764
□ross profit	1,094	406
Operating expenses	218	182
EBITDA	1,134	462

(1) Figures in Millions of Dollars

Net sales

2021 sales in Polymer Solutions grew 58% to $3,438 million. Polymer Solutions maintained PVC price leverage, resulting from robust demand in the construction industry and a continued tight supply/demand environment. Sales performance in key markets exceeded pre-pandemic levels, complemented by increased compounds prices and the inclusion of the ma□ority interest of Shakun Polymers beginning in the second quarter of 2021.

Cost of sales

Polymer Solutions cost of sales increased 33%, from $1,764 million in fiscal year 2020 to $2,344 million in 2021, and i decreased as a percentage of sales from 81% in 2020 to 68% in 2021, as sales prices outpaced the increase in raw material costs.

Gross profit

The gross profit of the business group increased 169% in 2021 to $1,094 million. while gross margin increased from 19% in 2020 to 32% in 2021 due to higher sales prices that outpaced the increase in raw material costs and higher demand.

Operating expenses

In 2021, the business group's operating expenses increased 20% to $218 million due to higher incentives, however decreased from 8% as a percentage of sales to 6% in 2021 as the operating expenses did not outpace increases in revenues.

EBITDA

Full year 2021 EBITDA of $1,134 million increased 145% and EBITDA margin increased 1,170 basis points to 33.0% compared to 2020 driven by the robust sales growth discussed above.

Fluorinated Solutions Business Group

Fluorinated Solutions (Qoura) [1]	Year ended December 31, 2021	2020
Net sales	744	698
Cost of sales	473	407
Gross profit	271	291
Operating expenses	88	98
EBITDA	244	254

(1) Figures in Millions of Dollars

Net sales

Fluorinated Solutions revenues for 2021 were $744 million, an increase of 7% compared to fiscal 2020. The growth in sales reflected an improvement in the product mix and prices of all product lines, especially in refrigerants, hydrofluoric acid and metallurgical grade fluorite.

Cost of sales

The cost of sales of this business group increased 16% in 2021 from $407 million in 2020 to $473 million in 2021. The increase reflected higher costs of raw materials and freight, as well as strategic investments to promote business growth. In 2021, the cost increase exceeded the impact of higher prices and a more favorable product mix.

Gross profit

In 2021, the cost of sales increase exceeded the sales impact of higher prices and a more favorable product mix which caused gross profit to decrease 7% to $271 million and the business groups operating margin to decrease from 42% in 2020 to 36% in 2021.

Operating expenses

Fluorinated Solutions operating expenses decreased 10% in 2021 to $88 million due to lower expenses related to consulting and external services.

EBITDA

Fluorinated Solution's EBITDA decreased 4% to $244 million and EBITDA margin decreased approximately 360 basis points to 32.9% compared to 2020, reflecting the higher raw material and supply chain costs and strategic investments to support the growth of the business.

Building □ Infrastructure Business □roup

Building □ Infrastructure [1]	Year ended December 31, 2021	2020
Net sales	2,922	2,071
Cost of sales	2,183	1,565
□ross profit	739	506
Operating expenses	456	380
EBITDA	424	261

(1) Figures in Millions of Dollars

Net sales

In 2021, Building □ Infrastructure sales were $2,922 million, representing growth of 41% compared to the previous year. The performance was in line with a more normali□ed market environment, following a period of logistical disruptions and product shortages earlier in the year. Sales volumes during the first half of the year were particularly strong as the business benefited from being able to source PVC through the Polymer Solutions business during this period of raw material shortages. The second half of the year saw a return to a more normali□ed market environment, with increased availability of PVC.

Cost of sales

For 2021, the cost of sales of the business group increased 39% to $2,183 million compared to $1,565 million in fiscal year 2020 due mainly to higher raw material costs.

Gross profit

Building □ Infrastructure gross profit increased 46% to $739 million in 2021., whereas the gross margin of this business group increased from 24% in 2020 to 25% in 2021 as the business group was able to increase sales volumes and prices.

Operating expenses

Building □ Infrastructure operating expenses as a percentage of sales decreased from 18% in 2020 to 16% in 2021 as the business group was able to manage costs during this period of sales growth.

EBITDA

2021 EBITDA of $424 million increased 63% and EBITDA margin increased approximately 190 basis points to 14.5% compared to 2020, driven by the strong sales volumes and effective cost management measures discussed above.

Data Communications Business □roup

Data Communications [1]	Year ended December 31, 2021	2020
Net sales	994	732
Cost of sales	765	498
□ross profit	229	235
Operating expenses	127	94
EBITDA	134	173

(1) Figures in Millions of Dollars

Net sales

Data Communications revenues increased 36% in 2021 to$994 million driven by sales growth in North America and Europe due to higher prices reflecting input cost increases, continued strong market demand, enhanced sales coverage and new fiber deployment pro□ects.

Cost of sales

Cost of sales increased 54% in 2021 to $765 million following historically low raw material prices in 2020.

Gross profit

Data Communications gross profit decreased 2% in 2021 to $229 million while the gross margin of the business group decreased from 32% in 2020 to 23% in 2021 driven by the lag in pass-through of higher raw material costs, and an unfavorable comparison to a historically low year for raw material cost.

Operating expenses

Data Communications operating expenses grew 35% to $127 million in line with the general sales growth of the business.

EBITDA

2021 EBITDA reflected the lag impact incurred during the first three quarters of the year, during which price adjustments were unable to fully offset the impact of cost increases. These results contrast with the extraordinary levels of the EBITDA margin achieved during 2020, which were due to historically low prices in raw materials.

Precision Agriculture Business Group

Precision Agriculture [1]	Year ended December 31, 2021	2020
Net sales	1,126	972
Cost of sales	804	643
Gross profit	322	329
Operating expenses	275	240
EBITDA	146	181

(1) Figures in Millions of Dollars

Net sales

Precision Agriculture's sales in 2021 increased 16% to $1,126 million, due to growing demand in most parts of the world, with the exception of India, which continues to show weakness due to COVID-19. The recent acquisition of the business group, Hakon Horticultural Projects, also contributed to the growth in sales.

Cost of sales

Cost of sales in 2021 increased 25% to $804 million due to an increase in raw material costs and freight expenses during the year that was not passed through fully in customer prices.

Gross profit

As a result of the increased costs outpacing revenue growth, the Business Group's gross profit decreased by 2% during 2021 to $322 million while gross margin decreased from 34% in 2020 to 29% in 2021.

Operating expenses

Precision Agriculture operating expenses increased 15% to $275 million in 2021 commensurate with the growth in sales and also impacted by non-recurring items including certain provisions recorded in India.

EBITDA

EBITDA was $146 million, decreasing 20% and EBITDA margin decreased 570 basis points to 13% compared to 2020 as the business experienced increasing raw material and transportation costs throughout the year, which have not yet been fully reflected in selling prices. Additionally, EBITDA was impacted by approximately $26 million of one-time charges related to a project in Ethiopia and provisions recorded in India due to sustained pressure from COVID-19 and decisions by local governments to delay certain projects. Excluding non-recurring impacts, the EBITDA margin for the year was 15.2%, representing a decrease of approximately 340 basis points compared to 2020.

Year ended December 31, 2020, compared to year ended December 31, 2019

Polymer Solutions Business Group

PolymerSolutions (1)	Year ended December 31,	
	2020	2019
Net sales	2,171	2,334
Cost of sales	1,764	1,900
Gross profit	406	434
Operating expenses (2)	182	224
EBITDA	462	443

(1) Figures in Millions of Dollars

Net sales

In 2020, Polymer Solutions net sales were $2,171 million, a decrease of 7% compared to 2019, due to lower volume as a result of the pandemic and the availability of VCM, partially offset by higher volume of Derivatives, mainly in the cleaning products sector.

Cost of sales

Cost of sales decreased 7.1% to $1,764 million in fiscal year 2020, which was in line with the decrease in sales. ***Gross profit***

The gross profit of this business group as a percentage of sales remained consistent at approximately 19% in both 2020 and 2019.

Operating expenses

Operating expenses decreased 18.5% to $182 million in 2020, as a result of cost containment efforts in the business.

EBITDA

Polymer Solutions EBITDA was $462 million, increasing 4% compared to 2019. EBITDA margin was 21.3%, increasing 229 basis points, due to higher PVC margins, mainly in the last quarter, as well as lower electricity costs.

Fluorinated Solutions Business Group

Fluorinated Solutions (Foura) (1)	Year ended December 31,	
	2020	2019
Net sales	698	805
Cost of sales	407	434
Gross profit	291	371
Operating expenses (2)	98	104
EBITDA	254	325

(1) Figures in Millions of Dollars

Net sales

In 2020, net sales totaled $698 million, down 13%, as a result of the impact of illegal imports on the refrigerant business in Europe and the impact of COVID-19 on global volumes and prices.

Cost of sales

The cost of sales of this business group decreased 6.3% in the year outpacing the decrease in sales despite significant operational improvements.

Gross profit

□ross profit decreased 21.5% in 2020 to $291 million due to the impact of lower net sales discussed above.

Operating expenses

The operating expenses of the Fluorinated Solutions decreased 6.1% during the year as a result of cost containment measures in the business.

EBITDA

The 2020 EBITDA for Fluorinated Solutions was $254 million, a reduction of 22% compared to the figure of $325 million registered in the year 2019. The 2020 EBITDA margin was 36.4%, decreasing 389 basis points. Throughout the year, significant operational improvements were made, and costs were managed in a manner to offset difficult market conditions.

Building □ Infrastructure Business □roup

	Year ended December 31,	
Building □ Infrastructure□	**2020**	**2019**
Net sales	2,071	2,239
Cost of sales	1,565	1,718
□ross profit	506	520
Operating expenses	380	379
EBITDA	261	272

(1) Figures in Millions of Dollars

Net sales

Net revenues of $2,071 million decreased 8% on the back of severe COVID-19-related impacts in the second quarter, which partially reversed in the second half of 2020.

Cost of sales

Cost of sales decreased $153 million or 9%, generally in line with decrease in new sales. Additionally, the Company reclassified certain amounts related to Direct Storage and Shipping for approximately $78 million in 2020 and $85 million in 2019, from the selling, general and administrative expense account to cost of sales account.

Gross profit

Building □ Infrastructure gross profit in 2020 decreased by 2.7% due to lower sale as discussed above.

Operating expenses

Operating expenses remained relatively flat in 2020 when compared to 2019.

EBITDA

EBITDA totaled $261 million, decreasing 4%, while the margin stood was 12.6%, increasing 58 basis points. EBITDA for the second half of 2020 was better than the previous year, due to cost savings, effective price management and the continued change of the product mix towards value-added products.

Data Communications Business Group

Data Communications [1]	Year ended December 31, 2020	2019
Net sales	732	749
Cost of sales	498	544
Gross profit	235	205
Operating expenses	94	89
EBITDA	173	146

(1) Figures in Millions of Dollars

Net sales

In 2020, net sales decreased 2% to $732 million, reflecting project delays due to the effects of the pandemic in Europe, India, the Middle East and Latin America, partially offset by increased sales in USA and Canada.

Cost of sales

During the first half of 2020, the prices of some raw materials decreased, which, in addition to the cost and expense containment program implemented, helped reduce cost of sales 8.6%.

Gross profit

Gross profit increased 15% driven by the reduction in the cost of sales.

Operating expenses

Data Communications operating expenses increased 6% to $94 million, which included non-cash write-offs associated with the footprint optimization initiative at this business.

EBITDA

2020 EBITDA of $173 million increased 19%, driven by a favorable product mix and lower raw material costs in the first half of the year. EBITDA margin of 23.7% expanded 381 basis points.

Precision Agriculture Business Group

Precision Agriculture	Year ended December 31, 2020	2019
Net sales	972	1,063
Cost of sales	643	716
Gross profit	329	347
Operating expenses	240	255
EBITDA	181	179

(1) Figures in Millions of Dollars

Net sales

In 2020 Precision Agriculture net sales totaled $972 million, for a decrease of 9%, mainly due to the impact of the COVID-19 epidemic, especially during the first half of the year, which was partly offset by strong growth in the US, Middle East, Africa, China and Australia.

Cost of sales

Cost of sales decreased 10% to $643 million due to the cost of some inputs decreasing in the first half of 2020.

Gross profit

The Precision Agriculture business generated a gross profit of $329 million in 2020, which represented a decrease of 5% driven by the negative impact of COVID-19 in the year 2019.

Operating expenses

Precision Agriculture achieved a 6% reduction in its operating expenses from $255 million in 2019 to $240 million in 2020.

EBITDA

EBITDA amounted to $181 million, increasing 1%, mainly driven by higher gross margins, reflecting commercial and operational excellence initiatives, as well as lower operating expenses. The EBITDA margin was 18.6%, increasing by 178 basis points.

ii. Financial Condition of the Company, Liquidity and Capital Resources

Orbia continued to strengthen its balance sheet during 2021, generating free cash flow of $572 million during the year. The Company's leverage ratio decreased from 2.09 times to 1.34 times, year over year.

Working capital increased by $479 million during the year, reflecting higher sales prices and increased inventory costs. Throughout 2021, Orbia made CAPEX investments of $311 million, an increase of 36% compared to 2020.

The average maturity of the Company's debt is 14.8 years, while the average cost of debt is 4.1%. The next relevant expiration for Orbia is in 2026.

Orbia paid back $365 million to shareholders, through dividends of $199 million and share repurchases of $166 million. In accordance with the approval granted by its shareholders, the Company has canceled 90 million of its shares in treasury during the year 2021.

In 2021 Orbia decreased its loan balance by $94 million when compared to the prior year.

In fiscal year 2021 Orbia covered its liquidity needs using its generation of cash flows from ordinary business operations, financing through loans and the issuance of debt securities in international markets.

Liquidity Ratios	2021	2020	2019
Current assets / short-term liabilities	1.41	1.22	1.11
Current assets - inventories / short-term liabilities	0.92	0.89	0.78
Current assets / total liabilities	0.52	0.45	0.41

The Company has financing needs mainly related to the following objectives:

- Working capital
- Payment of interest, from time to time, related to the current debt
- Capital investments related to its operations, construction of new plants, maintenance of facilities and expansion of plants
- Funds required for the acquisition of companies that align with Orbia's strategy
- Payment of dividends and
- Repurchase of shares.

As described above, Orbia's main sources of liquidity have historically been the following:

- Cash generated from the Company's operations
- Cash from short, medium and long term financing
- Capital increases and
- Disposal of assets, property or business of the Company.

Planned sources and uses of cash

At the close of 2021, Orbia has access to a committed Revolving Line of Credit with an available balance of $1,000.

Additionally, the Company has a Commercial Paper Program for up to 750 million, of which as of December 31, 2021 it had drawn down 101 million, for which it can issue 649 million with maturities of less than one year.

Cash Flows

Cash flows generated by (used in) operating activities

In 2021, 2020 and 2019, Orbia's cash flows from operating activities were $1,235, $1,093 and $1,083 million, respectively.

In 2021, cash flows generated by operating activities derived mainly from:

- $1,752 million of income before income taxes, depreciation and amortization
- A reduction of $563 million due to net changes in working capital
- $248 million for interest paid and
- An increase of $202 million in other items.

In 2020, cash flows generated by operating activities derived mainly from:

- $1,077 million of income before income taxes, depreciation and amortization
- An increase of $92 million due to net changes in working capital
- $239 million interest paid and
- An increase of $314 million in other items.

In 2019, cash flows generated by operating activities derived mainly from:

- $1,075 million of income before income taxes, depreciation and amortization
- A decrease of $(136) million due to net changes in working capital
- $272 million interest paid and
- An increase of $128 million in other items.

Cash flows generated by (used in) investing activities

In 2021, 2020 and 2019, cash flows used in investing activities were $(344) million, $(219) million and $(274) million, respectively.

In 2021, the cash flows generated by (used in) investing activities were:

- Acquisition of subsidiaries, net of cash acquired $(48) million
- The acquisition of machinery and equipment for the amount of $(286) million
- Investment in other assets and intangibles $(27) million and
- The sale of machinery and equipment for the amount of $18 million.

In 2020, cash flows generated by (used in) investing activities consisted of:

- The acquisition of machinery and equipment for the amount of $(204) million
- Investment in other assets and intangibles $(31) million
- The sale of machinery and equipment for the amount of $21 million and
- The acquisition of participation in associate $(4) million.

In 2019, cash flows generated by (used in) investing activities consisted of:

- The acquisition of machinery and equipment for the amount of $(261) million
- Investment in other assets and intangibles $(36) million and
- The sale of machinery and equipment for the amount of $23 million.

Cash flows generated by (used in) financing activities

In 2021, 2020 and 2019, cash flows generated by (used in) our financing activities were $(962) million, $(562) million and $(894) million, respectively.

In 2021, our main uses of cash flows generated by (used in) financing activities consisted of:

- $(271) million in interest payments
- $(97) million for lease payments

- $(200) million in dividend payments
- $(135) million for distribution to non-controlling interest in capital of subsidiary
- $(166) million for the acquisition of own shares and
- $(94) million in payment amounts net of credits.

In 2020, the main uses of cash flows generated by (used in) financing activities consisted of:

- $(231) million in interest payments
- $(89) million for lease payments
- $(230) million in dividend payments
- $(142) million for distribution to non-controlling interest in capital of subsidiary
- $(42) million for the purchase of shares and
- $173 million in net amount of loans obtained.

In 2019, the main uses of cash flows generated by (used in) financing activities consisted of:

- $(276) million in interest payments
- $(92) million for lease payments
- $(218) million in dividend payments
- $(151) million for distribution to non-controlling interest in capital of subsidiary
- $(40) million for the purchase of shares and
- $(117) million paid in net loan amounts.

Effect of the gain (loss) on the exchange rate of our cash and cash equivalents.

In 2021, 2020, and 2019 the effect of the foreign exchange gain (loss) on our cash and cash equivalents was $(22) million, $(24) million, and $(29) million, respectively.

Contingent asset

As of December 31, 2021, there are no relevant Contingent Assets.

Contingent liability

From time to time, the Entity is a party to certain legal matters, including those discussed below.

Natural Gas Distribution Matter

On April 20, 2021, Dura-Line Corporation s natural gas distribution business stopped the shipment and sales of small diameter natural gas distribution (N D) pipelines, defined as distribution pipelines. (N D) 1.5-inch and smaller, sold for use primarily in the United States, for the purpose of investigating a possible quality problem. This issue does not affect larger diameter N D pipe (ie 2 inches or larger) or Dura-Line Datacom guide products.

The natural gas distribution business, now operated through PolyPipe LLC (PolyPipe), and its advisors have conducted a comprehensive analysis of the issue. As part of that analysis, PolyPipe has determined that the affected N D pipe had short, locali ed segments where the pipe walls thinned below specification. PolyPipe has further determined that the problem occurred intermittently and estimates that it affected less than 1% of the small diameter N D pipe produced by Dura-Line at its plant in ainesville, Texas. PolyPipe has concluded that the issue would impact the amount of time the affected pipe is expected to withstand constant internal gas pressures over the course of its use and that it would impair the performance of the affected pipe if the pipe were to be damaged. sub ected to axial load. However, PolyPipe has had no reports of bugs, leaks, or other performance issues associated with this issue.

PolyPipe has informed its N D customers and relevant regulators and will continue to communicate and collaborate closely with potentially affected parties and others as appropriate and necessary. Polypipe has resumed shipping and selling small diameter N D pipe at its Erwin, Tennessee facility with improved monitoring, production and quality processes. PolyPipe is allowing its direct and indirect customers to return potentially affected pipe for a refund.
PolyPipe has received compensation claims from certain direct and indirect customers for the costs associated with addressing the problem, including the removal and replacement of potentially affected installed pipe. PolyPipe may receive additional claims for compensation in the future which may result in litigation and could give rise to potential material liability.

Wolkaite Project

Netafim Ltd. is currently involved in a government irrigation project in the Tigray region of Ethiopia called (the Wolkaite project), which is in an advanced stage. The client is the Ethiopian Sugar Corporation (ESC). Due to civil unrest, a state of emergency has been in effect in the region since November 4, 2020.

In late November 2020, Netafim notified ESC, the Lender, insurers and other stakeholders that a force majeure event had occurred as a result of the ongoing civil unrest, suspending Netafim's obligations under the agreement. draft.

Under the original project agreement, if force majeure conditions continue for an extended period, each party would have the right to terminate the agreement.

On July 1, 2021, the parties signed a Memorandum of Understanding (the MOU) that suspended until December 31, 2021, the right to cancel the project agreement due to a force majeure event. in progress.

The MOU also establishes a period for the parties to assess the status of the project and try to reach an agreement to resume the project.

Currently, all parties are cooperating and monitoring the situation. In addition to potential costs resulting from project delays and possible damage to the existing project, it is possible that Netafim may incur additional liabilities in certain scenarios.

Jain antitrust complaint

In 2018, Irrigation Inc., Irrigation Design Construction LLC. (IDC) and Agri Valley Irrigation LLC. (AVI) (Jain Parties), filed antitrust lawsuits in United States federal and state court in California alleging that Orbia's Precision Agriculture business, along with other manufacturers and distributors, participated in a group boycott against Jain Parties in alleged violation of state and federal antitrust laws. Jain dropped his federal case in June 2019, but continued his state antitrust claims, which are currently in the discovery stage. Netafim has filed cross state and federal complaints against Jain. The state trial is scheduled to begin on February 10, 2023. Netafim intends to vigorously enforce its rights and does not anticipate that this matter will result in material liabilities for the Company.

Other issues

In addition to the matters discussed above, Orbia is party to litigation that it considers routine and incidental to the business. The Company does not expect the results of any of these litigation matters to have a material effect on the Entity's business, results of operations, financial condition or cash flows.

Treasury Policies

The Orbia Treasury function maintains as a policy intended to ensure sufficient liquidity to enable the Company to make necessary investments in its operations.

Due to the nature of its operations, Orbia and its subsidiaries maintain bank and investment accounts both in local currency according to the countries in which it operates and in US Dollars.

The Company maintains its cash positions deposited or invested in short-term financial instruments (less than 1 month) in financial entities that meet the characteristics of high credit quality, level of liquidity and profitability. The selection of counterparties and investment instruments adheres to the principles of diversification, prudence, non-speculation, and the guidelines contained in the company's Code of Ethics and those established by agreement of the Finance Committee and the Audit Committee.

Tax debts

Neither the Company nor any of its subsidiaries have outstanding tax obligations as of December 31, 2021.

Research and development

The Company's ability to compete in the Mexican market and in foreign markets depends on its ability to integrate new production processes and new products acquired and developed by third parties, prior to their acquisition, in order to reduce costs and increase profitability of company acquisitions. Orbia has 19 research and development centers, as well as 8 training centers for the development of these activities.

Relevant Transactions not Recorded in the Balance Sheet and Income Statement

As of the date of this Annual Report, the Company has no relevant transactions not recorded in the Balance Sheet or the Income Statement of the Company. Orbia does not consolidate acquired companies until the related transactions have closed, subject to approval by competition authorities, when applicable.

iii. Internal control

Orbia's bylaws provide for the existence of the Audit and Corporate Practices Committees, intermediate corporate bodies constituted in accordance with the Applicable Legislation in order to assist the Board of Directors in the performance of its functions. Through the aforementioned committees and the External Auditor, reasonable assurance is granted that the transactions and acts carried out by the Company are executed and recorded in accordance with the terms and parameters established by the Board of Directors and the governing bodies of Orbia, by the Applicable Legislation and by the different general guidelines, criteria and applicable financial information standards (IFRS).

Corporate governance

Orbia is governed by corporate governance principles that frame its operations and support its results. As a public company listed on the BMV, we adhere to Mexican legislation and, specifically, to the LMV. We also adhere to the principles established in the Code of Principles and Best Practices of Corporate overnance, endorsed by the Business Coordinating Council.

To determine the corporate strategy, define and supervise the implementation of the values and vision that identify us, as well as approve transactions between related parties and those that are carried out in the ordinary course of business in accordance with its bylaws, the Board of Directors is supported by the Audit and Corporate Practices and Corporate Practices and Sustainability Committees. All members of the Audit Committee are independent, whereas the ma ority of the Sustainability Committee members are independent.

Audit Committee

The functions of the Audit Committee include the following: evaluating the company's internal control and internal audit systems to identify any significant deficiencies monitor the corrective or preventive measures that are adopted in the event of any non-compliance with the operating and accounting guidelines and policies evaluate the performance of external auditors describe and evaluate the services of external auditors, not related to the audit review the company's financial statements evaluate the effects resulting from any modification to the accounting policies approved during the fiscal year follow up on the measures adopted in relation to the observations of shareholders, directors, relevant directors, employees or third parties on accounting, internal control systems and internal and external auditing, as well as any claim related to irregularities in the administration, including methods anonymous and confidential for the management of reports expressed by employees and to monitor compliance with the agreements of the general meetings of shareholders and the Board of Directors.

Corporate Practices and Sustainability Committee

In February 2020, the Corporate Practices Committee was renamed the Corporate Practices and Sustainability Committee to reflect its mandate to oversee sustainability matters for the Company.

The Corporate Practices and Sustainability Committee is a committee of the Orbia Board of Directors, constituted in compliance with and for the purposes set forth in Articles 25, 42 and 43 of the Securities Market Law (the Law or LMV) and Article Forty-four of Orbia's Bylaws

The main purpose of the Sustainability and Corporate Practices Committee is to fulfill the responsibilities delegated by the Board and assist the Board in fulfilling its responsibilities to:

1. Consider, evaluate and make recommendations to the Board of Directors on the appropriate si e, functions, needs and performance of the Board of Directors and its Committees,
2. Advise and supervise the relevant sustainability strategies, policies and programs of the Company,
3. Consider and supervise corporate governance issues,
4. Determine and monitor the Company's compensation philosophy,
5. Set the compensation of the Chief Executive Officer of the Company (CEO) and the other executive officers of the Company who report directly to the Chief Executive Officer (the Executive Leadership Team or ELT),
6. Administer the Company's capital incentive plans, and
7. Overseet of the Company's leadership succession planning and talent development efforts.

Likewise, the Committee will have the functions of proposing to the Board of Directors and the Shareholders Meeting the candidates to be proposed for the election of members of the Board of Directors. In selecting candidates for election to the Board of Directors, the Committee recogni es the importance of diversity among the members of its Board of Directors, to reflect differences in perspectives, skills, international and industry experience, background, ethnicity, gender and other attributes.

The Committee must be made up of at least three members of the Board of Directors. The Chairman of the Committee is elected by the vote of the Company's Shareholders.

Information for investors

One of the Company's fundamental objectives is to ensure that shareholders and investors have sufficient information to be able to evaluate the performance and progress of the organization. The Company accomplishes this through its Investor Relations function and related information provided on its company website. In addition, the shareholders of the Company have various mechanisms to communicate their opinions, doubts or concerns to the Board of Directors through:

1) Shareholders Meeting
2) Investor Relations Area
3) Conferences in which the Company participates, the presentation of which can be found on the Orbia website
4) Meetings with analysts, banks, shareholders, investors, rating agencies and financial market participant.

The Company has established guidelines to enable it to meet the following additional objectives:

- Protect and increase the assets of investors
- Issue reliable, timely and reasonable information
- Delegate authority and assign responsibilities to achieve the goals and objectives set
- Document the organization's business practices i
- Provide administrative control methods that help supervise and monitor compliance with policies and procedures

There are defined controls for policies related to marketing as well as operational guidelines related to human resources, treasury, accounting, legal, tax and IT, among others.

Some of the most critical Internal Control Policies and Procedures are briefly described below:

Human Resources

The Company relies on the knowledge, experiences, motivation, skills, attitudes and abilities of its people to achieve its objectives. In this sense, it has policies and procedures that regulate the recruitment, selection, hiring and induction of all personnel as well as their training, promotion, compensation and assistance. Likewise, it contemplates the aspects related to the control of leave, benefits and payroll. These guidelines comply with the current legal provisions in the jurisdicions in which Orbia does business with the objective to increase the efficiency and productivity of the Company.

Treasury

The objective of the Treasury functions is to establish procedures and mechanisms to capture, protect and disburse the financial resources necessary for the optimal operation of the Company, including credit, loans, leases, debt issuancs, financial and market risk hedging, sales, payment and transfer collections, intercompany financing, and other such activities. It also oversees the procedures and policies for the control of credit to our customers and accounts receivable generated by forward sales, i.e., the origin, management and recording of collection. These policies also include procedures for the administration and recording of accounts payable from suppliers of goods and services purchased by the Company and the various means of payment and collection (checks, electronic transfers, etc.) defining the necessary internal authorization schemes and supporting documentation. Finally, the Treasury function is also primarily responsible for relations with all credit institutions, banking institutions and financial creditors.

Orbia's Treasury policy is to maintain sound finances with sufficient liquidity to guarantee the continuity of day-to-day operations, as well as the necessary investments in the acquisition, improvement, or maintenance of assets that allow it to have the most efficient and modern production technology at low costs and high quality.

Due to the nature of its operations, Orbia and its subsidiaries maintain bank and investment accounts both in local currency in the countries it operates and in U.S. Dollars.

Supply Chain

The acquisition of raw materials related to operating processes is carried out on the basis of authorized budgets and programs. These policies allow the Company's purchases to be made at a competitive price and favorable conditions of quality, timeliness of delivery and service. Authorization and responsibility levels are defined for each purchase transaction.

IT Systems

Orbia has information systems in the different regions and countries in which it operates, mainly supported by Resource Planning Systems (ERP) that support the different operating processes of each business. Orbia's IT function is responsible for operating these information platforms, with the principles of operational continuity and information security, which determines local and corporate policies and procedures in the different countries in which the organization operates.

Orbia has policies and procedures that promote the correct use and protection of systems, computer programs and information relevant to the organi□ation. The organi□ation has support staff and/or help desk to attend to reports on failures or service requirements for systems.

e) Critical accounting estimates, provisions or reserves

In the application of the accounting policies, the Issuer□s Management must make □udgments, estimates and assumptions about some amounts of the assets and liabilities of the consolidated financial statements. The estimates and associated assumptions are based on experience and other factors that are considered relevant. Actual results could differ from those estimates.

The underlying estimates and assumptions are reviewed on a regular basis. Revisions to accounting estimates are recogni□ed in the period of the revision and future periods if the revision affects both the current period and subsequent periods.

The critical accounting □udgments and key sources of uncertainty when applying the estimates made at the date of the consolidated financial statements, and which have a significant risk of giving rise to an ad□ustment in the book values of assets and liabilities during the following financial period are as follows:

a. When testing assets for impairment, the Company is required to make estimates of the value in use assigned to its property, plant and equipment, intangible assets, goodwill and cash-generating units, in the case of certain assets. Value in use calculations require Orbia to determine the future cash flows that should arise from the cash-generating units and an appropriate discount rate to calculate present value. The Company uses revenue cash flow pro□ections using estimates of market conditions, pricing, and production and sales volumes.

b. The Issuer uses estimates to determine inventory reserves and accounts receivable. The factors that the Company considers in the inventory reserves are the production and sales volumes and the movements in the demand of some products. The factors that the Company considers in estimating the credit value impairment for accounts receivable is mainly the estimate of expected losses of unsecured accounts, which consists of observing the total exposure to the client and the amount used within its assigned line of credit.

c. The Company periodically evaluates the estimates of its mineral reserves (fluorite and salt), which represent the estimate with respect to the remaining amount not exploited in the mines it owns and that can be produced and sold generating profits. Such estimates are based on engineering evaluations derived from samples and in combination with assumptions about market prices and production costs at each of the respective mines. The Company updates the ore reserve estimate at the beginning of each year.

d. The determination of the discount rate considers the term and behavior of high credit quality corporate bonds. It should reflect a rate at which retirement benefits can be effectively paid. An appropriate process for establishing such a rate is to seek available information on implicit rates in annuity contracts that could be used to settle such an obligation, as well as on rates of high-quality fixed income investments that are available and that are expected to continue during the period of maturation of pension benefits. However, in Mexico there is no established annuity market that we can use for these purposes. The methodology used consists of the construction of a □ero coupon government bond curve where each payment flow is discounted with a □ero coupon rate. For the first part of the curve, □ero coupon bonds with terms less than 1 year (CETES) are considered. For the second part of the curve (terms greater than 328 days) are considered couponed government bonds, which through the □Bootstrapping□ methodology are converted to □ero coupon bonds (□spot□rates) in a period of 6 months to 30 years. Each payment flow is discounted with the applicable □ero □spot□coupon rate according to the time in which the payment is being made□subsequently, a single equivalent rate is calculated such that the present value of the flows is equal to that obtained with the □ero coupon rates.

e. Orbia is sub□ect to transactions or contingent events on which it uses professional □udgment in the development of estimates of probability of occurrence. The factors considered in these estimates are the current legal situation at the date of the estimate and the opinion of the legal advisors.

f. Control over Ingleside Ethylene LLC - Note 4c mentions that Ingleside Ethylene LLC is a subsidiary of Orbia, which holds a 50% interest. Based on the agreements with the other investor, Orbia makes the decisions related to the control of its production and sale that give it exposure to the variable returns of this subsidiary.

g. The Company makes financial pro□ections of each legal entity where it maintains control in order to determine if the tax assets may be used in the future, in particular the tax losses to be amorti□ed. Based on these pro□ections, tax losses are capitali□ed or reserved in each □urisdiction where Orbia operates.

h. The Company evaluates the assets sub□ect to lease and defines those that are less than those that are not. Those sub□ect to the registration of rights of use are analy□ed to determine the contractual terms of validity and

the possibilities of renewal based on economic benefits, the projections of committed payments and the discount rates used by type of asset to determine the amount to be registered.

Main accounting policies

For additional details regarding estimates, provisions or critical accounting reserves applied by the Company, the investing public is recommended to carefully read and analyse Note 4 of the audited consolidated financial statements of Orbia that are included in the Section "Annexes" of this Annual Report.

4. □ANA□E□ENT

a) External Auditor

The independent external auditors are Deloitte Touche Tohmatsu Limited□□ala□, Yama□aki, Rui□ Urqui□a, S.C. (□Deloitte□), with offices in Mexico City, Mexico. Deloitte has provided audit services to Orbia for at least the last 10 fiscal years.

Deloitte has confirmed that it is an independent firm with respect to Orbia, within the meaning of the stock market regulations applicable to the latter (Article 343 of the LMV and Article 6 and other applicable provisions of the □□eneral Provisions Applicable to Entities and Issuers Supervised by the National Banking and Securities Commission that hire services of External Audit of Basic Financial Statements□, known as the Single Circular of External Auditors □CUAE□).

As of the date of this Annual Report, the independent external auditors have not issued qualified or negative opinions, nor have they refrained from issuing any opinion on the Company□s financial statements.

The fees paid by Orbia do not represent 10% of Deloitte□s annual revenue. The amount that the external auditors have charged related to the audit as of December 31, 2021 for audit services are $5 million dollars, while the other services not related to the audit are approximately $0.6 million dollars, among the main services are those related to legal and tax advice, which represent 10% of the total fees paid.

The additional services not related to the December 31, 2021, audit do not affect the independence of the independent auditor, since they are similar to an audit service that requires them to maintain independence. and where the auditor issues an opinion based on Audit and Attestation Standards. These services are permitted since the independence restrictions refer to services other than audit and attestation services, without intervening in the design or implementation of internal controls over the financial information, which continue to be the Issuer□s responsibility. The appointment/ratification of the independent auditors is submitted annually by management to the Company□s Audit Committee, which in turn reports thereon to the Board of Directors.

b) Transactions with Related Persons and Conflicts of Interest

In the past, the Company has entered into, and intends to continue to, enter into certain transactions with related persons or companies, including, but not limited to, the transactions described in this section. The terms of these transactions are reported to, and verified by, the Audit Committee and/or the Corporate Practices and Sustainability Committee, as well as the external auditors, who render their opinion on the transactions reported and follow-up as needed. The Company believes that these transactions are entered into under conditions similar to those it could obtain from unrelated third parties, i.e., representing current market prices.

Relationships and transactions with related parties

The companies Kalu□, Elementia, S.A.B. de C.V., □rupo Financiero Ve por M□s, S.A. de C.V., □rupo Pochteca, S.A.B. de C.V., Banco Ve por M□s, S.A., Instituci□n de Banca M□ltiple, □rupo Financiero Ve por M□s, Casa de Bolsa Ve por M□s S.A. de C.V., □rupo Financiero Ve por M□s and Constructora y Perforadora Latina, S.A. de C.V., as well as subsidiaries of the foregoing, are considered persons or parties related to the Issuer for the purposes of this Report.

All transactions with related persons or parties are carried out under conditions similar to market conditions.

Orbia has several investment securities, trust, and bank and investment contracts with Banco Ve por M□s, S.A., Instituci□n de Banca M□ltiple, □rupo Financiero Ve por M□s y Casa de Bolsa Ve por M□s, S.A. de C.V., □rupo Financiero Ve por M□s (related parties of Orbia), which generate interest at rates similar to market rates.

Orbia and Kalu□, the Company□s main shareholder, maintain an advisory services contract, which establishes that Orbia will pay Kalu□ monthly the amount equivalent to the total costs and expenses incurredby Kalu□ as a result of providing such services, to which a market margin is added.

An analysis of balances due from and to related parties as of December 31 foreach of the periods presented follows:

	2021	2020	2019
Receivable:			
Pochteca Raw Materials, SA de CV	$454	$1,449	$3,645
Eternit Colombiana, S.A.	116	113	373
Mexalit Industrial SA de CV	-	30	-
Elementia Administrative Services, SA de CV	-	3,369	720
Elementia, SA de CV	247	-	-
Others	242	485	19
	$1,059	$5,445	$4,757
Payable:			
Kalu□, SA de CV	$51	$ -	$99,655
□eorge Fisher Wavin	277	377	-
Pochteca Raw Materials, SA de CV	230	210	538
Others	354	85	340
	$912	$671	$100,533

Figures in thousands of dollars

The Entity had the following transactions with its related parties during each of the periods presented:

	2021	2020	2019
Income from-			
Sales	$4,291	$6,897	$6,163
Administrative services	-	-	3,056
	$4,291	$6,897	$9,219
Expenses per-	-		
Administrative services	$517	$4,548	$13,551
Shopping	2,746	2,245	1,723
Leases	1,073	-	-
Others	431	446	314
	$4,767	$7,239	$15,588

Figures in thousands of dollars

c) Directors and Shareholders

In accordance with the corporate bylaws, the Company□s administration under the charge of a Board of Directors and a □eneral Director who performs the functions established in the LMV. The Board of Directors will be made up of a maximum of 21 Proprietary Directors, as determined by the Ordinary □eneral Assembly of Shareholders that appoints them and, where appropriate, their respective alternates. Of said members, both owners and alternates, at least 25% must be independent. It should be noted that notwithstanding the foregoing, the Company□s Board of Directors in fiscal year 2021 is made up of 12 directors, eight of whom are independent and represent 66.7% of the Board.

The Company exceeds the minimum number of independent members of 25% required by the Mexican Securities Market Law and our bylaws. Also, the Board of Directors has three members of the Board who are women who represent 25%.

The criteria used to identify whether a member is independent, proprietary, or a related Director, as indicated in the Report, is defined in the Code of Principles and Best Practices of Corporate □overnance, issued by the Business Coordinating Council.

Likewise, in terms of Article 24 of the LMV, the Alternate Directors of the Independent Directors, have the same character, highlighting that currently the Board of Directors of the Issuer is exclusively made up of proprietary directors. The members of the Board of Directors may be shareholders or persons outside the Company.

The □eneral Assembly of Shareholders both appoints and verifies the independence of the Directors.

The Independent Directors and, where appropriate, their respective alternates, are selected for their experience, capacity and professional prestige, considering their business and/or professional career and their ability to perform their duties free of conflicts of interest, with freedom of criterion and without being sub□ect to personal, patrimonial or economic interests.

During fiscal year 2021, the Board of Directors met seven times:

- January 18. The meeting was attended (□quorum□) by 100%.
- February 25. In said session, there was 100% attendance (□quorum□).
- April 27. There was 100% attendance (□quorum□) in said session.
- July 27th. There was 100% attendance (□quorum□) in said session.
- September 28. There was 100% attendance (□quorum□) in said session.

- October 26th. There was 100% attendance (□quorum□) in said session.
- December 16. In said session there was attendance (□quorum□) of 91.66%

During the 2022 fiscal year, the Board of Directors has met on two occasions:

- February 23, 2022. In said session there was 100% attendance (□quorum□).

In addition, the Board of Directors adopted unanimous resolutions by its members, outside of an in-person meeting, on March 4 and June 16, 2021, and additionally, adopted unanimous resolutions □ointly with the members of the Corporate Practices and Sustainability Committee on January 19, 2021.

In order for the members of the Board of Directors to better understand the responsibility implied by the performance of their duties, once a year the Secretary of the Board of Directors delivers a report that contains the main obligations, responsibilities and recommendations applicable to the Company as an issuer of securities listed on the BMV derived from the LMV, the Sole Issuer Circular and other applicable legislation. This report also describes the main obligations, responsibilities and powers applicable to the members of Orbia□s Board of Directors as a result of those requirements.

The Board of Directors for fiscal year 2022 was designated by the Annual Ordinary □eneral Shareholders□Meeting held on April 1, 2022.

The Board of Director is structured as follows:

Board □embers	Position	Types of □embers
Juan Pablo del Valle Perochena	Chairman	Non- Independent
Antonio del Valle Perochena	Board Member	Non- Independent
Mar□a de □uadalupe del Valle Perochena	Board Member	Non- Independent
Francisco Javier del Valle Perochena	Board Member	Non- Independent
Divo Mil□n Haddad	Board Member	Independent
□uillermo Orti□Martine□	Board Member	Independent
Eduardo Tricio Haro	Board Member	Independent
Alma Rosa Moreno Ra□o	Board Member	Independent
Mar□a Teresa Altagracia Arnal Machado	Board Member	Independent
Jack □oldstein Ring	Board Member	Independent
Mark Ra□kowski	Board Member	Independent
Mihir Arvind Desahi	Board Member	Independent
Antonio del Valle Rui□	Honorary Life Chairman*	Non- Independent

*Without being a member of the board

Secretary	
Juan Pablo del R□o Ben□te□	Without being a member of the board
Vice-Secretary	
Sheldon Vincent Hirt	Without being a member of the board

Below are the names of the Company□s directors appointed at said □eneral Ordinary Shareholders□Meeting, their professional experience and the year in which they were appointed directors for the first time.

Name: Antonio del Valle Rui□
Position and type of director: Honorary and Life President of the Board of Directors without being a member of said Board, Patrimonial Related
□**ember of the Board of Directors since:** 2000
Professional experience: Private Accountant, graduated from the Banking and Commercial School, has the degree of Business Executive Director granted by the Pan-American Institute of Senior Business Management (IPADE). He is Honorary President for Life of Kalu□, SA de CV and □rupo Financiero Ve por M□s, SA de CV and has been or is a member of several boards of directors, among which are, Telef□nicas de M□xico, SA de CV, Industrias Monterrey, SA de CV, □rupo M□xico, SAB de CV, Escuela Bancaria y Comercial and Fundaci□n ProEmpleo.
Mr. Antonio del Valle Ru□□is the father of Messrs. Mar□a de □uadalupe, Antonio, Francisco Javier and Juan Pablo del Valle Perochena.

Name: Juan Pablo del Valle Perochena
Position and type of director: Chairman of the Board of Directors, Patrimonial Related
□**ember of the Board of Directors since:** 2002
Professional experience: Industrial Engineer graduated from Universidad An□huac, with a Master□s degree in Administration from Harvard Business School. Chairman of the Board since 2011. Member of the Board of Directors of JCI Inc in the USA, of Fortale□a Materials, SAB de CV and Elementia Materials, SAB de CV Participates in the following associations: Consultative Committee of Harvard□s David Rockefeller Center for Latin American Studies, Kalu□ Foundation, Chairman□s International Advisory Council of the Americas Society, as well as the Latin American Conservation Council of The Nature Conservancy.
Mr. Juan Pablo del Valle Perochena is the son of Mr. Antonio del Valle Ru□□and is the brother of Messrs. Mar□a de □uadalupe, and Antonio and Francisco Javier del Valle Perochena.

Name: Antonio del Valle Perochena
Position and type of director: Patrimonial
□ember of the Board of Directors since: 2002
Professional experience: Bachelor of Business Administration, graduated from the Anahuac University where he also completed a Master's degree in Management. In addition, he has a postgraduate degree in Senior Management from the Pan-American Institute of Senior Business Management (IPADE) and a speciali□ation in literature from the Universidad Iberoamericana.
Chairman of the Board of Directors of □rupo Financiero Ve por M□s, SA de CV and of Kalu□, the controlling company of Orbia.
Member of the Board of Directors of Banco Ve por M□s, SA, Holding Company □EK, SAPI de CV, Afian□adora Sofimex, SA and Byline Bank. In addition, he is part of the Board of Trustees of the National Institute of Medical Sciences and Nutrition □Salvador □ubir□n□, Pro Bosque de Chapultepec Trust, Colmex Foundation Board of Trustees, Mexican Institute for Competitiveness, AC and as of February 2019 chairs the Mexican Business Council, an organi□ation group that brings together the 60 most important companies with Mexican capital.
Mr. Antonio del Valle Perochena is the son of Mr. Antonio del Valle Rui□and brother of Messrs. Francisco Javier, Juan Pablo and Mrs. Mar□a de □uadalupe. of the Perochena Valley.

Name: Maria de □uadalupe del Valle Perochena
Position and type of director: Patrimonial
□ember of the Board of Directors since: 2005
Professional experience: Degree in Economics, graduated from the An□huac University. In addition, she has a postgraduate degree in Senior Management from the Pan-American Institute of Senior Business Management (IPADE).
Member of the Board of Directors of Kalu□, Banco Ve por M□s, SA and Holding Company □EK, SAPI de CV She worked in the finance and marketing functions of Banco de Santander and Bital, and supervises the investments of the □Family Office□of the family of the Perochena Valley.
Mrs. Mar□a de □uadalupe del Valle Perochena is the daughter of Mr. Antonio del Valle Ru□□and the sister of Messrs. Antonio, Francisco Javier and Juan Pablo del Valle Perochena.

Name: Francisco Javier del Valle Perochena
Position and type of director: Patrimonial
□ember of the Board of Directors since: 2021
Professional experience : He has a degree in Business Administration from the An□huac University, a master's degree in economics and business from the same university and an AD-2 in Senior Management from the Pan-American Institute of Senior Business Management (IPADE).
Member of the Board of Directors of Fortale□a Materials, SAB de CV and Elementia Materials, SAB de CV).
In 2010 he entered the educational sector founding SAE Institute Latin America, a university speciali□ed in creative media, he is also a member of the Board of Directors of □rupo Financiero Ve por M□s, Cuprum, □rupo Interprotecci□n, the Advisory Council of Banamex, the Communication Council and the Pacific Alliance Business Council. Committed to society, he supports different causes, such as sponsorship of high-performance athletes, campaigns and initiatives focused on the care and preservation of the environment, and housing programs.
Mr. Francisco Javier del Valle Perochena is the son of Mr. Antonio del Valle Rui□and the brother of Messrs. Juan Pablo, Mar□a de □uadalupe and Antonio del Valle Perochena.

Name: Divo Milan Haddad
Position and type of director: Independent
□ember of the Board of Directors since: 2002
Professional experience: □eneral Director of Strategic Research, Pro-Invest, and Dimmag Invest (Panama Real Estate).
Chairman of the Board of Directors of: Inmobiliaria del Norte, Pro-Invest, (Commercial Real Estate), Dimmag Invest, C□rculo de Cr□dito (Risk Rating Agency), C□rculo Laboral (Labor Database), □rupo Aradam (Food Franchise) and Quonia (Spanish Real Estate Company).
Member of the Board of Directors of: NetCapital (Technological School), Orbia, Banco Ve por M□s, SA, □rupo Financiero Ve por M□s, SA de CV, Fortale□a Materials, SAB de CV and Elementia Materials, SAB de CV).

Name: □uillermo Orti□Martine□
Position and type of director: Independent
□ember of the Board of Directors since: 2010
Professional experience: □raduated from the National School of Economics of the National Autonomous University of Mexico. He later obtained a Master's and Ph.D. in Economics from Stanford University in the United States.
Currently, Dr. Orti□is a partner and member of the Board of Directors of BT□ Pactual, and is also a member of the □roup of Thirty, the Council of the Center for Financial Stability, the Institute for □lobali□ation and Monetary Policy at the Federal Reserve Bank of Dallas and the CDPQ □lobal Economic and Financial Advisory Board, as well as President of the Per Jacobsson Foundation.
He is the founder of □O □ Asociados, an economic consulting company created in 2009. Dr. Orti□was Chairman of BT□ Pactual Latin America ex-Bra□il from 2016 to 2018 and Chairman of the Board of Directors of □rupo Financiero Banorte-Ixe from 2011 to 2014.

Additionally, he is a member of the Board of the Mexican companies Aeropuertos del Sureste, Orbia and Vitro.
Dr. Orti□ was □overnor of the Bank of Mexico between January 1998 and December 2009 and Secretary of Finance and Public Credit between December 1994 and December 1997.

Name: Eduardo Tricio Haro
Position and type of director: Independent
□**ember of the Board of Directors since:** 2008
Professional experience: □ootechnical Agronomist Engineer, graduated from the Monterrey Institute of Technology and Higher Studies.
President of □rupo Lala and □rupo Nuplen. He chairs the executive committee of Aerom□xico.
Member of the Board of Directors of Orbia, Aerom□xico, Televisa, □rupo Financiero Banamex and Aura Solar□and the Mexican Business Council.
Member of the Board of various foundations and philanthropic organi□ations such as the □Federico □ □me□□Children's Hospital of Mexico, Salvador □ubir□n National Institute of Medical Sciences and Nutrition, Mexicanos Primero, The Latin America Conservation Council of the Nature Conservancy, among others.

Name: Alma Rosa Moreno Ra□o
Position and type of director: Independent
□**ember of the Board of Directors since:** 2018
Professional experience: Degree in Economics, graduated from Instituto Tecnol□gico Aut□nomo de M□xico. In addition, she has a master's degree in Economics from the Colegio de M□xico and doctoral studies from the University of New York.
She was President of the Tax Administration System from 1999 to 2000. She was Ambassador of Mexico to the United Kingdom of □reat Britain and Northern Ireland, from 2001 to 2004, Director of Administration at □rupo Financiero Banorte from 2004 to 2009 and from 2009 in the middle of 2018 would be an official at Pemex.

Name: Maria Teresa Altagracia Arnal Machado
Position and type of director: Independent
□**ember of the Board of Directors since:** 2019
Professional experience: Industrial Engineer from the Universidad Cat□lica Andr□s Bello in Vene□uela, has a Master's Degree in Business Administration (MBA) from Columbia University and is a member of the International Women's Forum.
She was in charge of □oogle's operations in Mexico, and currently leads Stripe's Latin American operations, a fintech company, where she is in charge of opening and building the business in Latin America.
She was □eneral Director of Twitter in Mexico, Colombia and Argentina and directed J. Walter Thompson Mexico, Mirum and Clarus.She wasalso founder of IAB in Mexico (Interactive Advertising Bureau) and, President of the Council of the World Internet Pro□ect in its local version. She led the Microsoft and Telmex JV, ProdigyMSN. She was a consultant at The Boston Consulting □roup and Boo□Allen □ Hamilton.

Name: Jack □oldstein Ring
Position and type of director: Independent
□**ember of the Board of Directors since:** 2020
Professional experience: Degree in Business Administrator from the Universidad de Los Andes in Colombia and has a Master's Degree in Business Administration from Babson College. He has attended several continuing education courses at Oxford University and Harvard University.
Founder, Managing Partner and Sole Owner of Alfa International (Investment Manager).
He served as CEO and President of Sanford Management, a company dedicated to managing a portfolio of multi-sector companies based mainly in Latin America. He was also President of Filmtex, a ma□or market player in the plastics industry.
He has been an advisor to several companies and charitable foundations, including Bavaria (today SAB Miller), the Colombian-American Chamber of Commerce, the Ministry of Foreign Trade, and the Julio Mario Santo Domingo Foundation. He also served as President of the □enesis Foundation and member of the Advisory Committee of the Banco de la Rep□blica de Colombia.

Name: Mark Ra□kowski
Position and type of director: Independent
□**ember of the Board of Directors since:** 2021
Professional experience: He has a degree in Accounting from Lehigh University in Bethlehem, Pennsylvania, United States. From 2016 to 2020, he was CFO of Xylem, where he helped engineer the company's transformation into a leading global provider of water technology solutions and put sustainability at the heart of the company's strategy. Before □oining Xylem, he was Strategic Advisor to West Rock Company, a global specialty chemicals and packaging company that was formed from the merger of Mead Westvaco and Rock Tenn. He was previously Chief Financial Officer of Mead Westvaco, where he led all areas of Finance, Strategy, Corporate Development, IT and Shared Services, and played a key role in executing the company's merger with Rock Tenn in 2015. Previously, he held various Senior financial and operational positions at Eastman Kodak Company, including □eneral Manager of Worldwide Operations for the Film and Digital Imaging Systems □roup. He began his career at Price Waterhouse Coopers LLP, where his last position was Managing Partner of the Upstate New York Technology group and Partner of the firm's business advisory

and audit services group. He is also a member of the board of directors of ACCO Brands, one of the world's largest providers of branded academic, consumer and business products.

Name: Mihir Arvind Desai
Position and type of director: Independent
Member of the Board of Directors since: 2021
Professional experience: Ph.D. in Political Economy from Harvard University. He earned an MBA as a Baker Scholar from Harvard Business School and a BA in History and Economics from Brown University. In 1994, he was a Fulbright Scholar in India.
He is the Mizuho Financial Group Professor of Finance at Harvard Business School and Professor of Law at Harvard Law School.
Professor Desai's areas of specialization include fiscal policy, international finance, and corporate finance. His scholarly publications have appeared in leading economics, finance, and law journals. His work has emphasized the proper design of fiscal policy in a globalized environment, the links between corporate governance and the application of tax burdens, and the internal capital markets of multinational companies. His research papers have been cited in The Economist, BusinessWeek, The New York Times, and several other publications. He is a Research Associate in the Public Economics and Corporate Finance Programs at the National Bureau of Economic Research, and served as co-director of the NBER India program.
His professional experience includes working at CS First Boston (1989-1991), McKinsey & Co. (1992), and advising various companies and government organizations. He is also on the Advisory Board of the International Tax Policy Forum and the Oxford University Center for Business Taxation.

Name: Juan Pablo del Rio Benite
Position and type of director: Secretary without being a member of the Board of Directors
Member of the Board of Directors since: 2008
Professional experience: Graduated in Law from the Universidad Anahuac in 1992. He specialized in commercial law (postgraduate) at the Escuela Libre de Derecho, period 1993-1994. He is a founding partner of the law firm DRB Consultores Legales.
He has concentrated his professional practice in the areas of corporate, commercial, financial, foreign investment, mergers and acquisitions, securities and corporate financing.
He is non-member Secretary of the Board of Directors and external legal advisor to several companies, including: Orbia, Elementia, Fortaleza Materials, SAB de CV and Elementia Materials, SAB de CV, Compañía Minera Autlán, Grupo Pochteca, Grupo Hotelero Santa Fe, Banco Ve por Mas, Grupo Financiero Ve por Mas, Aeropuertos Mexicanos del Pacífico, Grupo Finaccess, Sabormex y Cía. La Central Match Girl.
He is a member of the Regulatory Committee of the Mexican Stock Exchange, the Mexican Bar Association and the Center for International Legal Studies.

The directors are elected at the Annual Shareholders' Meeting, and their functions last one year, with the Assembly having the power to re-elect them or, if applicable, appoint new members. The appointment date of each Director is included below.

Member	BOARD OF DIRECTORS	
	Gender	Appointment Date
Antonio del Valle Ruiz Honorary President for Life (†)	Male	Ordinary General Assembly of Shareholders dated April 28, 2000
Juan Pablo del Valle Perochena	Male	Extraordinary and Ordinary General Meeting of Shareholders dated April 30, 2002
Antonio del Valle Perochena	Male	Extraordinary and Ordinary General Meeting of Shareholders dated April 30, 2002
Mary of Guadalupe of the Perochena Valley	Female	Ordinary General Meeting of Shareholders dated April 27, 2005
Francisco Javier del Valle Perochena	Male	Ordinary Annual General Meeting of Shareholders dated March 30, 2021
Divo Milan Haddad*	Male	Extraordinary and Ordinary General Meeting of Shareholders dated April 30, 2002
William Ortiz Martinez*	Male	Ordinary Annual General Meeting of Shareholders dated April 30, 2010
Eduardo Tricio Haro*	Male	Ordinary Annual General Meeting of Shareholders dated April 29, 2008
Alma Rosa Moreno Razo*	Female	Ordinary Annual General Meeting of Shareholders dated April 23, 2018
Maria Teresa Altagracia Arnal Machado*	Female	Ordinary and Extraordinary Annual General Meeting of Shareholders dated April 23, 2019
Jack Goldstein Ring	Male	Ordinary Annual General Meeting of Shareholders dated April 28, 2020
Mark Rachkowski	Male	Ordinary Annual General Meeting of Shareholders dated April 28, 2020
Mihir Arvind Desai	Male	Ordinary General Assembly of Shareholders dated July 21, 2021

(*) Independent directors.
(†) Without being a member of the Council.

As of 2021 and 2022, 25% of the Directors are women.

Powers of the Board of Directors

The Board of Directors has the legal representation of the Company and enjoys the broadest powers to carry out all the operations inherent to the corporate purpose, except those expressly entrusted to the General Assembly of Shareholders. The Board of Directors is vested with, but not limited to, the following faculties or powers: (i) initiating lawsuits and collections, (ii) administering assets, (iii) exercising acts of ownership, (iv) appointing and removing the General Director, executive directors, managers, officers and attorneys-in-fact, and determining their powers, working conditions, remuneration and guarantees, and confering powers of attorney to directors, managers, officers, attorneys and other persons required to carry out the Company's operations.

The Board of Directors also have various mandates which require it to: (i) monitor compliance with the agreements of the Shareholders' Meetings, which may be carried out through the Audit Committee; (ii) establish compensation plans for executives and directors, as well as to make decisions regarding any other matter in which the aforementioned persons may have an interest. The Board of Directors reports annually to the Assembly of Shareholders on its activities and resolutions, with the Assembly of Shareholders having the power to evaluate, qualify and, if applicable, approve said report on the operation of the Board of Directors, and may even require additional reports.

Furthermore, the Board of Directors is in charge of the strategic management of the Company and is empowered to resolve any matter that is not expressly reserved for the Shareholders' Meeting. Among others, the Board of Directors must deal with the obligations and responsibilities established in article 28 of the LMV.

In accordance with the LMV, the Board of Directors, for the performance of its functions, will have the support of an Audit Committee, Corporate Practices and Sustainability Committee and Finance Committee.

Audit Committee

The Audit Committee is appointed by the Board of Directors of the Company to fulfill the responsibilities delegated by the Board of Directors and to assist it in fulfilling its responsibilities related to matters of: (a) appointment and supervision of the performance of the auditors of the Company, (b) assisting the Board of Directors with respect to (i) ensuring the integrity of the Company's financial statements, (ii) supervising the Company's compliance with legal and regulatory requirements, (iii) evaluating the qualifications and independence of the independent auditor, and (iv) evaluate and monitor the performance of the Company's internal controls and internal audit function; and (c) prepare and deliver said reports and opinions, and carry out other activities, as required by the LMV, other applicable laws and regulations and the Company's Bylaws.

The Audit Committee must be composed of at least three members, all of whom must be independent members of the Board of Directors in accordance with applicable laws and Company policy. The members will be appointed by the Board of Directors acting on the recommendation of the Corporate Practices and Sustainability Committee of the same Board of Directors, and will serve until their successors are duly elected and qualified or until their previous resignation, disqualification, retirement, death or dismissal. The Chairman of the Audit Committee will be elected by majority vote of the Company's Shareholders, and members of the Audit Committee other than the Chairman may be removed by the Board of Directors.

The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities through the following activities:

Matters Related to Financial Statements and Disclosure

1. Review and discuss the annual audited financial statements, including related disclosures, with management and the Company's independent auditors, to make its recommendation to the Board of Directors regarding the approval of the Company's audited financial statements.

2. Review and discuss with management and, if the Committee deems it appropriate or necessary, with the Company's independent auditor, the Company's quarterly financial statements prior to the filing of its earnings report and related disclosures.

3. Review and discuss with management the Company's earnings news releases, including the "pro forma" or "adjusted" information, as well as financial information and earnings guidance provided to analysts and rating agencies. This discussion can be done in a general way which consists of discussing the types of information that will be disclosed and the types of presentations that will be made. to enable the Committee to review and approve the Company's press releases and other public statements related to quarterly and annual financial performance.

4. Review, with appropriate members of senior management, the Company's disclosure controls and procedures, including management's conclusions about their effectiveness and any material breaches thereof, and any audit steps taken to light of such breach.

5. Review and discuss with the independent auditors (i) all critical accounting policies and practices to be used (ii) all alternative treatments (and related disclosures) of financial information within International Financial Reporting Standards (IFRS), as well as the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and (iii) other material written communications between the independent auditors and management, such as any letters from management or list of unadjusted differences.

6. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, if any, on the Company's financial statements.

7. Discuss with the independent auditors the matters that need to be discussed with the Audit Committee in accordance with applicable legislation, including the Mexican Securities Market Law and the Mexican Stock Exchange.

8. Assist in the resolution of disagreements, if any, between management and independent auditors related to financial information.

Independent Auditor Matters

1. Issue their opinion and opinion to the Board on the appointment and, where appropriate, replacement of the independent account auditors, who will report directly to the Committee. Review the experience and qualifications of the senior members of the independent audit team, including those of the lead partner.

2. Approve and discuss the scope and approach (including staffing) of all audit services, including assurance letters and statutory audits, and permitted non-audit services including fees and terms. that will be carried out for the Company prior to the performance of said work, and approve and recommend any changes thereto for subsequent approval by the Board.

3. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditors' internal quality control procedures, (b) any material issues raised by the internal quality control review most recent, or peer review, of the auditors, or by any inquiry or investigation by government or professional authorities within the preceding five years with respect to one or more independent audits conducted by the firm, (c) any steps taken to deal with such matters, and (d) all relationships between the independent auditor and the Company. Assess the qualifications, performance and independence of the independent auditor, including consideration of whether the auditors' quality controls are adequate and whether the provision of permitted non-audit services is consistent with maintaining the auditors' independence, taking into account the opinions of management and internal auditors. auditors

4. Review and consider, as appropriate, the length of tenure of the lead audit partner and review audit partner in providing audit services for the Company, and ensure that new lead audit partners and audit review partner are appointed periodically in accordance with applicable laws and industry practices.

5. Ensure that the independent auditors submit, at least once a year, to the Committee a formal written statement that describes all relationships between the independent auditors and the Company, and actively engage in a dialogue with the independent auditors regarding any disclosed relationships or services that may affect the objectivity and independence of the independent auditors.

6. Review, approve and establish the policies for the hiring by the Company of the employees or former employees of the independent auditors.

7. Discuss with the engagement partner of the independent auditors any significant matters related to the quality and consistency of the audit.

Internal Audit Matters

1. Review the internal audit process to establish the annual internal audit plan and its approach.

2. Discuss annually, with input from the Corporate Vice President and Head of Internal Audit, the budget, organizational structure, responsibilities, and qualifications of the internal audit staff.

3. Discuss and approve the appointment, substitution or removal of the Head of Internal Audit.

4. Review and discuss significant issues or recommendations reported by the internal audit group and management responses to those issues or recommendations. Oversee actions taken by management to resolve such issues. Conceptually, Internal Audit reports directly to the Committee

Internal Controls

Review with management and, as deemed necessary or appropriate with the independent auditor, the Company's internal control over financial reporting, including management's annual evaluation of the adequacy and effectiveness

of internal control over financial reporting, any significant deficiency or material weakness in internal controls (including remediation), any fraud (regardless of materiality) involving management or other employees who have a significant role in internal control over financial reporting, and any changes in internal controls that has materially affected or may materially affect internal control over financial reporting. This shall include review of the disclosures made to the Committee by the CEO and CFO of the Company in connection with their periodic certifications, review of the reports of the independent auditor and the Head of Internal Audit related to the adequacy of accounting controls, including any management letter and management responses to recommendations made by the independent auditor or chief internal auditor.

Legal and Tax Matters

1. Review material legal matters involving the Company periodically with the Company's Senior Vice President and General Counsel and the Company's Chief Compliance Officer, it being understood that each individual has express authority to communicate personally with the Chairman of the Compliance Committee or Audit Committee on any such matter as deemed appropriate.

2. Review important tax issues with the company's Chief Financial Officer.

Compliance Issues

1. Review material compliance matters involving the Company periodically with the Senior Vice President and General Counsel and the Vice President and Chief Compliance Officer of the Company, it being understood that each individual has express authority to communicate personally with the Chairman of the Compliance Committee or Audit Committee on any matter, as deemed appropriate.

2. Advise the Board regarding the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Global Ethics and Compliance Standards.

3. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding compliance, accounting, internal accounting controls or auditing matters, including confidential anonymous submissions made by employees.

4. Review any report of evidence of a "material violation" made to the Committee pursuant to Office of General Counsel Policy by any of the Company's internal or external counsel, and take all necessary or appropriate action to respond.

Risk management

1. Meet periodically with management to discuss the Company's major risk exposures, the potential impact of those risks on financial reporting, and steps taken to ensure that appropriate processes are in place to identify, manage, and control those risks to the Company.

2. Discuss with management significant risk management failures, if any, and management responses to such failures.

3. Monitor and provide risk oversight with respect to such areas of focus as the Board of Directors may assign to the Committee from time to time, including cybersecurity, tax and liquidity management, product integrity and security, risk supplier management, operational business continuity, and crisis management.

Corporate Practices and Sustainability Committee

The Board of Directors, for the performance of its functions, also utilizes a Corporate Practices and Sustainability Committee.

The Committee must be made up of a majority of Independent Directors per Article 25 of the LMV, and by a minimum of three members appointed by the Board of Directors, at the proposal of the President of said corporate body. It is the President will be appointed and removed by the General Assembly of Shareholders, The Chairman of the Board of Directors cannot chair this Committee.

The Corporate Practices and Sustainability Committee assits the Board of Directors in fulfilling it responsibilities via the following activities: is to fulfill the responsibilities delegated by the Board and assist the Board in fulfilling its responsibilities rel

1. Consider, evaluate and make recommendations to the Board of Directors regarding the appropriate size, functions, needs and performance of the Board of Directors and its Committees,

2. Advise and supervise the relevant sustainability strategies, policies and programs of the Company,

3. Consider and supervise corporate governance issues,

4. Determine and monitor the Company's compensation philosophy,

5. Set the compensation of the Company's Chief Executive Officer ("CEO") and other executive officers of the Company who report directly to the Chief Executive Officer (the "Executive Leadership Team" or "ELT"),

6. Administer the Company's capital incentive plans, and

7. Oversee the Company's leadership succession planning and talent development efforts.

Additionally, the Committee proposes candidates for election to the Board of Directors. In selecting candidates for election to the Board of Directors, the Committee recognizes the importance of diversity among the members of its Board of Directors, to reflect differences in perspectives, skills, international and industry experience, backgrounds, ethnicity, gender and other attributes.

Likewise, the Committee will have the following functions and purposes:

Corporate Practices and Government Affairs:

1. Develop and recommend to the Board of Directors the criteria for membership of the Board of Directors, including those set forth in the Company's Principles of Corporate Governance, as amended from time to time

2. 2Cvaluate, in accordance with applicable law and Company policies, the independence of the candidates proposed for election to the Board of Directors

3. Consider and make recommendations on the appropriate size and needs of the Board of Directors and annually assess the attributes, skills, and mix of experiences and talents of the members of the Board of Directors to optimize the composition of the Board of Directors and support the planning of the succession of Directors

4. Monitor and make recommendations on the functions, composition and Presidencies of the different committees of the Board of Directors

5. Make recommendations regarding retirements and resignations of Directors

6. Oversee the annual self-assessment of the Board of Directors and its committees, including making recommendations on the structure of meetings of the Board of Directors and its committees

7. Prepare an annual evaluation of the Committee's performance and annually assess the adequacy of its charter, and recommend any proposed changes to the Board of Directors for approval

8. Consider corporate governance matters and review, at least annually, the Company's Corporate Governance Principles

9. Consider issues of potential conflicts of interest of members of the Board of Directors and executive officers

10. Review and approve related person transactions submitted to the Committee for its consideration, and provide a summary of such transactions, including their terms, structure and business purpose, and the Committee's approval decision to the Audit Committee.

Sustainability issues:

1. Review, advise and monitor the Company's sustainability strategy, reporting and performance.

Compensation and Performance Issues:

1. Annually review and approve relevant corporate goals and objectives for compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives, and determine and approve the level of compensation of the Chief Executive Officer based on this evaluation

2. In In consultation with the Company's Chief Executive Officer, annually review and approve corporate goals and objectives relevant to the Company's ELT compensation, oversee the evaluation of individual ELT performance in light of those goals and objectives, and determine the individual ELT's compensation levels based on such evaluations

3. Periodically review, elative to comparable companies, and approve (i) executive compensation, including compensation levels of salaries, bonuses and incentives□(ii) deferred compensation□(ii) executive bonuses□ (iii) executive capital compensation (including awards to encourage employment)□ (iv) executive compensation□(iv) benefits for changes in executive control and (v) other forms of executive compensation□

4. Approve all incentive compensation and deferred compensation plans for the Company□s executives□

5. Exercise all rights, authority and functions of the Board of Directors under the Company□s stock incentive and other stock-based plans, including, without limitation, the authority to interpret the terms thereof, to grant shares in virtue thereof□and to amend said plan. In addition, the Committee may exercise all the rights, powers and functions of the Board of Directors by virtue of the incentive plans, deferred and other compensation plans, retirement plans and other benefit plans of the Company. To the extent permitted by applicable law and the provisions of a particular stock-based plan, and in accordance with the requirements of applicable law and such stock-based plan, the Committee may delegate to one or more executive officers of the Company, or in a deputy director-committee of the Committee formed for that purpose, the power to make stock awards pursuant to such stock-based plan to employees of the Company or any subsidiary of the Company who are not directors or executive officers of the Company □

6. Periodically review and make recommendations to the Board of Directors regarding compensation of Directors□

7. Periodically review and make recommendations to the Board of Directors regarding management succession planning, including policies and principles for the selection and succession of the Chief Executive Officer in the event of an emergency or retirement of the Chief Executive Officer□

Finance Committee

The Finance Committee was created by resolution of the Board of Directors adopted at its meeting held on June 9, 2016, based on article 38 of the bylaws.

The Finance Committee is designated by the Company□s Board of Directors to support the Board of Directors in monitoring and supervising the Company□s capital structure, capital allocation strategy, financial policies and financial risk management, cash flow, dividend policy and investment strategy(including mergers, acquisitions and divestitures.

The Finance Committee is not responsible for financial reports or controls, which are overseen by the Audit Committee of the Board of Directors.

The Finance Committee shall be composed of no less than three members appointed by the Board of Directors. The members of the Committee will be appointed by the Board of Directors at the proposal of the Corporate Practices and Sustainability Committee, and may be removed by the Board of Directors. The members of the Committee will perform their duties until their successors are duly elected and qualified or until their previous resignation, disqualification, retirement, death or dismissal. The Chairman of the Committee will be elected and may be removed by the Board of Directors.

The Finance Committee discharges its responsibilities and assist the Board of Directors in fulfilling its oversight responsibilities by doing the following:

1. Capital structure, planning and management. The Committee is responsible for reviewing and making appropriate recommendations to the Board of Directors and management of the Company regarding the capital structure of the Company. In addition, the Committee reviews the Company□s capital allocation plans and provide guidance and advice on liquidity, the sources and uses of capital, and expected returns.

2. Supervision of financial planning. The Committee reviews and recommends to the Board of Directors the Company□s annual operating plan and oversee the Company□s annual resource allocation plan, liquidity status, significant operating investment plans and other financial planning.

3. Investment policies. The Committee reviews and supervises the policies for investing and safeguarding the Company□s financial resources and for related Treasury activities.

4. Mergers, acquisitions, divestitures and other strategic investments. The Committee reviews proposed material mergers, acquisitions, □oint ventures and divestitures, along with the financial implications of the proposed transactions, and make recommendations to the Board of Directors. The Committee will also review and evaluate integration and synergy plans related to ma□or mergers and acquisitions, as well as the effectiveness of their post-transaction implementation.

5. Issuance and repurchase of Company securities. The Committee supervises the issuance and repurchase of securities by the Company and will offer the terms of said issuances and repurchases of securities.

6. Dividends. The Committee is responsible for reviewing and making appropriate recommendations to the Board of Directors regarding the Company's dividend policy and the declaration and issuance of dividends.

7. Financial risk management. The Committee periodically reviews the Company's general financial risk management plans and strategies related to insurance coverage. In addition, the Committee monitors the Company's strategies, policies and procedures with respect to hedging, swaps and other derivative transactions.

Critical Risks Executive Committee

Orbia has an Executive Critical Risk Committee (CRC), chaired by its Orbia General Manager and made up of the Finance Director, the presidents of the five business groups and other key officials. The CRC helps the Board of Directors to identify and assess corporate risks, assess the Company's risk profile, develop risk mitigation plans and supervise their implementation. The CRC meets quarterly and reports directly to the Audit Committee and the Board of Directors as required.

Orbia's risk mapping process in 2021 included teams from each business group that identified and analyzed a universe of risks relevant to each of them, using research, internal surveys and targeted interviews with business leaders. Their results were aggregated to form a Risk Register, which was reviewed and approved by the CRC. In addition, the CRC reviewed Orbia's position and disclosures on climate change, prepared by the Company's vice president of sustainability, and a cyber risk assessment prepared by Orbia's Chief Information Security Officer.

Officers and Executives

The following table shows the names of the current main officers of the Company:

Name	Sex	Date of birth	*Official positions in English* / translated into Spanish	*Date of admission (dd/mm/yy)*
Sameer Bharadwaj	Male	*04/04/1970*	*Chief Executive Officer/* Managing Director	*08/15/2016*
Maarten Roef	Male	*02/23/1964*	*Business Group President Building & Infrastructure/ President of the Building & Infrastructure Business Group*	*01/09/1999*
Peter Hadu	Male	*07/11/1976*	*Business Group President Duraline/ President of the Duraline Business Group*	*08/01/2018*
Gabriel Miodownik	Male	*09/07/1973*	*Business Group President Precision Agriculture/ President of the Group of Precision Agriculture business*	*09/22/2003*
Nicholas Ballas	Male	*07/27/1960*	*Business Group President Polymer Solutions (Vestolit)/ President of the Polymer Solutions Business Group (Vestolit)*	*09/01/2020*
Gautam Nivarty	Male	*04/26/1973*	Business Group President Polymer Solutions (Alphagary)/ President of the Polymer Solutions Business Group (Alphagary)	03/27/2017
Greg Smith	Male	*09/10/1964*	*Business Group President Fluorinated Solutions President of the Fluorinated Solutions Business Group*	*03/26/2018*
James P. Kelly	Male	*11/18/1959*	*Chief Financial Officer/* Director of Finance	*08/23/2021*
Sheldon Hart	Male	*07/10/1963*	*General Counsel/ Legal Vice President*	*05/17/2019*
Deborah Butters	Female	*03/01/1969*	*Chief People Officer/ Vice President Human Resources*	*07/01/2020*
Jorge Luis Guzman Mejia	Male	*08/21/1970*	*Corporate Vice-President, Internal Audit/* Vice President, Internal Audit	*02/01/2008*

Sameer S. Bharadwaj is the CEO of Orbia and until January 2021, president of the Fluorinated Solutions and Polymer Solutions business groups, a group of leading companies improving life through basic materials, advanced materials and formulated solutions in a set diverse end markets.

With more than 20 years of experience, Sameer is a recognized strategic leader with a track record of fostering business growth through technology-driven innovation, operational excellence, and talent development in the advanced materials, technology, energy, and energy industries. and pharmaceutical.

Since 2016, when he joined Orbia to lead the Compounds business group, Sameer has progressively assumed the leadership of the Alphagary, Koura and Vestolit commercial brands, managing to position the portfolio of solutions competitively in the market and has led its global teams at high levels of performance. Prior to joining Orbia, Sameer

held various executive leadership positions in his 11-year career at Cabot Corporation, where he served as Vice President and □eneral Manager. As part of his duties, he led the market and commerciali□ation strategy for new technologies with a key focus on the energy and materials sectors. Prior to this, Sameer worked as a strategy consultant for The Boston Consulting □roup, where he served clients in the metals, telecommunications, technology, biotech and pharmaceutical industries. He began his professional career as a senior research engineer with The Dow Chemical Company.

Sameer earned a master□s degree from Harvard Business School, a Ph.D. in chemical engineering from the University of Minnesota, and a bachelor□s degree in chemical engineering from the University of Bombay.

Maarten Roef s president of Orbia□s Building □ Infrastructure business group. This group is redefining today□s piping industry with innovative solutions that last longer and require less time to install.

Maarten has nearly three decades of experience in the plastics and packaging industry, during which he managed Wavin□s overseas business in the Benelux and North West regions, before being appointed to Wavin□s board of directors in 2010. Maarten is also a member of the European Plastic Pipe and Fittings Association (TEPPFA).

Maarten has a master□s degree in business economics from Erasmus University in Rotterdam, the Netherlands.

Peter Hajdu is the president of Orbia□s Dura-Line business group, a company that produces more than 400 million meters of cable conduit a year to create the physical pathways that fiber and other technologies use to connect cities and homes.

Peter □oined Orbia in 2018 having held multiple executive positions across Cisco□s EMEA and emerging markets operations, Peter has a wealth of knowledge and insight on how to use data to make life easier. Prior to Cisco, Peter was a consultant with McKinsey □ Company, serving clients in the chemical, automotive, aviation, and banking industries.

He is a graduate of the University of California, Berkeley, where he earned his MBA and bachelor□s degree in technology management.

Gabriel Miodownik is president of Orbia□s Precision Agriculture business group, a world leader in precision irrigation solutions for sustainable agriculture.

Over 17 years, □aby gained a deep understanding of Netafim□s global customer base and agricultural markets, spanning multiple geographies, holding positions such as CFO for Latin America, □eneral Manager of Netafim Mexico, Vice President of the Americas, Vice President of Europe, the Middle East and Africa, and most recently as Senior Vice President and President of the Americas at Netafim.

□aby has an MBA with a ma□or in Accounting and Finance from Tel Aviv University. He is also a certified accountant in Israel.

Nicholas Ballas is president of Orbia□s Vestolit Polymer Solutions business group. He has extensive global experience in the chemical and manufacturing industries. He also has extensive experience in developing and executing strategies and optimi□ing operations aimed at growth in sales and profits.

Prior to □oining Orbia in 2020, Mr. Ballas was Executive Vice President of Nexans, SA, a global leader in the cable industry, where he led the company□s business division in the Asia Pacific region for 8 years. He also served as director of the Nexans Foundation, where he helped lead efforts to provide electricity to disadvantaged communities around the world. Mr. Ballas began his career at Cabot Corporation, where for 22 years he held various finance, strategy and general management positions in the US, Japan, Malaysia and Indonesia.

Prior to □oining Orbia in 2020, Nicholas was Executive Vice President of Nexans, SA for eight years, a global leader in the cable industry, where he led the company□s Asia Pacific business division. Nicholas also served as director of the Nexans Foundation, where he helped lead efforts to provide electricity to disadvantaged communities around the world. Nicholas□s previous professional experiences include a consulting stint with Cathedral Hill Advisory, Samudera Shipping in Indonesia, and an early start at Cabot Corporation, where he was instrumental in the development of Cabot LN□.

Mr. Ballas is currently a member of the Board of Directors of Samudera Shipping Line Ltd. He holds an MBA from Thunderbird School of □lobal Management and a BA from St. Cloud State University.

□**autam Nivarthy** is president of Orbia□s Alphagary Polymer Solutions business group. As a chemical engineer by profession and with over 20 years of management experience in the chemical industry, □autam has led extensive business transformation efforts that have created significant value.

Since □oining Orbia in 2017, □autam has taken Alphagary to a leading position in the industry thanks to its innovative solutions tailored to customer needs. Prior to □oining Orbia, □autam held executive leadership positions in marketing,

strategy and general management for Honeywell, DuPont and Unilever. During his time at DuPont and Unilever he lived in Southeast Asia and Europe.

autam holds a Ph.D. in chemical technology from the University of Twente, an MBA from Columbia Business School, and a BSc in chemical engineering from the University of Bombay.

Gregg Smith is president of Orbia s Fluorinated Solutions business group. regg has more than three decades of experience in the global chemical and specialty materials industries, with an extensive background in general management, business development, and developing technologies to drive growth.

Since oining Orbia in 2018, regg has led Fluorinated Solutions to a competitive position in the fluorine value chain by expanding into existing and new verticals where fluorite is paramount. Prior to oining Orbia, regg held executive leadership positions in operations, business and business development, and technology at Cabot Corporation. He has a successful track record as a corporate entrepreneur and technological developer creating new businesses and materials for electrophotographic and ink et printing, carbon-reinforced composites and lithium-ion battery technologies.

regg received his MBA from Northeastern University and a BS in chemical engineering from the University of New Hampshire.

ames P. elly is Senior Vice President and CFO of Orbia and brings over 30 years of experience to leading Orbia s finance organi ation and presiding over the accounting, treasury, financial planning and analysis, tax and investor relations functions.

Jim is a seasoned executive with extensive experience in building global finance organi ations and a track record of financial and operational leadership in the chemical and manufacturing industries. He has expertise in establishing best-in-class finance systems, processes and fundamentals that enhance organi ational resilience and support growth.

Prior to oining Orbia, Jim held a variety of senior positions, most recently serving as Vice President and Corporate Controller of Cabot Corporation, where he oversaw all reporting and internal control activities, finance process improvements and facilitation of Cabot s Audit Committee activities. Over the course of his career, Jim lived and worked across several continents and steered teams in corporate reporting, business financial planning and analysis, investor relations and internal audit.

Jim holds an MBA from Harvard University and a B.S. degree in accounting from eorgetown University.

Sheldon Hirt is Vice President and eneral Counsel of Orbia. He oversees Orbia s legal, compliance and regulatory organi ation, ensuring that our business continues to grow responsibly.

Prior to oining Orbia, Sheldon worked at Amneal Pharmaceuticals, where he was a member of the executive leadership team. Sheldon has significant experience handling legal and compliance matters at international pharmaceutical companies such as Johnson Johnson, Actavis, and Progenics Pharmaceuticals. He speciali es in mergers and acquisitions, licensing, securities, and corporate governance.

Sheldon holds a bachelor s degree in international affairs from Columbia University s School of International and Public Affairs and a JD from Columbia Law School.

Deborah Butters is the Chief People Officer, responsible for growing and developing Orbia as a people-oriented and sustainable organi ation, and enhancing the experiences and capabilities of our team around the world. In addition, she leads the execution and strategic vision of Orbia s brand communication and marketing.

With over 25 years of experience, she is a seasoned HR leader, team builder and cultural manager who brings a pragmatic and creative approach to driving business value. In addition to having worked in the technology, consulting, life sciences and now industrial sectors on a global scale, Deborah has experience in attracting and retaining talent, integrating acquisitions, executive and employee compensation models, and business initiatives. change management and transformational performance support. Prior to oining Orbia, she served as lobal Human Resources Director (CHRO) at PerkinElmer for four years, leading the company s people strategy. Prior to PerkinElmer, Deborah spent 17 years with IBM, living and working in the United States and Europe in leadership roles where she enhanced the company s global HR programs and led a company-wide talent transformation. Deborah began her career at a software startup with Lotus Development in 1991, where she held progressive leadership positions until IBM acquired Lotus in 1999.

Deborah obtained a Bachelor of Science degree in Human Resources from the University of Bath in England, and subsequently a Postgraduate degree in Human Resources from the University of London.

Jorge Luis Guzman Mejia is the Corporate Vice president of Internal Audit. He has more than 20 years of experience in finance, treasury, credit, risk assessment, auditing, and internal controls.

Before □oining Orbia in 2008, he worked for companies including Avon, Becton Dickinson, DuPont and Dow Chemical.

Jorge Luis has a degree in business administration and an MBA from the Universidad Iberoamericana. He is also CIA certified and CSA certified by the Florida Institute of Internal Auditors.

Compensation to the members of the Board of Directors and the Company's Committees

In accordance with the resolutions of the Ordinary Annual □eneral Meeting of Shareholders held on April 1, 2022, it was resolved that during the fiscal year of 2022 and until further resolution by the Shareholders□Meeting:

a) The members of the Board of Directors, with the exception of the Honorary President and the President of the Board of Directors, would receive an annual compensation in cash in Mexican pesos equivalent to USD $60,000.00 (sixty thousand 00/100 United States dollars) and a compensation in kind. in Pesos (net resulting from the withholding of the corresponding taxes) of USD $960,000.00 (ninety thousand 00/100 Dollars of the United States of America) in restricted shares of the Company.

b) The Honorary President of the Board of Directors receives an annual cash payment equivalent in Pesos, National Currency, to USD$500,000.00 (Five Hundred Thousand 00/100 Dollars of the United States of America).

c) The Chairman of the Board of Directors receives an annual cash payment equivalent in Pesos, National Currency, to USD$750,000.00 (Seven Hundred Fifty Thousand 00/100 United States of America Dollars) and, in addition, shall be entitled to receive an additional contingent payment. of up to a maximum equivalent in Pesos, National Currency, of USD$750,000.00 (Seven Hundred Fifty Thousand 00/100 United States Dollars), payable on the basis of the achievement of certain specific ob□ectives established and evaluated by the Corporate Practices Committee.

d) The Chairman of the Audit Committee will receive, in addition to the payment in cash and in kind due to him as a member of the Board of Directors, an annual payment in cash equivalent in Pesos, National Currency, to USD$25,000.00 (Twenty Five Thousand 00/100 Dollars of the United States of America) and the Presidents of the Corporate Practices Committee and the Finance Committee will receive, also in addition to the payment in cash and in kind due to them as members of the Board of Directors, an annual payment in cash equivalent in Pesos, National Currency, at USD$20,000.00 (Twenty Thousand 00/100 Dollars of the United States of America).

Together, the benefits received from the Company during 2021 by the members of the Board of Directors and Relevant Directors amounted to USD$2,800,000 in cash, plus USD$585,000 in kind (restricted shares of Orbia), for a total of USD$3,385,000.

Intermediate Administration Bodies

The Committees that assist the Board of Directors are the Audit Committee, the Corporate Practices and Sustainability Committee and the Finance Committee. Orbia does not have intermediate bodies other than those mentioned above.

Code of ethics

Orbia must always be a company recogni□ed for its principles and values. In order to maintain and reinforce its ethical and professional performance, its Code of Ethics has been updated and reinforced, while a more effective reporting system has been established through which behaviors contrary to the principles and values of the company can be reported.

The Code of Ethics establishes Orbia□s commitments to society, the government and the competition, as well as to its collaborators, suppliers, consumers, customers, partners and shareholders.

The Code of Ethics is the standard of behavior in the daily operation of Orbia.

Major Shareholders

As of the date of this Annual Report, the main shareholder of the Company is Kalu□, which is controlled by the Valle Perochena family, and which owns approximately 44.83% of the capital stock with voting rights and accordingly ia shareholder that exercises significant influence, according to the LMV. The Valle Perochena brothers individually own 0.47%, other shareholders related to a greater or lesser extent to the Valle family own approximately 9.27% of the capital stock with voting rights, so together with Kalu□ are considered to be a shareholder who exercise significant influence over the Company in accordance with the LMV. No governmental institution owns more than 5% of the voting capital stock.

As of this date, the Company's capital remains unchanged. The capital is represented by 2,010,000,000 shares.

Shareholding of employees and executives

As far as the Company is aware, none of its employees and/or Relevant Directors has an individual holding of shares greater than 1% of the capital stock.

Shareholding of the Directors

The main shareholders of the Company are the members of the Perochena Valley Family (Antonio del Valle Perochena, Mar□a Blanca del Valle Perochena, Mar□a de □uadalupe del Valle Perochena, Francisco Javier del Valle Perochena and Juan Pablo del Valle Perochena), through the Kalu□company, of which they own 44.83% of the total shares issued by Orbia

Messrs. Juan Pablo, Antonio, Mar□a de □uadalupe and Francisco Javier del Valle Perochena are also Directors of the Company.

Based on the lists of owners provided to the Company by various stock market intermediaries on the occasion of its Ordinary □eneral Shareholders□Meeting on April 1, 2022, none of the Company's directors holds a direct and individual shareholding greater than 1% and less than 10% of the Company's capital stock:

Significant Changes in the Last Three Years in Shareholder Ownership

There have been no significant changes in the ownership of shareholders in the last three fiscal years.

Labor inclusion program policy description

Our corporate culture respects professional, cultural and gender diversity and encourages professional development based on talent, character, education, knowledge, discipline and work, without distinction of gender, race, religion or other factors. Furthermore, Orbia strictly prohibits any kind of discriminatory conduct, including gender discrimination. To date, the Company is working on documenting policies, to be approved by our Board of Directors, that will actively promote corporate and labor diversity both in our governing bodies as well our workforce, with a view to broadening the diversity of gender, perspective and experience.

As of 2021, 25% of the Directors are women.

d) Corporate Bylaws and Other Agreements

The following is a brief summary of the main provisions contained in the Company's corporate bylaws.

Right of Preference

In cash capital increases, shareholders will have preference to subscribe the new shares issued to representthe increase. This right must be exercised within the term established for such purpose by the Shareholders□Meeting that decrees the increase, which in no case may be less than 15 (fifteen) calendar days counted from the date of publication of the corresponding notice in the electronic system established by the Ministryof Economy. In addition, the Company may publish the respective notice in a newspaper with widespread circulation at the registered office. However, if all the shares comprising the capital stock are represented atthe Meeting that decreed the increase, said period of at least 15 (fifteen) days shall begin to run and be counted, if so resolved by said Meeting, as from the date the Meeting is held, and the shareholders shall bedeemed to have been notified of the resolution at that time, and therefore its publication shall not be necessary.

In the event that, after the expiry of the aforementioned period, certain shares still remain unsubscribed, theBoard of Directors shall have the power to determine the person or persons to whom the unsubscribed shares must be offered for subscription and payment.

Shareholders shall not en□oy a pre-emptive right in the case of: (i) the merger of the Company, (ii) the conversion of debentures into shares, (iii) the public offering of shares under the terms of Article 53 of the LMV and Article Eight of the bylaws, (iv) the increase in the capital stock through the payment in kind of theshares issued, or through the cancellation or capitali□ation of liabilities payable by the Company, (v) the placement of shares acquired by the Company in accordance with Article 56 of the LMV and Article Thirteen of the bylaws (repurchase fund), (iv) the capitali□ation of share premiums, retained earnings and reserves or other items of the assets of the Company□and (vii) any other case where the Law permits the non- application of the pre-emptive subscription right.

Provisions for Change of Control

The ninth article of the corporate Bylaws contains measures to limit shareholding "Poison Pill", such that anytransfer of shares to any person or group of persons acting in a concerted manner, which accumulates in one or more transactions (without time limit) 10% or more of the total shares representing the outstanding capital stock, shall be subject to the authorization of the Board of Directors.

The above, including but not limited to: a) The purchase or acquisition by any title or means, of shares representing the capital stock of this Company, including Ordinary Participation Certificates (CPOs) or anyother instrument whose underlying value are shares issued by the Company; b) The purchase or acquisitionof any class of rights corresponding to the holders or owners of the Company's shares or shares issued in the future by the Company; c) Any contract, agreement or legal act that seeks to limit or results in the transferof any of the rights and powers that correspond to shareholders or owners of shares in the Company, including derivative financial instruments or operations, as well as acts that imply the loss or limitation of voting rights granted by shares representing the capital stock of this Company; and d) Purchases or acquisitions intended to be made by one or more interested parties, who act in a concerted manner or are linked to each other, de jure or de facto, to take decisions as a group, association of persons or consortia.

The prior favorable written agreement of the Board of Directors shall be required regardless of whether thepurchase or acquisition of the shares, securities and/or rights is intended to be made on or off the Stock Exchange, directly or indirectly, through a public offer, private offer, or through any other modality or legal act, in one or several transactions of any legal nature, simultaneous or successive, in Mexico or abroad.

The favorable prior written agreement of the Board of Directors shall also be required for the execution of agreements, contracts and any other legal acts of any nature, oral or written, by virtue of which voting mechanisms or association agreements are formed or adopted, to be exercised at one or more Shareholders' Meetings of the Company, each time the number of grouped votes results in a number equalto or greater than any percentage of the total shares representing the capital stock of the Company that areequal to or greater than 10% (ten percent) of the capital stock. An agreement of this nature shall not be understood to be an agreement entered into by shareholders for the appointment of minority Directors. Suchagreements shall be subject to the provisions of the LMV and shall not be enforceable against the Companyto the detriment of the other shareholders or the Company's financial or business interests.

If purchases or acquisitions of shares are made, or restricted agreements are entered into, without observing the requirement to obtain prior favorable written agreement of the Board of Directors of the Company and, if applicable, compliance with the aforementioned provisions, the shares, securities and rights pertaining to such purchases, acquisitions or agreements, shall not grant any right or faculty to vote at the Company's Shareholders' Meetings, nor shall any value be given to certificates of deposit of shares issued by any credit institution, financial intermediary or stock exchange, depositary or institution or for the deposit of securities,to accredit the right to attend a Shareholders' Meeting. Nor shall such shares, rights or securities be entered in the Register of Shares of the Company or, as the case may be, the Company shall cancel their entry in the Register of Shares kept by the Company.

Notwithstanding and regardless of any consequence arising from noncompliance with the foregoing, each person who acquires shares, securities, instruments, or rights representing the Company's capital stock in violation of the provisions will be obliged to pay the Company a conventional penalty in an amount equal tothe price of all the shares, securities or instruments representing the Company's capital stock that have beenthe object of the forbidden transaction. In the event that the transactions that have given rise to the acquisition of a percentage of shares, securities, instruments, or rights representing the Company's capital stock equal to or greater than 10% (ten percent) of the capital stock are made free of charge, the conventional penalty will be equivalent to the market value of said shares, securities, or instruments, provided that the authorization of the Company's Board of Directors has not been obtained.

If the Company maintains the shares representing its capital stock registered in the National Securities Registry, the above requirement, in the event of transactions carried out through the stock exchange, will also be subject to the rules established by the Stock Market Act or those issued by the National Banking and Securities Commission in accordance therewith.

Shares

All shares, both those representing the minimum fixed capital stock, with no right of withdrawal, and those representing variable capital, are ordinary, nominative, without nominal value and confer on their holders equal rights and obligations.

Shareholders' Meetings

The General Shareholders' Meeting is the supreme body of the Company. Meetings shall be Ordinary, Extraordinary or Special. The Extraordinary Meetings will be those that meet to deal with any of the matters referred to in Article 182 of the General Corporations Act, as well as Articles 53 and 108 of the LMV. SpecialMeetings will be those that meet to deal with matters that may affect a single category of shareholders. All other Meetings shall be Ordinary, the latter being held at least once a year within the four months followingthe end of the fiscal year, to address the matters indicated in Articles 181 of the General Corporations Act and 56 section IV of the LMV.

The Annual Ordinary □eneral Shareholders□Meeting will appoint the members of the Board of Directors, based on the payroll proposed by the control group. In accordance with the LMV and the Bylaws, any shareholder or group of shareholders owning shares representing 10% of the capital stock may appoint andrevoke a member of the Board of Directors at a general shareholders□meeting. Such appointment may only be revoked by the other shareholders when the appointment of all the other directors is revoked.

In terms of Article 47 of the LMV, the Ordinary □eneral Shareholders□Meeting, in addition to the provisionsof the □eneral Corporations Act, will meet to approve the operations that the Company or the legal entities it controls intends to carry out, within the period of a fiscal year, when they represent 20% (twenty percent) or more of the consolidated assets of the Company based on figures corresponding to the close of the previous quarter, regardless of the way in which they are carried out, whether simultaneously or successively, but which due to their characteristics may be consolidated as a single operation.

In addition, the Annual Ordinary □eneral Shareholders□Meeting shall be informed of the annual report prepared by the Committee or Committees that perform the Corporate Practices and Auditing functions referred to in Article 43 of the LMV, which must be presented to said Shareholders□Meeting by the Company□s Board of Directors.

Shareholders□Meetings must be called at least 15 calendar days in advance, through the publication of therespective call through the electronic system of publications established for such purpose by the Ministry ofEconomy of the Mexican government. In addition, the Company publishes this announcement in a newspaper with widespread national circulation. The call for the Shareholders□Meetings contains the meeting□s agenda and, cannot be changed unless 100% of the issued shares are represented atthe Shareholders□Meeting.

The Ordinary Shareholders□Meeting will be considered legitimately installed by virtue of the first call if at least 50% plus one of all the shares with voting rights in such Meetings are present. In the case of a secondor subsequent call, with the expression of this circumstance, it will be considered legitimately installed with any number of shares represented in the Meeting.

The Extraordinary Meeting shall be legally installed by virtue of the first call if at least 75% of all the shares entitled to vote in the Meeting are represented. In the case of a second or subsequent call, with the expression of this circumstance, it shall be considered legitimately installed if at least 50% plus one of all theshares with the right to vote in said Meeting is represented in it.

The Ordinary or Extraordinary □eneral Meeting will be legitimately installed without the need to call a meeting if all the shares into which the capital stock is divided are represented and may resolve any matterif at the time of voting all the shares are still represented.

Admission to Shareholders□□ eetings

In order to attend the Meetings, shareholders must obtain from the Company□s secretary the correspondingadmission card for the Meeting, at least one day in advance, at the day and time set for the holding of the Meeting.

In order to obtain the admission card, shareholders must deposit their shares at the Secretary of the company□s office in advance□in the case of shares deposited at the S.D. Indeval Instituci□n para el Dep□sito de Valores, S.A. de C.V., This must be complemented with the list referred to in Article 290 of the LMV anddelivered to the address of the Company□s secretariat or to the address of the Company to obtain the admission card.

Shareholders may be represented at the Meetings by the person or persons they appoint by means of a power of attorney signed before two witnesses or by representatives with sufficient general or special powerof attorney granted in terms of the applicable legislation or through the forms referred to in Article 49 of the LMV, which must be available to shareholders from the day of publication of the call.

Transactions with Company securities

On February 24, 2015, the Board of Directors approved the □Policies and Agreements on Securities Transactions and the Acquisition and Placement of the Company□s Own Shares□ and the □Policies and Agreements on Securities Transactions and the Acquisition and Placement of the Company□s Own Shares□□The purpose of this document is to disclose the limitations/prohibitions that certain persons related to the Company have considering that its shares are listed on the BMV, among them the members of the Board ofDirectors, the □eneral Director, the Relevant Officers and others, to carry out operations with securities (shares or any class of securities issued by Orbia or credit securities that represent them□as well as optionalsecurities or derivative financial instruments that have such securities or securities as underlying) issued by the Company itself.

Although it is the responsibility of the members of the Board of Directors, Relevant Executives, and other parties obligated under the aforementioned policy to comply with the same and with the regulations regarding transactions with securities issued by Orbia, including the use of insider information, the Company has triedto alert such persons about such

provisions and regularly informs them of the periods of restriction for the purchase or sale by them of Orbia shares based on the existence of insider information that has not been communicated to the public.

Compensation and Performance Evaluation of Directors and Committee embers

The Directors shall receive as compensation for their services the one established in cash or in kind by theOrdinary eneral Shareholders Meeting that has appointed them. This Meeting may delegate to the Boardof Directors or any other competent administrative body the implementation of any remuneration in kind forDirectors.

The Corporate Practices and Sustainability Committee is responsible for evaluating the performance of andcompensation to the Issuer s relevant executives as discussed earlier in this annual report.

Faculty of the Council to make decisions regarding any other matter in which they may have a personal interest

The members and, where appropriate, the Secretary of the Board of Directors, who have a conflict of interest in any matter, must refrain from participating and be present in the deliberation and voting on said matter.

Modifications in the bylaws

1. In the Ordinary and Extraordinary Annual eneral Meeting of Shareholders held on April 23, 2019, certain articles of the Company s bylaws were modified. A summary of said modifications is presented below:

   Second Article: Reflect the change by which the Federal District is renamed Mexico City.
   Article Three: Make precisions in the corporate purpose.

   Sixth Article: Establish that prior express authori ation of the CNBV, the Company may issue limited, restricted or non-voting voting shares and that the preferential subscription right referred to in Article 132 of the eneral Law of Commercial Companies will not be applicable in the case of capital increases through public offerings.

   Seventh Article: Only drafting ad ustments.

   Article Nine: Regulate the acquisition of 10% or more of shares representing the capital stock and in addition to the foregoing, that a ma ority of the members of the Board of Directors who have been elected to said position before verifying any circumstance that could imply a change of Control, must grant their authori ation in writing so that a Change of Control in the Company.

   It is important to note that the modification of this Article may only be approved in the Extraordinary eneral Assembly of Shareholders of the Company in which 5% or more of the outstanding shares have not voted against on the date of the respective Shareholders Assembly.

   Article Ten: Specify that the right of preference is in terms of the provisions of article 132 of the eneral Law of Commercial Companies.

   Thirteenth Article: Establish the power of the Board of Directors to designate the person or persons responsible for managing the resources for the acquisition and placement of own shares, when said designation has not been made by the Shareholders Meeting.

   Fifteenth Article: Only drafting ad ustments.

   Article Twenty-Eighth: Requirements for appointing and revoking a member of the Board of Directors by shareholders holding shares representing 10% of the capital stock.

   Article Thirty-Second: Add to the requirements to be Directors those persons who, in the opinion of the Company s Corporate Practices Committee, en oy recogni ed professional or business experience and prestige as well as moral solvency and are not in situations of conflict of interest with the Company. Company or its subsidiaries.

   Article Thirty-Four: Procedure for the election of Directors proposed by shareholders holding shares representing 10% of the capital stock, as well as including the power of the Company s Corporate Practices Committee to present to the Ordinary Annual eneral Meeting of Shareholders a form with the names of the candidates proposed to form the Board of Directors, including those proposed by minority shareholders.

   Article Forty-Four: Include as a power of the Corporate Practices Committee to propose to the Shareholders Meeting the candidates who, in its opinion, should be part of the Board of Directors, in case the members that are part of it at the time of the election are not ratified. in their positions by the Assembly of Shareholders.

2. In the Extraordinary □eneral Assembly of Shareholders held on August 26, 2019, the change of corporate name to ORBIA ADVANCE CORPORATION was approved, consequently, it was decided to reform Article One of the corporate bylaws.

3. At the Extraordinary □eneral Meeting of Shareholders held on September 13, 2021. Article Three of the Company□s bylaws was amended in order to specify the purpose of the Company.

Process to be followed to change the rights associated with the shares

Both the shares that represent the minimum fixed capital stock, without the right to withdrawal, and those that represent the variable capital, are ordinary, nominative, without expression of nominal value and confer equal rights and obligations to their holders.

With the prior express authori□ation of the CNBV, the Company may issue limited, restricted or non-voting voting shares.

The issuance of shares other than ordinary shares must not exceed twenty-five percent of the paid-in capital stock placed among the investing public. When expressly authori□ed by the CNBV, said limit may be extended, in certain exceptional cases.

Statutory clauses or agreements between shareholders that limit or restrict the management of the issuer or its shareholders

There is no restriction whatsoever for the shareholders to participate in the management of the Company, in this regard, the bylaws establish that the shareholders holding shares with voting rights, even limited or restricted, that individually or □ointly have the 10 % of the Capital Stock, shall have the right to appoint and revoke a member of the Board of Directors and their respective alternate at the □eneral Shareholders□Meeting, on the understanding that it must always be respected that 25% of the Directors must be independent. Such appointment may only be revoked by the other shareholders when the appointment of all the other Directors is also revoked, in which case the persons replaced may not be appointed in that capacity during the twelve months immediately following the date of revocation.

Minority shareholders who, in terms of what is described above, intend to appoint a Director, must notify the Company□s Corporate Practices and Sustainability Committee at least 5 business days in advance of the Ordinary Annual □eneral Meeting of Shareholders. Said communication must contain at least: (i) full name and experience of the person they propose to appoint, and (ii) an indication of whether or not, in their opinion, they meet the conditions of independence, recogni□ed experience and professional or business prestige and of moral solvency, as well as those defined in the laws and other applicable provisions.

5. CAPITAL □AR□ET

a) Shareholding structure

The capital stock as of December 31, 2021, is represented by 2,010,000,000 shares, ordinary, nominative with voting rights and without par value, which are fully paid. The fixed part of the capital is represented by registered shares of Class I without right of withdrawal. The variable part of the capital is represented by registered shares of Class II, without expression of nominal value. As of December 31, 2021, the number of shares and amount of capital stock is as follows:

December 31, 2021 Subscribed capital	Number of actions	Amount (□illions of dollars)
Class I	308,178,735	$38
Class II	1,701,821,265	219
Total	**2,010,000,000**	**□257**

As of December 31, 2021, the Company does not have open positions in derivative instruments that can be settled in kind whose underlying assets are ORBIA* shares.

During 2020 and 2019, Orbia has not changed the number or amount of outstanding shares representing its share capital.

As of December 31, 2021, the Company had acquired 90,000,000 own shares through the use of the resources authori□ed by the Ordinary Annual □eneral Meeting of Shareholders for the Repurchase Fund and that the Issuer buys in the stock market, charged to its capital.

b) Performance of the share in the Stock □arket

The prices and amounts of the stock market operations of the ORBIA* shares are presented in Mexican pesos.

The level of marketability corresponding to the shares is □High□, according to the information available from the Marketability Index carried out by the BMV in the month of March 2021. As of 2008, Orbia□s shares are an integral part of the BMV Quote Price Index.

In the last three years, the listing on the BMV of the □ORBIA *□shares have not been suspended.

The following tables show the maximum, minimum and last prices of the shares listed on the BMV during the indicated periods:

Annual Performance

Date	□aximum	□inimum	Closing	Volume	Amount
2017	53.60	46.00	48.63	725,639,512	35,850,875,980
2018	67.79	42.71	49.94	832,120,117	47,265,429,553
2019	52.88	31.02	40.32	932,615,312	39,556,051,265
2020	51.80	23.80	46.75	788,415,268	28,206,256,417
2021	59.75	42.70	52.27	664,912,571	34,871,105,897

Quarterly Performance

Date	□aximum	□inimum	Closing	Volume	Amount
1Q2020	51.80	23.80	26.09	258,529,654	9,764,206,655
2Q2020	37.74	24.31	33.98	243,451,901	7,391,465,477
3T2020	39.07	32.05	38.74	136,713,729	4,906,796,401
4Q2020	47.50	35.71	46.75	149,719,984	6,143,787,884
1Q2021	57.49	42.70	57.02	212,843,203	10,560,032,463
2Q2021	59.20	48.51	52.91	142,575,936	8,309,475,964
3Q2021	56.56	49.28	52.27	158,013,104	7,748,698,364
4Q2021	54.81	46.47	51.38	100,668,872	8,252,899,106
1Q2022	54.81	46.47	52.51	172,611,599	8,817,313,517

onthly Performance

Date	aximum	inimum	Closing	Volume	amount
30-Apr-21	59.75	51.24	56.50	46,765,892	2,552,400,501
31-May-21	58.50	55.03	56.41	49,960,192	2,823,589,814
30-Jun-21	57.16	51.04	52.14	54,754,236	2,933,485,649
31-Jul-21	56.36	50.71	54.25	41,089,668	2,198,702,496
31-Aug-21	57.75	53.80	57.34	45,975,236	2,561,835,791
30-Sep-21	59.20	48.51	52.91	55,510,434	2,988,160,077
31-Oct-21	56.56	51.67	53.51	33,510,484	1,795,067,302
30-Nov-21	54.85	49.65	49.94	64,250,660	3,353,412,883
31-Dec-21	54.50	49.28	52.27	60,220,904	3,104,418,921
31-Jan-22	52.79	46.47	48.17	45,194,104	2,215,908,077
28-Feb-22	53.83	47.50	53.32	32,463,720	1,669,617,161
31-Mar-22	54.81	49.52	52.51	94,918,756	4,931,788,279

Source: Financial Infosel. Price figures in pesos.

c) arket aker

As of the date of this Annual Report, the Company has not contracted a Market Maker to support the trading of ORBIA* shares, as permitted by the LMV.

6. RESPONSIBLE PERSONS

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6. Personas Responsables

Comisión Nacional Bancaria y de Valores
Vicepresidencia de Supervisión Bursátil
Insurgentes Sur 1971, Torre Sur, Piso 10
Col. Guadalupe Inn
01020, Ciudad de México

Los suscritos manifestamos bajo protesta de decir verdad que, en el ámbito de nuestras respectivas funciones, preparamos la información relativa a la emisora contenida en el presente reporte anual, la cual, a nuestro leal saber y entender, refleja razonablemente su situación. Asimismo, manifestamos que no tenemos conocimiento de información relevante que haya sido omitida o falseada en este reporte anual o que el mismo contenga información que pudiera inducir a error a los inversionistas.

Atentamente,

DocuSigned by:
[signature]
0430D2FC17B147B...

Sameer S. Bharadwaj
Director General

DocuSigned by:
James P. Kelly
F0744C02BD4643F...

James P. Kelly
Vicepresidente de Finanzas

DocuSigned by:
Sheldon Hirt
6A18E43EB3D7497...

Sheldon Hirt
Vicepresidente Legal

Orbia Advance Corporation,
S.A.B. de C.V. y Subsidiarias

Manifiesto de consentimiento para la inclusión en el reporte anual en los términos del Artículo 33 de las Disposiciones por el año que terminó el 31 de diciembre de 2021.

Deloitte.

Galaz, Yamazaki,
Ruiz Urquiza, S.C.
Paseo de la Reforma 505, piso 28
Colonia Cuauhtémoc
06500 Ciudad de México
México

Tel: +52 (55) 5080 6000
www.deloitte.com/mx

29 de abril de 2022

Al Presidente del Comité de Auditoría de
Orbia Advance Corporation, S.A.B. de C.V.

Estimados señores:

Los suscritos manifestamos, bajo protesta de decir verdad, que los estados financieros consolidados de **Orbia Advance Corporation, S.A.B. de C.V. y Subsidiarias** (la "Emisora") que contiene el presente reporte anual al 31 de diciembre de 2021, 2020 y 2019 y por los años que terminaron en esas fechas, fueron dictaminados con fecha 23 de febrero de 2022, de conformidad con las Normas Internacionales de Auditoría.

Asimismo, manifestamos que hemos leído el presente reporte anual y, basado en su lectura y dentro del alcance del trabajo de auditoría realizado, no tenemos conocimiento de errores relevantes o inconsistencias en la información que se incluye y cuya fuente provenga de los estados financieros dictaminados, señalados en el párrafo anterior, ni de información que haya sido omitida o falseada en este reporte anual, o que el mismo contenga información que pudiera introducir a errores a los inversionistas.

No obstante, los suscritos no fuimos contratados para realizar, y no realizamos, procedimientos adicionales con el objeto de expresar una opinión respecto de la otra información contenida en el reporte anual que no provenga de los estados financieros dictaminados.

Atentamente,

C.P.C María-Isabel Romero Miranda
Representante Legal
Socio de Galaz, Yamazaki, Ruiz Urquiza, S.C.
Miembro de Deloitte Touche Tohmatsu Limited

C.P.C. Erick Jonathan Calvillo Rello
Auditor Externo
Socio de Galaz, Yamazaki, Ruiz Urquiza, S.C.
Miembro de Deloitte Touche Tohmatsu Limited

* * * * * *

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7. ANNEXES

- Consolidated and audited financial statements of Orbia Advance Corporation, S.A.B. de C.V., for the years 2021, 2020 and 2019.

- Reports of the Corporate Practices and Audit Committee of Orbia Advance Corporation, S.A.B. de C.V., for the years 2021, 2020 and 2019.

Stock Information
Mexican Stock Exchange
Ticker: Orbia*

Orbia Announces Fourth Quarter and Full-Year 2022 Financial Results

exico City, February 22, 2023 – Orbia Advance Corporation, S.A.B. de C.V. (BMV: ORBIA*) ("the Company" or "Orbia") today released unaudited results for the fourth quarter and full year of 2022.

Orbia delivered solid results for 2022 and exceeded the upper end of its annual EBITDA guidance, which accounted for ongoing impacts from macroeconomic challenges and lower year-over-year revenue and profitability. For both the quarter and the year, Orbia generated strong cash flow and maintained a strong balance sheet, demonstrating resilience in its businesses and robust long-term fundamentals.

Q4 2022 Financial Highlights

(All metrics are compared to Q4 2021 unless otherwise noted)

- Net revenues of $2.1 billion decreased 10%, with lower sales in Polymer Solutions, Building and Infrastructure and Precision Agriculture.
- EBITDA of $308 million decreased 39%, driven by higher input costs, lower volumes in certain segments and currency headwinds, partially offset by higher profitability in Connectivity Solutions. EBITDA included one-time charges of $32 million in the quarter.
- Net ma ority income of negative $36 million was driven by lower EBITDA and an impairment charge.
- Free cash flow of $308 million increased by $4 million, reflecting effective working capital management, which offset lower EBITDA and increases in capital expenditures.

Full-Year 2022 Financial Highlights

(All metrics are compared to FY 2021 unless otherwise noted)

- Net revenues of $9.6 billion increased 10%, with higher sales in Connectivity Solutions, Fluorinated Solutions and Polymer Solutions, especially during the first half of the year, partially offset by lower sales in Precision Agriculture.
- EBITDA of $1.91 billion decreased 7%, driven by higher input costs, lower volumes in certain segments and currency headwinds, partially offset by higher profitability in Connectivity Solutions and Fluorinated Solutions. Full-year EBITDA included one-time charges of approximately $42 million.
- Net ma ority income of $567 million decreased 14%, driven by lower EBITDA, partially offset by lower financial costs.
- Free cash flow of $466 million decreased 19%, reflecting lower EBITDA and increases in taxes paid and capital expenditures, partially offset by effective working capital management.
- Cash returned to shareholders was $442 million, with dividends and share buybacks of $299 million and $142 million, respectively.
- Leverage ratio (net debt-to-EBITDA) increased to 1.65x, due to an increase in borrowings during the year and the reduction in EBITDA.

"2022 was a challenging year for us and the world at large, marked by the war in Ukraine, inflation, rising interest rates and waves of pandemic-related shutdowns that continue to impact our lives and work. I would like to thank the Orbia team for their dedication to delivering value for our shareholders while delivering on our purpose to advance life around the world," said Sameer Bharadwaj, CEO of Orbia.

Bharadwa continued, "Challenging times have offered us opportunities to strengthen our business fundamentals, pursue vertical integration and synergies between our businesses and seed strategic partnerships for sustained value creation. In 2022, we maintained our focus on disciplined capital allocation and invested in the differentiation of our portfolio, as we detailed at our Investor Day in May. For example,

1. Starting in third quarter 2022, Data Communications business will be referred to as Connectivity Solutions.

in our Fluorinated Solutions business, we took significant steps to deepen our presence in the lithium-ion battery supply chain in North America with an agreement to establish a joint venture with Solvay to produce PVDF, an essential lithium-ion battery binder and separator coating. In addition, we secured a U.S. Department of Energy grant to build the first U.S. manufacturing plant for the electrolyte salt LiPF6 and entered into a related technology licensing agreement with Kanto Denka.

Concluded Bharadwaj, "We have continued to make strides when it comes to our aspiration to be a global leader in sustainable solutions in 2022. We remain committed to this going forward as we take advantage of organic growth opportunities. We look forward to serving our customers and addressing the world's toughest challenges in 2023 and beyond."

Q4 and Full-Year 2022 Consolidated Financial Information[1]

(All metrics are compared to Q4 and FY 2021 unless otherwise noted)

mm US$	Fourth Quarter			January - December		
Financial Highlights	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Net sales	2,100	2,339	-10%	9,648	8,783	10%
Selling, general and administrative expenses	349	332	5%	1,241	1,178	5%
Operating income	160	345	-54%	1,328	1,449	-8%
EBITDA	308	504	-39%	1,909	2,047	-7%
EBITDA margin	14.6%	21.5%	-689 bps	19.8%	23.3%	-352 bps
Financial cost	(54)	86	N/A	160	297	-46%
Earnings before taxes	80	259	-69%	1,034	1,154	-10%
Income tax	101	109	-7%	369	381	-3%
Consolidated net income (loss)	(21)	151	N/A	665	772	-14%
Net majority income	(36)	126	N/A	567	657	-14%
Operating cash flow	555	450	23%	1,107	982	13%
Capital expenditures	(221)	(122)	82%	(549)	(311)	77%
Free cash flow	308	304	1%	466	572	-19%
Net debt	3,149	2,738	15%	3,149	2,738	15%

Net revenues of $2,100 million in the fourth quarter decreased 10%. For the full-year 2022, net revenues of $9,648 million increased 10%.

The decrease in revenues for the quarter was driven mainly by decreases in Polymer Solutions, Building and Infrastructure, and Precision Agriculture, primarily due to a slowdown in demand from a very strong prior year period, driven by COVID lockdowns in China, weaker end markets in the context of the current

[1]Unless noted otherwise, all figures in this release are derived from the Consolidated Financial Statements of the Company as of December 31, 2022 and are prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" of the International Financial Reporting Standards (IFRS), which have been published in the Bolsa Mexicana de Valores (BMV). See Notes and Definitions at the end of this release for further explanation of terms used herein.

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macroeconomic environment and the devaluation of ma□or currencies. For the full year, revenues increased across all businesses, except for Precision Agriculture. Primary drivers of the year-over-year increase included strong PVC pricing in the Polymer Solutions businesses, particularly during the first half of the year□ strong demand in Connectivity Solutions and improved pricing across the Fluorinated Solutions product portfolio.

Cost of goods sold of $1,591 million in the fourth quarter decreased 4%. For the full year, cost of goods sold of $7,079 million increased 15%.

The decrease in cost of goods sold for the quarter was driven primarily by lower volumes. For the full year, the increase was primarily due to inflationary pressures leading to higher raw material, energy, freight and labor costs.

Selling, general and administrative expenses of $349 million in the fourth quarter increased 5%. As a percentage of sales, S□ □A increased approximately 240 basis points to 16.6%. For the full year, selling, general and administrative expenses of $1,241 million increased 5%. As a percentage of sales, S□ □A decreased approximately 55 basis points to 12.9%.

The increase in selling, general and administrative expenses was primarily due to inflation impacts and to continued investment in executing the Company's growth strategy.

EBITDA of $308 million in the quarter decreased 39% from a very strong prior year level, while EBITDA margin decreased approximately 690 basis points to 14.6%. For the full year, EBITDA of $1,909 million decreased 7%, while EBITDA margin decreased approximately 350 basis points to 19.8%. Excluding one-time items, EBITDA was $340 million in the quarter and $1,951 for the full year, representing decreases of 35% and 6%, respectively. EBITDA margin excluding one-time items was 16.2% in the quarter and 20.2% for the full year, a reduction of approximately 610 basis points and 310 basis points, respectively.

The decrease in EBITDA and EBITDA margin was due to softening demand across certain markets in the second half of the year, coupled with higher input costs, particularly in Polymer Solutions, Building and Infrastructure, and Precision Agriculture. The decrease in the quarter was partially offset by higher profitability in Connectivity Solutions. For the full year, the decrease was partially offset by higher profitability in Connectivity Solutions, as well as in Fluorinated Solutions.

Financial costs of negative $54 million in the quarter decreased by $140 million from $86 million last year. For the full year, financial costs of $160 million decreased by $137 million from $297 million last year.

The decrease in financial costs was largely driven by ad□ustments in the valuation of put options and one-time charges, where 2022 included a net $111 million benefit from lower valuations and the prior year included a charge of $23 million associated with higher valuations. The lower valuations in 2022 were driven by higher discount rates as interest rates have risen, while the 2021 valuation increase was associated with higher results of the underlying businesses. The decrease in financing costs related to put options and other one-time items was partly offset by higher charges during the year related to foreign exchange, particularly from devaluations of the Euro and British Pound.

Taxes of $101 million for the quarter decreased 7%. The effective tax rate for the quarter was 126.4%, which is an increase of approximately 8,450 basis points compared to the same period last year. For the full year, taxes of $369 million decreased 3%, and the effective tax rate was 35.6%, which is an increase of 258 basis points compared to last year.

For the quarter, the increase in the effective tax rate was driven by one-time items, including a non-deductible impairment of goodwill of $136 million that significantly lowered earnings before taxes. This impairment was due to a higher discount rate used in the impairment analysis, caused by increases in interest rates during the year. The increase in the effective tax rate was also due to the strengthening of the Mexican Peso and additional reserves for uncertain tax positions, partially offset by the release of valuation allowances and non-taxable option revaluation. For the full year, the increase in the effective tax rate was primarily driven by the one-time items mentioned above.

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Net income to majority shareholders of negative $36 million in the quarter decreased by $162 million, largely due to the decrease in EBITDA and the one-time items noted above. For the full year, net income to majority shareholders of $567 million decreased 14%, also driven by the aforementioned decrease in EBITDA and one-time items. Excluding one-time items, net income to majority shareholders was $139 million for the quarter and for the full year was $742 million.

Operating cash flow of $555 million in the quarter increased 23% while **free cash flow** of $308 million increased by $4 million. For the full year, operating cash flow of $1,107 million increased 13% while free cash flow of $466 million decreased 19%.

During the quarter, cash generated from effective management of working capital was partially offset by lower EBITDA and higher capital expenditures. For the full year, the increase in operating cash flow was offset by higher capital expenditures.

Net debt of $3,149 million was comprised of total debt of $4,696 million, less cash and cash equivalents of $1,546 million. The Company's net debt-to-EBITDA ratio increased from 1.34x to 1.65x year-over-year, driven by an increase in debt during the year, as well as the decrease in EBITDA year-over-year.

Q4 and Full-Year 2022 Revenues by Region

(All metrics are compared to Q4 and FY 2021 unless otherwise noted)

mm US$	Fourth Quarter			
Region	2022	2021	% Var. Prev Year	% Revenue
North America	840	815	3%	40%
Europe	644	777	-17%	31%
South America	368	512	-28%	18%
Asia	196	154	27%	9%
Africa and others	53	81	-35%	3%
Total	**2,100**	**2,339**	**-10%**	**100%**

mm US$	January - December			
Region	2022	2021	% Var. Prev Year	% Revenue
North America	3,606	2,905	24%	37%
Europe	3,050	3,036	0%	32%
South America	1,922	1,942	-1%	20%
Asia	812	651	25%	8%
Africa and others	258	250	3%	3%
Total	**9,648**	**8,783**	**10%**	**100%**

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Q4 and Full-Year 2022 Financial Performance by Business Group

(All metrics are compared to Q4 and FY 2021 unless otherwise noted)

Polymer Solutions (Vestolit and Alphagary), 38□ of Revenues

Orbia's Polymer Solutions business group and businesses Vestolit and Alphagary focus on General Purpose and Specialty PVC resins (polyvinyl chloride) and PVC and zero-halogen specialty compounds with a wide variety of applications in everyday products for everyday life, from pipes and cables to household appliances to medical devices. The business group supplies Orbia's downstream businesses and a global customer base.

mm US$	Fourth Quarter			January - December		
Polymer Solutions	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Total sales*	735	999	-26%	3,696	3,438	7%
Operating income	37	252	-85%	549	876	-37%
EBITDA	101	320	-69%	804	1,134	-29%

*Intercompany sales were $33 million and $94 million in 4Q22 and 4Q21, respectively.
Full year intercompany sales were $232 million and $322 million in 2022 and 2021, respectively.

Q4 revenues of $735 million decreased 26% and full-year revenues of $3,696 million increased 7%. Q4 EBITDA of $101 million decreased 69% and EBITDA margin decreased approximately 1,835 basis points to 13.7%, while full-year EBITDA of $804 million decreased 29% and EBITDA margin decreased 1,125 basis points to 21.8%.

The decrease in revenues for the quarter was driven primarily by lower volumes reflecting softening demand and lower prices in □eneral Purpose PVC due to increased product availability as a result of high industry operating rates to capture profitability in the Chlor-Alkali segment, partially offset by higher prices in Specialty PVC, Chlorine and Caustic Soda. For the full year, the increase in revenues was driven primarily by strong prices during the first half of the year, as well as the high performance of the Specialty PVC and Chlor-Alkali businesses over the course of the year.

Q4 and full-year EBITDA decreased year-over-year in □eneral Purpose PVC resins, due to lower prices and volumes and higher feedstock and energy costs, particularly in Europe. This was partly offset by strong pricing in Specialty PVC and Chlor-Alkali businesses.

Building and Infrastructure (□avin), 30□ of Revenues

Orbia's Building and Infrastructure business group and business Wavin is redefining today's pipes and fittings industry by creating solutions that last longer and perform better, all with less installation labor required. The business group benefits from supply chain integration with the Polymer Solutions business group, a customer base spanning three continents, and investments in sustainable, resilient technologies for water and indoor climate management.

mm US$	Fourth Quarter			January - December		
Building & Infrastructure	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Total sales	661	702	-6%	2,926	2,922	0%
Operating income	12	44	-73%	193	283	-32%
EBITDA	47	82	-43%	321	424	-24%

Q4 revenues of $661 million decreased 6% and full year revenues of $2,926 were relatively flat. Q4 EBITDA of $47 million decreased 43% and EBITDA margin decreased approximately 460 basis points to 7.1%, while full-year EBITDA of $321 decreased 24% and EBITDA margin decreased approximately 355 basis points to 11.0%. Excluding one-time items due to restructuring costs and hyperinflationary effects from Turkey,

EBITDA for the quarter was $55 million and EBITDA margin for the quarter was 8.4%, reflecting a decrease of approximately 330 basis points. For the full year, EBITDA excluding one-time items was $330 million and EBITDA margin was 11.3% reflecting a decrease of approximately 320 basis points.

The decrease in revenues for the quarter was mainly driven by lower volumes, particularly in Europe from an inflationary cost environment and demand volatility, and Bra□il, from political volatility as well as the impact of currency devaluation.

Q4 and full-year EBITDA declined year-over-year reflecting the decrease in volumes and continued input cost increases, particularly in Europe.

Precision Agriculture (Netafim), 11□ of Revenues

Orbia's Precision Agriculture business group and business Netafim's leading-edge irrigation systems, services and digital farming technologies enable stakeholders to achieve significantly higher and better-quality yields while using less water, fertilizer and other inputs. By helping farmers worldwide grow more with less, the business group is contributing to feeding the planet efficiently and sustainably.

mm US$	Fourth Quarter			January - December		
Precision Agriculture	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Total sales	229	266	-14%	1,085	1,126	-4%
Operating income	(29)	(18)	65%	19	46	-58%
Operating income excluding one-offs	(4)	1	N/A	45	72	-38%
Reported EBITDA	(4)	10	N/A	119	146	-18%
EBITDA excluding one-offs	12	29	-58%	144	172	-16%

Q4 revenues of $229 million decreased 14% and full year revenues of $1,085 million decreased 4%. Q4 EBITDA of $(4) million decreased by $14 million, while full-year EBITDA of $119 million decreased 18%, with EBITDA margin decreasing approximately 195 basis points to 11.0%. Excluding one-time items due to a hyperinflation ad□ustment, a one-time legal settlement and corporate fee allocations that were not charged in the past but that will be included going forward, EBITDA for the quarter was $12 million and EBITDA margin for the quarter was 5.2%, reflecting a decrease of approximately 560 basis points. For the full year, EBITDA excluding one-time items was $144 million and EBITDA margin was 13.3% reflecting a decrease of approximately 195 basis points.

The decrease in revenues was driven by a slowdown in demand in most markets and currency devaluation, partially offset by strength in Latin America and Turkey. The slowdown in Europe was directly related to economic weakness relating to the war in Ukraine and high energy costs affecting key market segments, especially the greenhouses business. The slowdown in demand in Q4 was also a result of continued destocking in the customer value chain after an inventory build-up in the first half of the year.

Q4 EBITDA decreased year-over-year, reflecting lower demand, unfavorable product mix, currency devaluation and the one-time expenses mentioned above. For the full year, EBITDA decreased due to lower demand, unfavorable product mix, currency devaluation, and one-time expenses.

Connectivity Solutions (Dura-Line), 14□ of Revenues

Orbia's Connectivity Solutions business group, Dura-Line, produces more than 500 million meters of essential and innovative infrastructure per year to bring a world's worth of information everywhere. The business group produces telecommunications conduit, cable-in-conduit and other HDPE products and solutions that create physical pathways for fiber and other network technologies connecting cities, homes and people.

mm US$	Fourth Quarter			January - December		
Connectivity Solutions	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Total sales	317	297	7%	1,370	994	38%
Operating income	76	33	134%	321	102	214%
EBITDA	84	41	108%	357	134	167%

Q4 revenues of $317 million increased 7% and full year revenues of $1,370 million increased 38%. Q4 EBITDA of $84 million increased 108% and EBITDA margin increased approximately 1,305 basis points to 26.7%, while full-year EBITDA of $357 million increased 167% and EBITDA margin increased approximately 1,260 basis points to 26.1%. Excluding one-time items due to restructuring costs, EBITDA for the quarter was $95 million and EBITDA margin for the quarter was 30.1% reflecting an increase of approximately 1,650 basis points. For the full year, EBITDA was $368 million and EBITDA margin was 26.9%, reflecting an increase of approximately 1,340 basis points.

Q4 and full-year revenues increased year-over-year supported by investments in production capacity along with growing demand for fiber infrastructure.

Q4 and full-year EBITDA also increased year-over-year, driven by higher revenues combined with a stabili□ation of material costs.

Fluorinated Solutions (□oura), 9□ of Revenues

Orbia's Fluorinated Solutions business group and business Koura provides fluorine and downstream products that support modern, efficient living. The business group owns and operates the world's largest fluorspar mine and produces intermediates, refrigerants and propellants used in automotive, infrastructure, semiconductor, health, medicine, climate control, food cold chain, energy storage, computing and telecommunications applications.

mm US$	Fourth Quarter			January - December		
Fluorinated Solutions	**2022**	**2021**	**%Var.**	**2022**	**2021**	**%Var.**
Total sales	201	198	2%	852	744	15%
Operating income	51	52	-2%	248	183	36%
EBITDA	65	67	-3%	305	244	25%

Q4 revenues of $201 million increased 2% and full-year revenues of $852 million increased 15%. Q4 EBITDA of $65 million decreased 3% and EBITDA margin decreased approximately 155 basis points to 32.1%, while full-year EBITDA of $305 million increased 25% and EBITDA margin increased approximately 295 basis points to 35.8%.

Revenues for the quarter reflected strong pricing across the product portfolio particularly in refrigerants, partially offset by lower volumes. For the full year, revenues increased due to strong pricing despite lower volumes, especially during the first half of the year.

Q4 EBITDA and EBITDA margin decreased slightly due to higher input costs and accelerating strategic investments, partly offset by strong pricing across the product portfolio. The increase in EBITDA for the full year was driven by revenue growth and strong pricing, which helped offset lower volumes and higher input and logistics costs.

Balance Sheet, Liquidity and Capital Allocation

Orbia continued to maintain a strong balance sheet. The net debt-to-EBITDA ratio increased from 1.34x to 1.65x year-over-year due to an increase in borrowings during the year and the reduction in EBITDA.

During the quarter, Orbia added approximately $500 million of borrowings, which is reflected as new debt in the Company's cash flow statement. The proceeds from these borrowings are intended to be used for the retirement of short-term debt due in early 2023, funding of growth initiatives and general business purposes.

Working capital decreased by $289 million during the quarter, primarily reflecting lower selling prices and proactive management, but increased by $33 million during the year. Capital expenditures of $221 million during the quarter increased 82% year-over-year and increased 77% for the full year to $549 million, including ongoing maintenance spending and investments to support the Company's growth initiatives.

During the quarter Orbia paid $75 million as the fourth installment of the ordinary and extraordinary dividend approved at the Annual Shareholders Meeting held on April 1, 2022. For the full year, the Company returned $442 million to shareholders, consisting of $299 million of dividends and $142 million of share buybacks.

2023 Outlook

Broad market uncertainty, including impacts of monetary tightening, exchange rate volatility, inflationary challenges and the war in Ukraine continue to impact the global environment, all of which make near-term forecasting challenging. That said and assuming no significant or unexpected disruptions, Orbia is a resilient company.

We have had a good start to the year across all businesses. While it's early in the year to give definitive ranges, based on where we are, we anticipate a flat to mid-single digit percentage revenue decline and EBITDA of $1.65 billion or higher for 2023. We will refine our guidance as the year progresses. Orbia is also expecting capital expenditures in the range of $600 million to $700 million for 2023, including $300 million to $350 million of maintenance spending and $300 million to $350 million of growth-related investments, depending on the underlying economic environment. The effective tax rate for the year is expected to be between 29% and 32%.

For each of Orbia's businesses The Company is assuming the following:

- **Polymer Solutions**: We expect the PVC market to improve over the course of 2023 as China reopens and construction markets worldwide stabili□e. We have seen general purpose PVC prices rebound from the bottom in the start of 2023, and ultimately, we expect general purpose PVC prices to settle above pre-pandemic levels. We continue to believe that the industry supply/demand balance will remain tight for the long-term.
- **Building and Infrastructure**: We expect inflationary cost pressures through the first half of the year, with conditions improving in the second half. Energy costs in key European countries have come down below pre-war levels but uncertainty remains. We will continue to manage margins and to focus on driving a higher-value sales mix in the business.
- **Precision Agriculture**: We expect demand for precision irrigation products to strengthen over the course of the year, supported by continued investment in technologies that address water shortages worldwide.
- **Connectivity Solutions**: We expect continued growth throughout the year, supported by favorable market conditions and continued investments in incremental capacity.

- **Fluorinated Solutions**: We expect improvements in revenue and profitability across the product portfolio, aligned with market strengthening and new regulations, partly offset by incremental costs to invest in long-term growth initiatives.

Looking forward, the Company's management is confident that the continued execution of Orbia's strategy—supported by vertical integration, investments in organic growth and selective bolt-on acquisitions—will generate sustainable and profitable growth in line with the targets communicated during Orbia's Investor Day in May 2022.

The Company's Board of Directors has approved and intends to recommend to its shareholders for their approval at Orbia's next Annual General Meeting of Shareholders, (i) an aggregate ordinary dividend payment of $240 million payable in four quarterly installments in 2023, (ii) authorization to cancel up to 105 million shares held in treasury, and (iii) authorization to establish a fund for the repurchase of shares for an amount equal to the total balance of the Company's net profits as of December 31, 2022 and including those withheld from previous years, in the understanding that the acquisition and placement of the applicable shares of the Company will be made by the Company through the Mexican Stock Exchange (Bolsa Mexicana de Valores, S.A.B. de C.V.).

Conference Call Details

Orbia will host a conference call to discuss Q4 and Full Year 2022 results on February 23, 2023, at 9:00 am Central Time (CT Mexico City)/10:00 am Eastern Time (ET New York). To access the call, please dial 001-855-817-7630 (Mexico), 1-888-339-0721 (United States) or 1-412-317-5247 (International).

Participants may pre-register for the conference call here.

The live webcast can be accessed here.

A recording of the webcast will be posted several hours after the call is completed on Orbia's website.

For all company news, please visit www.orbia.com/this-is-orbia/newsroom.

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Consolidated Income Statement

mm US$	Fourth Quarter			January - December		
Income Statement	**2022**	**2021**	**%**	**2022**	**2021**	**%**
Net sales	2,100	2,339	-10%	9,648	8,783	10%
Cost of sales	1,591	1,661	-4%	7,079	6,156	15%
Gross profit	**509**	**678**	**-25%**	**2,569**	**2,627**	**-2%**
Selling, general and administrative expenses	349	332	5%	1,241	1,178	5%
Operating income (loss)	**160**	**345**	**-54%**	**1,328**	**1,449**	**-8%**
Financial cost	(54)	86	N/A	160	297	-46%
Equity in income of associated entity	1	(0)	N/A	3	1	80%
Impairment expense	136	-	N/A	136	-	N/A
Income (loss) from continuing operations before income tax	**80**	**259**	**-69%**	**1,034**	**1,154**	**-10%**
Income tax	101	109	-7%	369	381	-3%
Income (loss) from continuing operations	**(21)**	**151**	**N/A**	**666**	**773**	**-14%**
Discontinued operations	-	(0)	-100%	(1)	(0)	N/A
Consolidated net income (loss)	**(21)**	**151**	**N/A**	**665**	**772**	**-14%**
Minority stockholders	15	25	-40%	99	115	-14%
Majority Net income (loss)	**(36)**	**126**	**N/A**	**567**	**657**	**-14%**
EBITDA	308	504	-39%	1,909	2,047	-7%

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Consolidated Balance Sheet

	mm US$	
Balance sheet	**Dec 2022**	**Dec 2021**
Total assets	**11,624**	**10,587**
Current assets	**4,584**	**3,724**
Cash and temporary investments	1,546	782
Receivables	1,229	1,370
Inventories	1,320	1,292
Others current assets	489	282
Non current assets	**7,040**	**6,862**
Property, plant and equipment, net	3,170	3,051
Right of use fixed assets, net	358	346
Intangible assets and goodwill	3,105	3,130
Long-term assets	408	335
Total liabilities	**8,301**	**7,182**
Current liabilities	**3,045**	**2,643**
Current portion of long-term debt	760	240
Suppliers	1,279	1,505
Short-term leasings	84	86
Other current liabilities	923	812
Non current liabilities	**5,256**	**4,539**
Long-term debt	3,936	3,280
Long-term employee benefits	137	221
Long-term deferred tax liabilities	373	318
Long-term leasings	285	281
Other long-term liabilities	525	440
Consolidated shareholders'equity	**3,324**	**3,404**
Minority shareholders' equity	655	668
Majority shareholders' equity	**2,668**	**2,737**
Total liabilities & shareholders' equity	**11,624**	**10,587**

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Cash Flow Statement

mm US$	Fourth Quarter			January - December		
	2022	2021	%Var.	2022	2021	% Var.
EBITDA	308	504	-39%	1,909	2,047	-7%
Taxes paid, net	(70)	(85)	-18%	(504)	(278)	81%
Net interest / bank commissions	(48)	(32)	51%	(205)	(252)	-19%
Change in trade working capital	289	92	215%	(33)	(479)	-93%
Others (other assets - provisions, Net)	16	1	1446%	(38)	10	N/A
CTA and FX	61	(30)	N/A	(21)	(67)	-69%
Operating cash flow	555	450	23%	1,107	982	13%
Capital expenditures	(221)	(122)	82%	(549)	(311)	77%
Leasing payments	(26)	(24)	10%	(92)	(98)	-7%
Free cash flow	308	304	1%	466	572	-19%
FCF conversion (%)	*100.0%*	*60.3%*	*0%*	*24.4%*	*28.0%*	
Dividends to shareholders	(75)	(49)	53%	(299)	(199)	50%
Buy-back shares program	(0)	(97)	-100%	(142)	(166)	-14%
New debt (paid)	465	15	3103%	1,135	(122)	N/A
Minority interest payments	(36)	(34)	5%	(141)	(138)	2%
Mergers & acquisitions	(8)	(11)	-33%	(225)	(48)	366%
Financial instruments and others	(4)	0	N/A	(28)	8	N/A
Net change in cash	649	127	412%	765	(94)	N/A
Initial cash balance	897	655	37%	782	875	-11%
Cash balance	1,546	782	98%	1,546	782	98%

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Notes and Definitions

The results contained in this release have been prepared in accordance with International Financial Reporting Standards ("NIIF" or "IFRS") with U.S. Dollars as the reporting currency. Figures are presented in millions, unless specified otherwise.

Figures and percentages have been rounded and may not add up.

About Orbia

Orbia is a company driven by a shared purpose: to advance life around the world. Orbia operates in the Polymer Solutions (Vestolit and Alphagary), Building and Infrastructure (Wavin), Precision Agriculture (Netafim), Connectivity Solutions (Dura-Line) and Fluorinated Solutions (Koura) sectors. The five Orbia business groups have a collective focus on expanding access to health and wellness, reinventing the future of cities and homes, ensuring food and water security, connecting communities to information and accelerating a circular economy with basic and advanced materials, specialty products and innovative solutions. Orbia has a global team of over 23,000 employees, commercial activities in more than 110 countries and operations in over 50, with global headquarters in Boston, Mexico City, Amsterdam and Tel Aviv. The company generated $8.8 billion in revenue in 2021. To learn more, visit: orbia.com.

Prospective Information

In addition to historical information, this press release contains "forward-looking" statements that reflect management's expectations for the future. The words "anticipate," "believe," "expect," "hope," "have the intention of," "might," "plan," "should" and similar expressions generally indicate comments on expectations. The forward-looking statements included in this press release are subject to a number of material risks and uncertainties, and our results may be materially different from current expectations due to factors, which include, but are not limited to, global and local changes in politics, economic factors, business, competition, market and regulatory factors, cyclical trends in relevant sectors as well as other factors affecting our operations, markets, products, services and prices that are highlighted under the title "Risk Factors" in the annual report submitted by Orbia to the Mexican National Banking and Securities Commission (CNBV) and available on our website at https://www.orbia.com/investor-relations/financial-reports/annual-reports-and-filings/. The forward-looking statements included herein represent Orbia's views as of the date of this press release. Orbia undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law."

Orbia has implemented a Code of Ethics that helps define our obligations to and relationships with our employees, clients, suppliers, and others. Orbia's Code of Ethics is available for consultation at the following link: http://www.Orbia.com/Codigo de etica.html. Additionally, according to the terms contained in the Mexican Securities Exchange Act No 42, the Orbia Audit Committee has established a "hotline" system permitting any person who is aware of a failure to adhere to applicable operational and accounting records guidelines, internal controls or the Code of Ethics, whether by the Company itself or any of its controlled subsidiaries, to file a complaint (including anonymously). This system is operated by an independent third-party service provider. The system may be accessed via telephone in Mexico, via internet at www.ethics.orbia.com or via email at ethics orbia.com. Orbia's Audit Committee has oversight responsibility for ensuring that all such complaints are appropriately investigated and resolved.

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Stock Information
Mexican Stock Exchange
Ticker: Orbia*

Orbia Announces First Quarter 2023 Financial Results

□**exico City, April 26, 2023** – Orbia Advance Corporation, S.A.B. de C.V. (BMV: ORBIA*) ("the Company" or "Orbia") today released unaudited results for the first quarter of 2023.

Orbia delivered solid results for the first quarter of 2023 with moderate improvement in several of its end markets over the course of the quarter. Revenue and profitability both declined from the record performance achieved in the prior year quarter due to macroeconomic challenges that arose in the second half of 2022 and continued into 2023. In the quarter, Orbia generated strong operating cash flow and maintained a solid balance sheet, demonstrating the resilience of its businesses and robust long-term fundamentals.

Q1 2023 Financial Highlights

(All metrics are compared to Q1 2022 unless otherwise noted)

- Net revenues of $2.3 billion decreased 12%, with lower sales in Polymer Solutions, Building and Infrastructure and Precision Agriculture.
- EBITDA of $469 million decreased 23%, driven by lower volumes in certain segments and currency headwinds, partially offset by higher profitability in Connectivity Solutions and Fluorinated Solutions.
- Net ma□ority income of $55 million decreased 78%, driven by lower EBITDA and higher financial costs.
- Free cash flow of $1 million decreased by $67 million, reflecting lower EBITDA and increases in capital expenditures, which more than offset effective working capital management.

"We had an encouraging start to the year, showing sequential improvement in all our businesses despite continued market volatility. I would like to thank the Orbia team for their ongoing commitment and dedication to our many stakeholders," said Sameer Bharadwaj, CEO of Orbia.

Bharadwa□continued, "We remain cautiously optimistic about the remainder of the year and remain confident in our long-term opportunities as we execute on our organic growth plans. As we continue to focus on solving the world's most significant challenges with our unique product portfolio and innovation capabilities, we are well-positioned to capture profitable growth opportunities across the Company in both the short and long-term."

Q1 2023 Consolidated Financial Information[1]

(All metrics are compared to Q1 2022 unless otherwise noted)

mm US$	First Quarter		
Financial Highlights	**2023**	**2022**	**%Var.**
Net sales	2,280	2,596	-12%
Selling, general and administrative exper	336	297	13%
Operating income	323	467	-31%
EBITDA	469	611	-23%
EBITDA margin	20.6%	23.5%	-295 bps
Financial cost	101	42	138%
Earnings before taxes	223	426	-48%
Income tax	143	143	0%
Consolidated net income (loss)	80	283	-72%
Net majority income	55	250	-78%
Operating cash flow	167	194	-14%
Capital expenditures	(142)	(101)	41%
Free cash flow	1	68	-99%
Net debt	3,246	2,851	14%

Net revenues of $2,280 million decreased 12%.

The decrease in revenues for the quarter was driven by Polymer Solutions, Building and Infrastructure and Precision Agriculture, primarily due to a slowdown in demand from a very strong prior year period. Lower □eneral Purpose PVC prices and weaker end markets in the context of the current macroeconomic environment were partially offset by strong demand in Connectivity Solutions and improved pricing across the Fluorinated Solutions product portfolio.

[1]Unless noted otherwise, all figures in this release are derived from the Consolidated Financial Statements of the Company as of March 31, 2023 and are prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" of the International Financial Reporting Standards (IFRS), which have been published in the Bolsa Mexicana de Valores (BMV). See Notes and Definitions at the end of this release for further explanation of terms used herein.

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Cost of goods sold of $1,620 million decreased 12%.

The decrease in cost of goods sold for the quarter was driven primarily by lower volumes as well as lower raw material and input costs.

Selling, general and administrative expenses of $336 million increased 13%. As a percentage of sales, S□□A increased approximately 333 basis points to 14.8%.

The increase in selling, general and administrative expenses was primarily due to inflation, restructuring costs to streamline our operations and continued investment in executing the Company's growth strategy.

EBITDA of $469 million in the quarter decreased 23% from a very strong prior year level, while EBITDA margin decreased approximately 295 basis points to 20.6%.

The decrease in EBITDA and EBITDA margin was due to softer demand across certain markets, particularly in Polymer Solutions, Building and Infrastructure, and Precision Agriculture. The decrease was partially offset by higher profitability in Connectivity Solutions and Fluorinated Solutions.

Financial costs of $101 million increased 138%.

The increase in financial costs was largely driven by a foreign exchange loss due to the appreciation of the Mexican Peso and higher interest expense due to an increase in debt. These factors were partially offset by higher interest income from an increase in short-term rates.

Taxes of $143 million were flat. The effective tax rate for the quarter was 64.0%, which is an increase from 33.6% in the same period last year.

The increase in the effective tax rate was primarily due to the strengthening of the Mexican Peso against the US Dollar and inflation.

Net income to ma□ority shareholders of $55 million decreased 78%, largely due to the decrease in EBITDA and higher financial costs.

Operating cash flow of $167 million decreased 14% while **free cash flow** of $1 million decreased by $67 million.

The decrease in operating cash flow was due to lower EBITDA, which was partially offset by a lower consumption of cash from changes in working capital. In addition, the decrease in free cash flow was driven by higher capital expenditures.

Net debt of $3,245 million was comprised of total debt of $4,629 million, less cash and cash equivalents of $1,384 million. The Company's net debt-to-EBITDA ratio increased from 1.29x to 1.84x year-over-year, driven by an increase in debt during the year, as well as the decrease in EBITDA year-over-year.

Q1 2023 Revenues by Region

(All metrics are compared to Q1 2022 unless otherwise noted)

mm US$	First Quarter			
Region	**2023**	**2022**	**% Var. Prev Year**	**% Revenue**
North America	869	897	-3%	38%
Europe	749	865	-13%	33%
South America	381	542	-30%	17%
Asia	223	228	-2%	10%
Africa and others	58	63	-9%	3%
Total	**2,280**	**2,596**	**-12%**	**100%**

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Q1 2023 Financial Performance by Business Group

(All metrics are compared to Q1 2022 unless otherwise noted)

Polymer Solutions (Vestolit and Alphagary), 32□ of Revenues

Orbia's Polymer Solutions business group and businesses Vestolit and Alphagary focus on General Purpose and Specialty PVC resins (polyvinyl chloride) and PVC and zero-halogen specialty compounds with a wide variety of applications in everyday products for everyday life, from pipes and cables to household appliances to medical devices. The business group supplies Orbia's downstream businesses and a global customer base.

mm US$	First Quarter		
Polymer Solutions	2023	2022	%Var.
Total sales*	770	1,065	-28%
Operating income	83	242	-66%
EBITDA	147	308	-52%

*Intercompany sales were $38 million and $78 million in 1Q23 and 1Q22, respectively.

Revenues of $770 million decreased 28% year-over-year. EBITDA of $147 million decreased 52% and EBITDA margin decreased approximately 980 basis points to 19.1%

The decrease in revenues was driven primarily by lower prices in □eneral Purpose PVC due to increased product availability due to high industry operating rates to capture profitability in the Chlor-Alkali segment, and lower volumes, reflecting softer demand.

EBITDA decreased year-over-year primarily in □eneral Purpose PVC resins, due to lower prices and volumes, partly offset by lower raw material costs and improved results year-over-year in Specialty Resins and the derivatives business.

Building and Infrastructure (□avin), 30□ of Revenues

Orbia's Building and Infrastructure business group and business Wavin is redefining today's pipes and fittings industry by creating solutions that last longer and perform better, all with less installation labor required. The business group benefits from supply chain integration with the Polymer Solutions business group, a customer base spanning three continents, and investments in sustainable, resilient technologies for water and indoor climate management.

mm US$	First Quarter		
Building & Infrastructure	2023	2022	%Var.
Total sales	694	778	-11%
Operating income	39	75	-48%
EBITDA	70	105	-33%

Revenues of $694 million decreased 11% year-over-year. EBITDA of $70 million decreased 33% and EBITDA margin decreased approximately 341 basis points to 10.1%.

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The decrease in revenues was mainly driven by lower volumes, particularly in Europe and Asia, due to the continued volatile environment, as well as lower prices in certain Latin American and Asian markets.

EBITDA declined year-over-year primarily reflecting a contraction in Europe as well as the decrease in volumes and prices mentioned above.

Precision Agriculture (Netafim), 12 of Revenues

Orbia's Precision Agriculture business group and business Netafim's leading-edge irrigation systems, services and digital farming technologies enable stakeholders to achieve significantly higher and better-quality yields while using less water, fertilizer and other inputs. By helping farmers worldwide grow more with less, the business group is contributing to feeding the planet efficiently and sustainably.

mm US$	First Quarter		
Precision Agriculture	2023	2022	%Var.
Total sales	275	313	-12%
Operating income	3	28	-90%
EBITDA	28	53	-46%

Revenues of $275 million decreased 12% year-over-year. EBITDA of $28 million decreased 46% and EBITDA margin decreased approximately 644 basis points to 10.3%.

The decrease in revenues was driven by a slowdown in demand, particularly in US, Europe and Africa, driven by macroeconomic and climate conditions, partially offset by strength in Latin America and China. Revenues in Turkey also increased year-over-year, although the recent earthquakes have caused a delay in some shipments to subsequent quarters.

EBITDA decreased year-over-year, reflecting lower demand as explained above.

Connectivity Solutions (Dura-Line), 15 of Revenues

Orbia's Connectivity Solutions business group, Dura-Line, produces more than 500 million meters of essential and innovative infrastructure per year to bring a world's worth of information everywhere. The business group produces telecommunications conduit, cable-in-conduit and other HDPE products and solutions that create physical pathways for fiber and other network technologies connecting cities, homes and people.

mm US$	First Quarter		
Connectivity Solutions	2023	2022	%Var.
Total sales	345	325	6%
Operating income	104	62	67%
EBITDA	114	70	62%

Revenues of $345 million increased 6% year-over-year. EBITDA of $114 million increased 62% and EBITDA margin increased approximately 1,135 basis points to 33.0%.

Revenues increased year-over-year supported by investments in production capacity along with higher demand for fiber infrastructure.

EBITDA also increased year-over-year driven by higher revenues combined with a stabili□ation of material costs.

Fluorinated Solutions (□oura), 11□ of Revenues

Orbia's Fluorinated Solutions business group and business Koura provides fluorine and downstream products that support modern, efficient living. The business group operates the world's largest fluorspar mine and produces intermediates, refrigerants and propellants used in automotive, infrastructure, semiconductor, health, medicine, climate control, food cold chain, energy storage, computing and telecommunications applications.

mm US$	First Quarter		
Fluorinated Solutions	2023	2022	%Var.
Total sales	242	204	19%
Operating income	87	62	40%
EBITDA	102	76	33%

Revenues of $242 million increased 19% year-over-year. EBITDA of $102 million increased 33% and EBITDA margin increased approximately 451 basis points to 41.9%.

Revenues increased year-over-year reflecting strong pricing across the product portfolio, particularly in refrigerants, combined with higher volumes, following supply disruptions during the first half of 2022.

EBITDA also increased year-over-year due to strong pricing across the product portfolio, which more than offset higher input costs and investments in strategic growth initiatives.

Balance Sheet, Liquidity and Capital Allocation

Orbia continued to maintain a strong balance sheet. The net debt-to-EBITDA ratio increased from 1.29x to 1.84x year-over-year due to an increase in borrowings during the year and the reduction in EBITDA.

During the quarter, Orbia paid down approximately $150 million of short-term debt, reflecting a net change in debt of $128 million on the cash flow statement.

Working capital increased by $181 million, as compared to an increase of $309 million in the previous year. The increase in the current quarter was primarily due to an increase in accounts receivable partly offset by improvements in inventory and accounts payable. Capital expenditures of $142 million increased 41% year-over-year, including ongoing maintenance spending and investments to support the Company's growth initiatives.

During the quarter Orbia did not pay any dividends, as the first and second of four equal dividend payments will both be made during the second quarter of the year.

2023 Outlook

During the first quarter of 2023, Orbia had a good start to the year across all businesses, with several of the Company's end markets improving compared to the end of 2022. However, the Company remains cautious under the current macroeconomic conditions and market uncertainty, including uncertain ongoing impacts of monetary tightening, exchange rate volatility, inflationary challenges and the war in Ukraine. Therefore, Orbia reaffirms its EBITDA guidance of $1.65 billion or higher for 2023 and will continue to refine its guidance as the year progresses. The Company also reaffirms its capital expenditure guidance in the range of $600 million to $700 million for 2023, which includes maintenance spending and growth-related investments.

Strategy Update Webcast Details

Orbia will host a Strategy Update webcast on Tuesday, June 6th, 2023, via a live stream webcast. Sameer Bharadwaj, Chief Executive Officer and Jim Kelly, Chief Financial Officer will provide an update on the Company's execution of its sustainability-aligned business platform, long-term growth and value creation strategy and multi-year financial targets.

Further details to access the webcast will be announced soon.

Conference Call Details

Orbia will host a conference call to discuss Q1 2023 results on April 27, 2023, at 9:00 am Central Time (CT Mexico City)/10:00 am Eastern Time (ET New York). To access the call, please dial 001-855-817-7630 (Mexico), 1-888-339-0721 (United States) or 1-412-317-5247 (International).

Participants may pre-register for the conference call here.

The live webcast can be accessed here.

A recording of the webcast will be posted several hours after the call is completed on Orbia's website.

For all company news, please visit www.orbia.com/this-is-orbia/newsroom.

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Consolidated Income Statement

mm US$	First Quarter		
Income Statement	2023	2022	%
Net sales	2,280	2,596	-12%
Cost of sales	1,620	1,832	-12%
Gross profit	**660**	**763**	**-14%**
Selling, general and administrative expenses	336	297	13%
Operating income (loss)	**323**	**467**	**-31%**
Financial cost	101	42	138%
Equity in income of associated entity	1	2	-75%
Impairment expense	-	-	N/A
Income (loss) from continuing operations before income tax	**223**	**426**	**-48%**
Income tax	143	143	0%
Income (loss) from continuing operations	**80**	**283**	**-72%**
Discontinued operations	-	(0)	-100%
Consolidated net income (loss)	**80**	**283**	**-72%**
Minority stockholders	25	33	-22%
Majority Net income (loss)	**55**	**250**	**-78%**
EBITDA	469	611	-23%

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Consolidated Balance Sheet

	mm US$		
Balance sheet	**Mar 2023**	**Dec 2022**	**Mar 2022**
Total assets	**11,777**	**11,624**	**11,358**
Current assets	**4,649**	**4,584**	**4,333**
Cash and temporary investments	1,384	1,546	970
Receivables	1,528	1,229	1,746
Inventories	1,279	1,320	1,382
Others current assets	458	489	234
Non current assets	**7,128**	**7,040**	**7,025**
Property, plant and equipment, net	3,199	3,170	3,076
Right of use fixed assets, net	361	358	347
Intangible assets and goodwill	3,134	3,105	3,200
Long-term assets	434	408	402
Total liabilities	**8,603**	**8,301**	**7,884**
Current liabilities	**3,330**	**3,045**	**2,950**
Current portion of long-term debt	691	760	392
Suppliers	1,311	1,279	1,588
Short-term leasings	90	84	82
Other current liabilities	1,238	923	888
Non current liabilities	**5,273**	**5,256**	**4,934**
Long-term debt	3,938	3,936	3,429
Long-term employee benefits	137	137	213
Long-term deferred tax liabilities	388	373	348
Long-term leasings	281	285	284
Other long-term liabilities	530	525	660
Consolidated shareholders'equity	**3,174**	**3,324**	**3,474**
Minority shareholders' equity	657	655	695
Majority shareholders' equity	**2,517**	**2,668**	**2,779**
Total liabilities & shareholders' equity	**11,777**	**11,624**	**11,358**

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Cash Flow Statement

mm US$	First Quarter		
	2023	2022	%Var.
EBITDA	469	611	-23%
Taxes paid, net	(64)	(69)	-8%
Net interest / bank commissions	(74)	(55)	34%
Change in trade working capital	(181)	(309)	-41%
Others (other assets - provisions, Net)	(19)	(10)	92%
CTA and FX	36	27	34%
Operating cash flow	167	194	-14%
Capital expenditures	(142)	(101)	41%
Leasing payments	(24)	(24)	-1%
Free cash flow	1	68	-99%
FCF conversion (%)	*0.2%*	*11.2%*	
Dividends to shareholders	-	0	-100%
Buy-back shares program	2	(28)	N/A
Debt	(128)	286	N/A
Minority interest payments	(31)	(31)	0%
Mergers & acquisitions	-	(108)	-100%
Financial instruments and others	(7)	2	N/A
Net change in cash	(163)	189	N/A
Initial cash balance	1,546	782	98%
Cash balance	1,384	970	43%

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Notes and Definitions

The results contained in this release have been prepared in accordance with International Financial Reporting Standards ("NIIF" or "IFRS") with U.S. Dollars as the reporting currency. Figures are presented in millions, unless specified otherwise.

Figures and percentages have been rounded and may not add up.

About Orbia

Orbia is a company driven by a shared purpose: to advance life around the world. Orbia operates in the Polymer Solutions (Vestolit and Alphagary), Building and Infrastructure (Wavin), Precision Agriculture (Netafim), Connectivity Solutions (Dura-Line) and Fluorinated Solutions (Koura) sectors. The five Orbia business groups have a collective focus on expanding access to health and wellness, reinventing the future of cities and homes, ensuring food and water security, connecting communities to information and accelerating a circular economy with basic and advanced materials, specialty products and innovative solutions. Orbia has a global team of over 23,000 employees, commercial activities in more than 110 countries and operations in over 50, with global headquarters in Boston, Mexico City, Amsterdam and Tel Aviv. The company generated $8.8 billion in revenue in 2021. To learn more, visit: orbia.com.

Prospective Information

In addition to historical information, this press release contains "forward-looking" statements that reflect management's expectations for the future. The words "anticipate," "believe," "expect," "hope," "have the intention of," "might," "plan," "should" and similar expressions generally indicate comments on expectations. The forward-looking statements included in this press release are subject to a number of material risks and uncertainties, and our results may be materially different from current expectations due to factors, which include, but are not limited to, global and local changes in politics, economic factors, business, competition, market and regulatory factors, cyclical trends in relevant sectors as well as other factors affecting our operations, markets, products, services and prices that are highlighted under the title "Risk Factors" in the annual report submitted by Orbia to the Mexican National Banking and Securities Commission (CNBV) and available on our website at https://www.orbia.com/investor-relations/financial-reports/annual-reports-and-filings/. The forward-looking statements included herein represent Orbia's views as of the date of this press release. Orbia undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law."

Orbia has implemented a Code of Ethics that helps define our obligations to and relationships with our employees, clients, suppliers, and others. Orbia's Code of Ethics is available for consultation at the following link: http://www.Orbia.com/Codigo_de_etica.html. Additionally, according to the terms contained in the Mexican Securities Exchange Act No 42, the Orbia Audit Committee has established a "hotline" system permitting any person who is aware of a failure to adhere to applicable operational and accounting records guidelines, internal controls or the Code of Ethics, whether by the Company itself or any of its controlled subsidiaries, to file a complaint (including anonymously). This system is operated by an independent third-party service provider. The system may be accessed via telephone in Mexico, via internet at www.ethics.orbia.com or via email at ethics@orbia.com. Orbia's Audit Committee has oversight responsibility for ensuring that all such complaints are appropriately investigated and resolved.

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Attachment 2_904 Lubbock Business Park Blvd - Google Maps L15

Google Maps

904 Lubbock Business Park Blvd

904 Lubbock Business Park Blvd Lubbock TX 76403 L15

Imagery ©2023 Maxar Technologies, U.S. Geological Survey, Map data ©2023 100 ft

Attachment 2_904 Lubbock Business Park Blvd - Google Maps L15

904 Lubbock Business Park Blvd

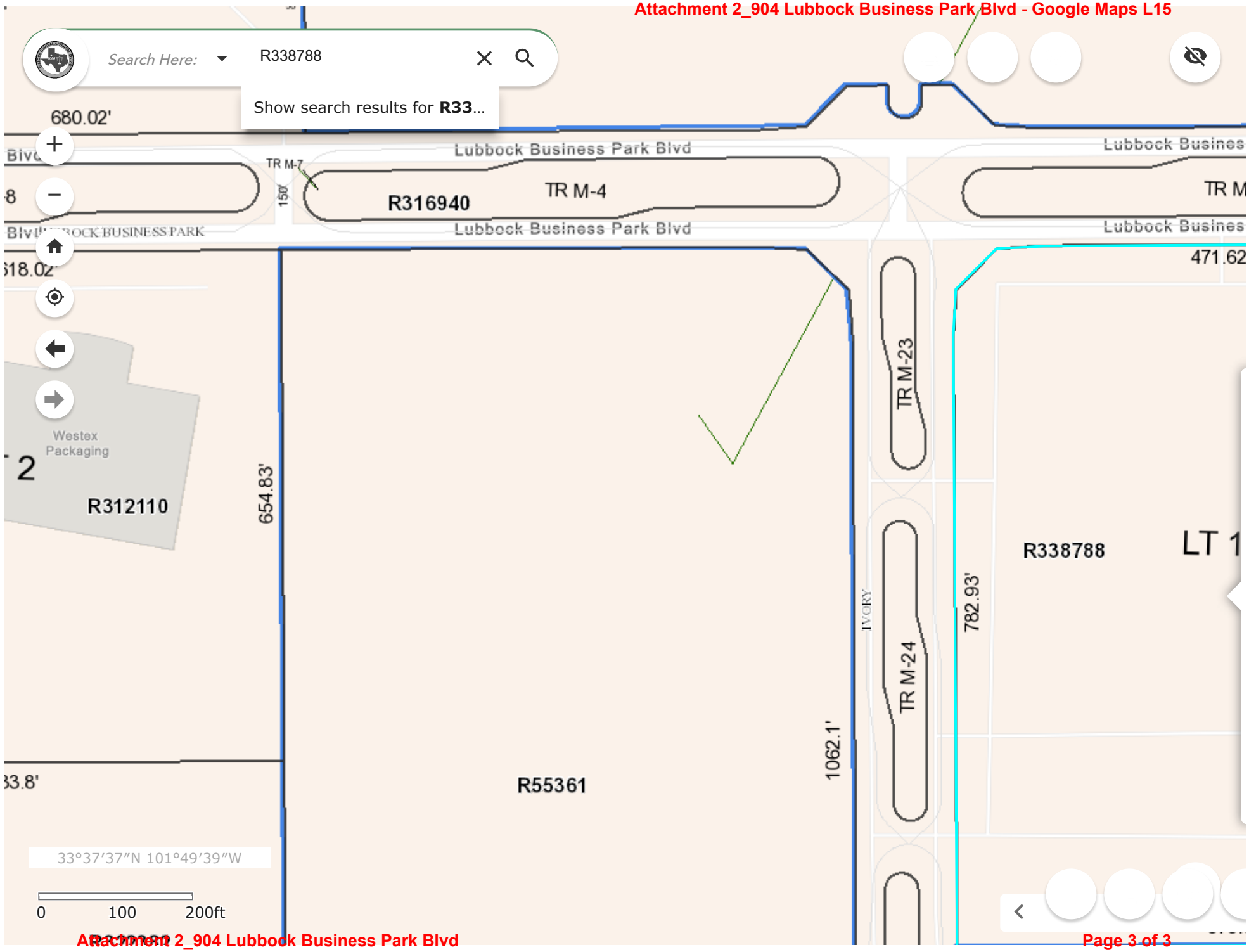
Directions | Save | Nearby | Send to phone | Share

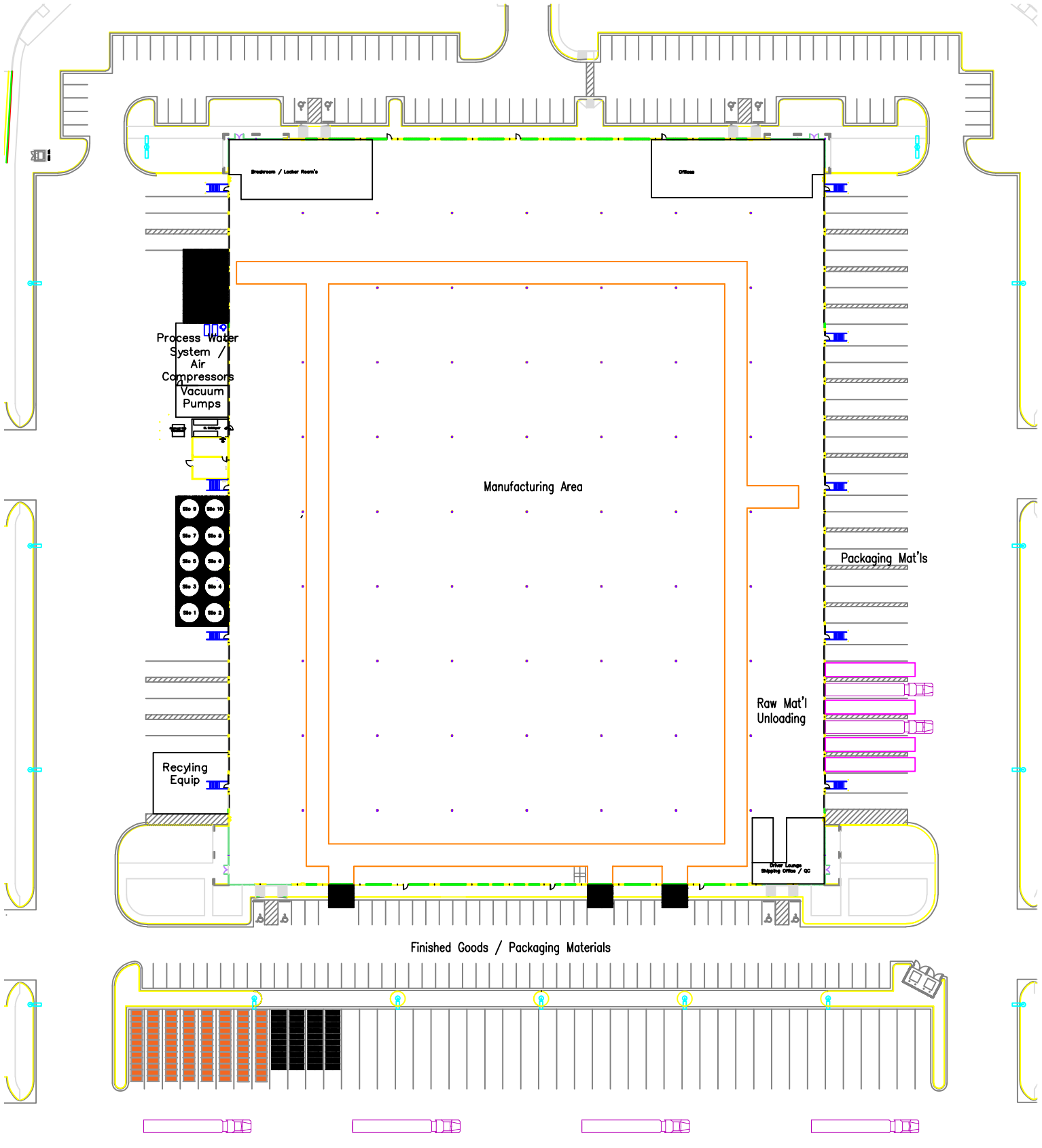
904 Lubbock Business Park Blvd, Lubbock, TX 79403

J5GF+PR Lubbock, Texas

Photos

Attachment 2_904 Lubbock Business Park Blvd - Google Maps L15




Breakroom / Locker Room's
Offices
Process Water System / Air Compressors Vacuum Pumps
Manufacturing Area
Packaging Mat'ls
Raw Mat'l Unloading
Recyling Equip
Driver Lounge Shipping Office / QC
Finished Goods / Packaging Materials
Finished Good Storage and Truck Loading

Dura-Line Extrusion Facility

Outline Specifications

904 Lubbock Business Park Boulevard, Lubbock, TX 79403

February 10, 2023

A: Project Introduction:

Project Scope of Work:

The shell building shall require two building additions attached to the North Ivory Avenue side of the facility for a Grinding Room and a Vacuum Pump/Process Pit Room. The additions shall match the material type and finishes of the existing building. The clear heights of the additions shall be 27'.

The finished floor elevation of the Grinding Room addition shall be approximately 48" below the existing finish floor elevation and the exterior wall of the Grinding Room shall include a 12' x 14' insulated overhead door with 3-button controller.

The Process Pit Room shall include below ground water pits with a minimum depth of 12 ft. and a capacity of approximately 15,000 GAL (7,500 GAL per side). Provide approximately 400 LF of 16" PVC pipe with a 0.5% slope under the slab for process water draining to the water pit referenced above for a close-loop water system with 13 riser stubs above concrete. Also provide 400 LF of Zurn floor drain with sump, pump & filter draining to the process pit. The Process Pit Room and Vacuum Pump room shall each include a 12' x 14' insulated overhead door with 3-button controller.

The tenant improvement non-process MEP shall be designed to avoid modifications to the existing building roof structure. Provide modifications to the existing building roof structure as required for the process water, compressed air and pellet conveying systems.

Three (3) 14' x 16' insulated drive-in doors with 3-button controls and concrete ramps to the exterior pavement shall be provided at the plan south building elevation.

Sawcut existing floor and provide six (6) dock positions at southeast elevation with equipment as specified.

Provide interior improvements as specified.

Provide exterior concrete patio with privacy fencing, silo pads and chiller pads as specified.

Extend the existing concrete pavement at the south end of the site by approximately (2) acres to provide a total of (5) acres of concrete pavement for finished goods storage. Provide site lighting as specified with additional light poles as required. Remove the existing curbed island within the south pavement area and pave to match existing.

Provide 10' high chain link security fencing at the perimeter of the entire site with five (5) powered sliding gates at entry with locks at driveway entrances to the site.

The utility usage estimates for the facility are:

1) Power: ± 8,000 amps of 480/277v
2) Gas = 400 MMBtu in peak months
3) Water = 60,000 gallons per month
4) Discharge = standard warehouse facility
5) Fiber = OM4, multimode fiber unless it exceeds max recommended distanced, SC connectors.

The following division of responsibilities shall be followed for the process utilities:

Dura-Line:
Electrical:
1. Design/install secondary conduits, secondary wiring, main switchgear.
2. Design/install equipment distribution from main switch(conduits, wiring, panels, disconnects, final connections).
3. Design/install network cabling between PLCs & process equipment.

Process Water:
1. Design/install chillers, piping, pumps, filters, valves, control scheme and connections to equipment. Dura-Line to purchase chillers direct.
2. Provide isometric drawings, piping loads, elevation layout drawings and support drawings.
3. Provide design geometry (size and location) of the pits, underground 12”-16” PVC piping and Zurn drain system.

Compressed Air:
1. Design & install the compressed air loop and drops. Dura-Line to purchase air compressors direct.
2. Provide isometric drawings, piping loads, equipment specs.

Equipment Installation:
1. Install extruder and downstream equipment.
2. Install Dura-Line provided grinding equipment.
3. Design & install blender mezzanines.
4. Design & install rail unloading system.

Design/Builder:
Electrical:
1. Install trenching and backfill for raceway from street to transformer pad for main electrical service.
2. Coordinate installation of feeders from street to transformer with Electric Company. Set Electric Company transformer pad. Coordinate installation of transformer with Electric Company.
3. Design/install electrical distribution to the building elements from the main switchgear for: all exterior improvements, exterior lighting, gate power and controls, signage, building shell, fire suppression system, warehouse lighting, exit lighting, emergency lighting, warehouse AC, warehouse convenience receptacles, dock equipment, overhead doors, tenant office buildout, truckers lounge, breakroom, restrooms, truckers lounge and shipping office.
4. Design/install fire alarm system.
5. Relocate existing raceway for phone and data service entrance in the building within the Electric Room.

Process Water:
1. Provide structural permit design/installation of the pits based on provided geometry.
2. Provide permit design/installation of underground 16” PVC piping and Zurn drain system based on provided geometry.

B: Outline Specifications

A. Introduction:

a) Design/Builder shall make sure the components outlined in this outline specification will be reflected in the design.

b) The outline specification is a brief description of the main components to be used in the construction of the Dura-Line facility. It serves to describe the scope of work to the Design/Builder.

B. Outlined Specification for main building components:

Scope:

Design/Builder will provide complete design-build services from the site and building design through permitting, construction, and final turnover as outlined in this specification.

Architectural, structural, civil, fire protection, plumbing, mechanical, and electrical design drawings and specifications will be provided by the Design/Builder through licensed design professionals.

Compliance:

The project will be designed and constructed in conformance with all applicable local, county, state, and national codes, laws, and ordinances. All building construction and site improvements shall comply with all governing jurisdictions, including but not limited to all applicable building codes, ADA guidelines, FM Global standards, environmental standards, local zoning ordinances, and site industrial park covenants. All subcontractors, material suppliers, and others employed by the Design/Builder will be appropriately licensed, insured, trained, and qualified to perform their respective scopes of work.

Preliminary Space Planning:

- The purpose of this phase will be to review the proposed building, together with Owner's operation requirements to ensure compatibility. These services will include, but not be limited to, the following:
  - Prepare preliminary plans (1/8" = 1'0" Scale) for the project with all personnel, production, and support areas included.
  - Provide a "Space Audit" for each building component, that includes an area take-off that breaks out each category of personnel and use.
  - Attend all required meetings with Owner; incorporate Owner comments into plan, and ultimately create a plan that is approved by Owner.

Schematic Design-Core/Shell, and Interior:

- The preliminary space plan will be reviewed, and any changes desired by Owner will be incorporated into the final approved space program.
- According to the final approved space program, prepare drawing revisions as may be necessary in order to create a schematic layout, incorporating all personnel and uses. The Schematic Plan will include adjacencies representing the organization of the various departments and uses.
- Prepare a recommendation as to the design concept and appearance of the new space that accounts for Owner requirements, overall building design and the Owner's standards, desires and preferences. Refine the Owner's office and workstation standards, if necessary.

- Prepare schematic layouts for the special use areas such as reception, training and conference rooms, computer rooms, copy, coffee, storage, filing, lunchrooms, supply, and mail areas. The architect will be responsible for specifying furniture, casework, and "built-ins" for these areas.
- Ensure schematic designs comply with all applicable codes.
- Coordinate building plan with Civil, MEP, and landscape trades as required.
- Prepare a final presentation of all of the items above, in addition to interim presentations as required.
- Prepare document revisions based on Owner/team review of drawings, leading to a formal approval of the Schematic Design Package.

Design Development:

- Based on the approved Schematic Design package, prepare drawings and specifications that fix and define the scope, materials, and character of the project, and describe architectural systems, furniture, fixtures and equipment and other special treatments.
- Develop and define the appearance of the space, including proposed color schemes and finishes for walls, floors and ceilings. Provide millwork detailing and material selections, window treatments, and other special treatments as required for a complete design.
- Engage subconsultant partners such as Civil & MEP engineers, structural engineers, landscape architects, etc. as required for a full and complete design.
- Coordinate with the other design consultants to incorporate their work into the Design Development package.
- Coordinate electrical, data, and telecommunications requirements with the Owner’s personnel.

Construction Documents:

- Based on an approved Design Development package, prepare complete architectural and engineering working drawings that describe the requirements of construction work for the project.
- Prepare project specifications detailing all materials and required quality levels.
- The Design / Builder will be responsible for the distribution and tracking of all shop drawings/submittals. The Design / Builder will be required to overnight or courier packages to the Architect, Engineers and Development Manager, and remaining distribution will be sent via regular mail. Packages to the subcontractors/suppliers cannot be released without prior approval of the Architect and Engineers. Following the award of the contract, the Design / Builder will have one week to prepare and submit a schedule to The Owner and other persons designated by The Owner delineating the timeframe for submission of shop drawings, cut sheets and samples. The Design / Builder will be expected to track the individual submittal schedules to ensure submissions are made according to the schedules. Prior to distributing each submittal, the Design / Builder shall review each submittal for accuracy.
- Update and refine the construction budget, primarily based on quantities and unit prices.
- Provide detailed CADD disks to furniture vendor, including furniture layout and critical "hold" dimensions. In coordination with the design concept, recommend furniture and fixtures for reception areas, conference areas and other specialty areas.
- File for and obtain all required governmental approvals.

Division 01 General Conditions

Permits and Fees:

The Design/Builder will be responsible for coordinating, submitting, and achieving approval of all permits required to complete the project. Include all the necessary State and Local building permit fees, including tap-on and connection fees, and inspections.

Utilities:

The Design/Builder will initiate, set up, coordinate, install and pay for all temporary utilities required for the entire construction duration. Following Beneficial Occupancy, the Design/Builder shall remove all temporary utilities and coordinate with the Tenant to facilitate the transfer from temporary service to permanent service.

The Design/Builder will coordinate and provide for the installation of all permanent utilities. Design/Builder to connect to existing utilities. If the existing utility infrastructure is not adequate for the new expansions the Design/Builder shall provide additional capacity to the existing system.

Testing and Inspections:

Design/Builder will provide quality assurance inspections and materials testing by a licensed professional for specific assemblies and materials, including soil, concrete, masonry, structural steel, roof, and pavements. Copies of the results of all inspections and tests will be provided to Dura-Line, architect, and government jurisdictions as required.

Insurance:

The Design/Builder shall provide Builder's Risk, General Liability / Umbrella coverage, and Worker's Compensation and list additional insured as according to Dura-Line's requirements.

Warranties:

1. The Design/Builder will provide a standard (2) year warranty for all material, labor, and workmanship.
2. The existing roof warranty should be maintained.

General Conditions:

The Design/Builder will provide all general conditions necessary for the successful execution of the project. General conditions are:

- Mobilization
- Project Management
- Administrative Support
- Site Supervision & Security (provide live video feed to monitor construction activity progress)
- Design Management
- Constructability Review and Value Engineering
- Project Planning and Scheduling
- Project Cost Budgeting and Cost Control
- Permit Coordination and Expediting
- Procurement of Materials and Labor
- Contract Administration
- Shop Drawing Review
- Temporary Utilities
- Temporary Construction Trailer / Field Office
- Project Identification Sign(s)
- Fire and Safety Equipment
- Rubbish Dumpsters and Removal
- Miscellaneous Labor
- Soil and Material Testing and Analysis During Construction

- Construction Layout
- Messenger/UPS/Federal Express/Mail/Fax
- Office Materials and Equipment
- Phone Charges
- Progress Photos
- General Clean up

Project Close-Out:

Dura-Line will receive the following data and services as part of the project closeout:

1. A complete list of subcontractors including contacts, addresses, and phone numbers for all subcontractors and material suppliers.
2. Copies of all Waiver of Liens for all subcontractors and general contractors.
3. Three (3) sets of as-built drawings; also provide electronic copies.
4. One (1) set of maintenance and operation manuals with electronic copies.
5. Hold training classes in the operation of all equipment. Training to include the following information:
    - Written description of sequences, processes, and equipment
    - Video recording of all training sessions
    - Provide professional training staff to instruct designated facility management representatives in equipment maintenance and operation
6. Documentation of all equipment and systems commissioning, but not limited to the following:
    - Air handling equipment
    - Energy management equipment
    - Door equipment
7. Copies of all test and balance reports.
8. Copies of all certificates of inspection and approval.
9. All required keys with a corresponding keying schedule.
10. Attic stock (2% for ceiling tile and flooring).
11. Written warranties and guarantees.
12. Maintenance proposals for equipment: two (2) year included with five (5) year optional extension.

Division 02 Demolition

Demolition:

- All necessary site & building demolition work is to be completed in a neat and orderly fashion with minimal impact on the surrounding areas.

Division 03 Concrete

Foundations:

- Provide all concrete for perimeter footings including all rebar reinforcing as required.
- Provide insulation to slabs as required by code.

Floor Slabs:

- Warehouse slab-on-grade shall be a minimum 6” concrete, 4000 psi with 6x6x6 WWF over 4” aggregate base course + Proper subgrade material preparation per geotechnical recommendation. Overall floor flatness shall be Ff=45 and overall floor levelness shall be Fl=30.

- All concrete floor slabs shall have saw cut control joints on centers no greater than 15'. Isolation at columns is provided. All construction joints shall have diamond dowels.
- Office slab on grade shall be 5" concrete, 4,000 psi with 6x6x6 WWF over a minimum 4" aggregate base course. Proper subgrade material preparation per geotechnical recommendation
- Provide reinforcement for the concrete surface for areas that subject to surface abuse of moveable equipment.

Concrete Wall Panels:

- Exterior walls shall be constructed of load-bearing concrete designed to meet structural load and bracing for the building height. Concrete is to 4000psi. Panels shall have the code required thickness of applied rigid insulation. Concrete panel materials and exterior finish to match existing building.

Concrete Coatings and Sealants:

- Apply two coats of Ashford formula (or approved equal) floor sealer to new floors per manufacturer's instructions after scrubbing the floor of all dirt, grease, and foreign materials.
- All saw-cut and construction joints shall be filled with polyurea or an equal product including the interior perimeter of the building where the slab on grade meets the exterior wall.
- Provide Option for high wear concrete hardener at Reeler areas to reduce surface abuse.
- All of the joints should be caulked. (Polyurethane)

Concrete Water Pit:

- Provide below ground water pits on one side of the building with a capacity of approximately 15,000 GAL (7,500 GAL per side). Specific dimensions are to be determined by site specific layout. Minimum depth of 12 ft.

- Provide approximately 400 LF of 16" PVC pipe with a 0.5% slope under the slab for process water draining to the water pit referenced above for a close-loop water system with 13 riser stubs above concrete.

Division 04 Masonry – Not Required

Division 05 Metals

Steel Structure:

- The structure is to be a combination of steel tube columns, beams, or open web joist girders and joists, joist bracing with all materials having factory-finished gray anticorrosive coating.
- Steel shall be designed to meet FM Global requirements.
- Steel structure is to be designed in coordination with the specified roofing system.
- Roof deck shall be 22-gauge, factory-primed grey top/white bottom finish.
- Cross bracing (K or inverted K) is not allowed for the bracing of the structure.
- 36' is to be the minimum clear height of all structural steel and MEP/FP systems.
- Include all structural steel framing and reinforcement of rooftop equipment.
- Confirm all additional imposed roof loads such as suspended conveyor, piping and roof mounted HVAC.

Miscellaneous Metals:

- Anchor bolts
- Bollards – (4) bollards at each drive-in door, (3) bollards at each fire hydrant.
- Miscellaneous roof support angles.

- Handrails and railings as required by code.
- Dock pit frames.
- Roof drain guards.
- Guard rails at electrical panels and fire protection risers.

Division 06 Wood & Plastics

Wood Blocking:

- Roof blocking as required.
- Provide fire treated wood blocking in offices at toilet accessories, millwork, AV locations, and other locations per the Office Specification.

Finish Carpentry:

- Provide all millwork for the new office areas, restrooms, breakroom, and locker room areas per the Office Specification.

Division 07 Thermal & Moisture Protection

Roof System:

- Match existing roof system with 2 layers of insulation with joints staggered to meet code required R-value, maintain existing roof warranty.
- Provide copings, flashings, and fascia for a complete weatherproof installation using 24-gauge galvanized sheet steel with a finish to match existing.
- Provide structural design and wind load requirements for the building structure per local requirements.

Building Insulation:

- Walls should meet code required R-value. All applied wall insulation shall be rigid.

Roof Hatch – N/A

Division 08 Doors & Windows

Hollow Metal Doors and Frames:

- Added exterior man doors will be 3’ x 7’ insulated, prime painted, steel foam filled frames with weather stripping, lever type mortise hardware, closers, and exterior keying to meet Dura-Line requirements.
- Provide panic hardware where required by local code.
- Electric strikes will be required at security checkpoints inside and outside the facility. Final locations to be coordinated with Dura-Line.
- All exterior man doors should have badge access.
- Provide interior doors per the Office Specification.

Overhead Doors:

- Provide three (3) 14’ x 16’ drive-in doors with 3 button control station motor operators, vertical lift type with 24-gauge factory pre-finished steel skin, 3” heavy-duty galvanized door track, 3” polystyrene insulation, weather stripping, and compressible bottom seal.
- Provide three (3) high-speed doors in the same opening as the drive-in door.

- Provide three (3) 12'x14' insulated doors with 3 button control station motor operators, vertical lift type with 24-gauge factory pre-finished steel skin, 3" heavy-duty galvanized door track, 3" polystyrene insulation, weather stripping, and compressible bottom seal at Grinding Room, Vacuum Room and Process Pit Room.

Glass and Glazing:

- Aluminum finish to match existing building.
- Provide glass to match existing.
- Exterior glazing to be 1" thick double pane. Provide tempered glazing where required by code.
- Sealants are to be provided on the exterior and interior perimeter of framing systems.
- Sealants are to be two-part polyurethane or silicone products.
- Provide interior glass and glazing per the Office Specification.

Division 09 Finishes

Drywall and Acoustic Ceilings:

- Provide all new walls and ceilings per the Office Specification.

Paint:

- Paint all hollow metal doors and frames. Paint misc. metals including dock angles, bollards, railings, guardrails, and stairs safety yellow. Oil-based paint shall be used on all metal surfaces.
- All walls in the warehouse & manufacturing area are to be painted white. Any wall area receiving rigid insulation shall remain unpainted.
- All drywalls shall receive one (1) coat of primer and two (2) coats of premium latex paint.
- Paint the interior walls in the warehouse area grey to 48" AFF and a blue stripe from 48" to 60" AFF. Tenant to provide exact colors. The remaining warehouse walls above the blue stripe shall be painted white.
- Paint the exterior of the building to match the provided elevations.
- Paint materials shall be Benjamin Moore, Sherwin Williams or equal.

Flooring:

- Provide flooring and base per the Office Specification.

Division 10 Specialties

Specialties:

- Provide lockers and benches per the Office Specification.

Toilet Partitions & Accessories:

- Provide toilet room partitions and accessories per the Office Specification.

Window Treatments:

- Provide window treatments for all exterior windows.

Fire Department Requirements:

- Fire extinguishers are to be provided and located to meet code. Provide a Knox Box(s) as required by the local Fire Department.
- Fire alarm requirements and quantities are to be customized to be compatible with the Dura-Line's racking and other equipment.

Division 11 Equipment

- Provide the following Rite Hite dock equipment at six (6) dock positions.
    - 7'x8' RHH-4000 Hydraulic Dock Levelers and associated control panels including exterior red/green communication lights
    - Classic dock seal with traditional head curtain
    - Dok-Guardian HD Safety Barriers
    - SHR Series Dok-Lok Vehicle Restraints
    - Z-guards at overhead door tracks
    - Laminated dock bumpers

Division 12 Furnishings

No furnishings are included in the construction pricing.

Division 13 Special Construction

No special construction is included in the construction pricing.

Division 14 Conveying Systems

No conveying system items are included in the construction pricing

Division 21 Fire Protection Systems

Fire Protection:

- Modify existing automatic ESFR fire sprinkler system designed to NFPA standards. Provide hose valves as required by local authorities.
- Fire protection system shall be designed to meet FM Global requirements.
- Provide fire protection system in the office area to meet local code.

Division 22 Plumbing Systems

Water Service:

- Provide modifications to the existing domestic water as required, adequately sized for building usage. Provide backflow preventers and meters as required by the local jurisdiction.

Storm Drainage:

- Roof storm drainage shall be through gutters and downspouts.

Sanitary Sewer:

- Modify existing sanitary service as required and stub up into the proposed office areas. Includes all necessary waste and vent piping.

Plumbing:

- Plumbing for the office areas shall be provided to match the Office Specification.

Plumbing Fixtures:

- Fixtures to be according to the Office Specification.

Division 23 HVAC Systems

Heating / Ventilation:

- Provide office heating and cooling according to the Office Specification.
- Provide warehouse heating to achieve 60F @ 0F outside air temperature.
- Provide code required warehouse ventilation thru rooftop mounted or sidewall mounted fans utilizing the existing louver locations.
- Smoke evacuation systems shall be provided per local code.
- Start-up of all equipment, testing and balancing of systems two (2) year parts, and labor warranty included.
- Provide (4) 16' HVLS fans in the manufacturing area.
- Provide alternate to air condition the manufacturing area. Alternate shall include providing rigid insulation from 10' AFF to roof at all exterior walls.

Division 26 Electrical Systems

Power and Receptacles:

- Power capacity: 8,000 amps at 480 volts. Main electrical service and distribution and connections to all production equipment to be provided by Dura-Line.
- Provide all necessary receptacles, including GFI where required by code.
- Provide convenience receptacles on every column in the warehouse area.
- Provide receptacles for appliances, general power, and rough conduit for low voltage systems per the Office Specifications.

Low Voltage – Rough In:

- Provide rough-in (pathways, conduits, and boxes) for LV systems to accessible areas above ceilings. In Warehouse areas rough-ins are to be extended to bar joists elevation.
- The electrical sub will need to install conduits and LV wiring for the AV/IT/Security. All headend equipment will be by Dura-Line.

Site Lighting:

- Provide LED wall packs on the building expansions no less than every 100' apart, a light at each man door to meet local code or 1 foot-candle, whichever is greater, as required.
- Site lighting to be controlled by photocell.
- Design/Builder should provide adequate working light in the yard. Design 5.00 AVG maintained foot candles with a uniformity ratio of 20 to 1.
- Light poles to be installed as required. Grid pattern, not checkerboard.

Utility Services:

Electric service that is adequately sized to accommodate the building shall be provided by others.

Interior Lighting:

- Provide LED fixtures with motion sensors to achieve the following minimum foot candles:
  30FC in shop and warehouse areas.
  50FC in office, restrooms, locker rooms, employee, and misc. areas
  Strip lights are to be provided in utility rooms.
- All light fixtures will be LED.
- Lighting fixtures to be according to the Office Specification.

Emergency and Exit Lighting:

Provide combination exit/emergency fixtures and emergency battery back-up as required to satisfy code, including customization compatible with the Tenant's racking and other improvements. Requirements and quantities could change once the racking plan is provided by Tenant. Provide an emergency generator if required by the local building officials.

Mechanical:

Provide power wiring and connections to all HVAC equipment.

Division 28 Electronic Safety & Security

Fire-Alarm System:

- Provide addressable fire alarm control panels with area annunciation in accordance with all codes.
- Provide manual pull stations in accordance with all codes, but at a minimum at each exit door.
- Provide ADA approved audio/visual devices.
- Provide smoke and heat detection devices, including smoke detectors, duct smoke detectors, heat detectors, throughout for early fire detection.
- Provide sprinkler flow and tamper modules / switches.
- Fire alarm requirements and quantities are to be customized to be compatible with Dura-Line's racking and other improvements.
- Provide conduit / pull boxes for six (6) exterior cameras in yard, mounted on exterior light poles.

Division 31 Earthwork

Excavation:

- Include all site clearing, grubbing, and site preparatory work as required for exterior improvements.
- The building elevation will be established to allow for drainage, which may be handled by means of catch basins, storm sewers, swales, and surface runoff as specific site conditions dictate.
- Sedimentation and erosion control measures will be provided per code.
- The building pad will be compacted to 95% modified proctor density and the parking area to 90%. Building and pavement areas will be proof-rolled to verify subgrade integrity.
- Include removal of all known unsuitable subgrade material and provide structural fill materials.
- If undocumented unsuitable soils are encountered, follow the testing agency's recommendations to either replace with structural fill, suitable for bearing, or use other stabilization methods, and include the necessary compaction. Provide unit pricing for cost adjustments.
- Include the necessary loading and re-spreading of topsoil at the disturbed landscaped areas.
- All detail work including fine grading of the building pad, fine grading of pavement areas, coring of curbs, backfill of curbs, cutting for sidewalks and retaining walls, and other requirements are to be included.
- Provide proper sub-base material below the pavement.
- Include temporary accessways and roads including maintenance for use by this and all others on the site. Place and compact fill material for all new building expansion areas to revised subgrade elevations.
- The site will be a balanced site. If the site does not balance any import or exporting of material from the site is included.
- Provide retaining walls as needed to accommodate the site design
- Any moisture conditioning that may be required to meet the requirements of the soils report shall be included.
- All landscaped areas shall be respread with a minimum of 6" of topsoil for applicable locations.

Division 32 Exterior Improvements

Site Concrete:

- All heavy-duty pavements will be concrete
- Concrete pavements are to be designed to accommodate 75 ESALs per day.
- Sidewalks and stoops at man-doors are to be provided as 5" concrete over 4" compacted stone base as shown on the site plan.
- Provide MAG STD DTL 220-1 Type "a" curb Aggregate Base Course at the entrance roads and around the parking areas.
- Outside finished goods storage to be concrete. Design/Builder must verify and comply with the Geotechnical Engineers recommendations. Specific base, rebar, psi, etc. to be determined by engineers. The initial area will be 5 acres.
- Yard to be sloped in one direction (1% gradient), can't do low level area within yard to avoid finished products rolling around.
- 25'x25' exterior patio adjacent to the office area, gives direct access to café/breakroom.

Concrete Pads:

- Provide concrete pads for Owner supplied silos. Pads to be approximately 2,450 SF and capable of holding (10) 7,000 cubic ft. silos with 200,000 lbs. fill capacity each. Silos are to be 60' tall; The concrete pad should allow for another two smaller silos.
- Provide concrete pads for chillers approximately 1,750 SF. Pads to be 7" reinforced concrete.

Fencing:

- Provide chain link fencing at the perimeter of the site
- Provide five (5) powered sliding gates at auto entry points.

Landscaping and Irrigation:

- Repair existing landscaping and irrigation as required.

Division 33 Utilities

Site Utilities:

- Provide all necessary underground storm, sanitary and water piping modifications as required.

Dura-Line Extrusion Facility

Process & Equipment Scope of Work

904 Lubbock Business Park Boulevard, Lubbock, TX 79403

March 31, 2023

Project Introduction:

Delivered plant will have operational capacity to produce 40.5 M LBS of finished product annually. Standard duct will represent 16 M LBS of total capacity and require two SD designed extruder lines. SD lines will produce up to 2.5-in conduit for direct shipment or for use in Jumbo FuturePath. MicroDuct will represent 16.5 M LBS of total capacity and require four MD designed extruder lines, two of which will have one-pass capability. FuturePath will represent 8 M LBS of total capacity and require five FP designed extruder lines. CIC and PinPoint capability are not included in project scope. Plant will incorporate floor spacing for two additional lines in the future.

Commercial Objectives				
		2024	2025	2026
Sales (k$)		17,852	92,404	112,819
Volume (k lb.)		6,075	33,589	40,785
Volume breakdown (k lb.)				
MD		321	1,619	2,159
FP		3,954	19,970	26,626
SD		1,800	12,000	12,000

Based on existing procurement policy, site will require two weeks supply of virgin HDPE resin on hand or silo capacity to store approx. 1.62M LBS. No rail is available at site, virgin HDPE will be delivered by truck. Eight virgin HDPE silos will be installed on west side of shell building, each will have 200k LBS usable capacity. Silos will be divided into two banks with two ladder access points to catwalks above silos. Silos will be 14-ft diameter with a stack up height not to exceed 54-ft. Silos will be mounted on load cells to support improved inventory management. High and low level rotary paddle indicators will be incorporated.

Silos will be installed by a mechanical contractor. Wiring to silo components and grounding of silos will be completed by electrical contractor.

Resin distribution from silos to extruder lines will be managed as follows:

All virgin HDPE silos will be connected to all extruder lines via 2.5-in convey lines.

Standard Duct lines will have three-layer capability with stripes and require a four-component blender with color add on main extruder, a four-component blender on silicore extruder, and a single component feeder with color add on skin extruder. Blenders will need to support rates at 1800-pph on main extruder, 216-pph on silicore extruder, and 360-pph for skin extruder. Stripers will have an individual loader with pickup wand line side.

MicroDuct tandem (single pass) lines require four-component blenders with 2 color adds on main extruder, four-component blender on silicore extruder, and a single component feeder with color add on oversheath extruder. Blenders will need to support rates at 1100-pph on main extruder, 132-pph on silicore extruder, and 400-pph on oversheath extruder. Stripers will have an individual loader with pickup wand line side.

MicroDuct standard lines require a four-component blender with 2 color adds on main extruder and a four-component blender on silicore extruder. Blenders will need to support rates at 1100-pph on main

extruder and 132-pph on silicore extruder. Stripers will have an individual loader with pickup wand line side.

FuturePath lines require a three-component blender with color add. Three FP lines will incorporate a striper. Stripers will have an individual loader with pickup wand line side.

All design, equipment supply, mechanical install of convey lines to be completed by Sysmetric. All wiring over 24 Vdc to be supplied, run and landed by electrical contractor. Sysmetric to supply wiring diagrams for all equipment to show power requirements and termination points. All controls cables (24Vdc) will be supplied by Sysmetric. Electrical contractor to run cables per Sysmetric wiring schematic as Dura-Line sees fit. Sysmetric will land connections on Sysmetric equipment. All mechanical setting of equipment (blenders, vacuum pumps) will be completed by mechanical contractor. Sysmetric to provide loads for structural review of existing roof.

All CD blenders will be mounted on mezzanines above extruders. Box tilt stations will provide source location for miscellaneous additive and color adds.

Mezzanines will be fabricated by third party and installed by mechanical contractor. Mezzanines will require underside lighting and sprinklers. Height of top deck will be 120-inches, underside clearance to be minimum 106-inches.

Site will incorporate a grinding and pelletizing operation to consume internally generated scrap. Some regrind/reprocessed pellets may be transferred to other Dura-Line sites for use. The grinding system will accept stick material and continuous feed from reels. A continuous payoff and tire puller will feed each grinder. Grinders will be located in an enclosed area to reduce noise and dust. Grinders will incorporate an evacuation system with filter head to minimize dust in grinding room. Grinder 1 will feed directly to regrind silo with continuous throughput captured via a Scaleman. Grinder 2 will also incorporate a Scaleman and feed directly to regrind silo or to a supersac loading station and controlled via a diverter valve. Budget considerations have been made to incorporate color sorter/classifier system (Stage 1 only) based on Clinton prototype.

Regrind silo will be designed similar to virgin HDPE silos with exception of hopper cone angle. Regrind silo will be located with virgin HDPE silos on west side of shell building. Regrind silo will supply feed to pelletizer extruder and have ability to supply a second supersac loading station. Direct connection of Regrind silo to extruder lines is not in scope. Silo will be mounted on load cells to support improved inventory management. High and low level rotary paddle indicators will be incorporated.

Pelletizer will convert regrind to reprocessed pellet. Reprocessed pellets will be blown to reprocessed silo with continuous throughput captured via a Scaleman. Reprocessed will be designed same as virgin HDPE silos. Reprocess silo will be located with virgin HDPE silos on west side of shell building. Reprocessed silo will supply Standard Duct Line 1 and Standard Duct Line 2. Reprocess silo will also have ability to supply supersac loading station (same as regrind supersac station). Silo will be mounted on load cells to support improved inventory management. High and low level rotary paddle indicators will be incorporated.

Silos will be installed by a mechanical contractor. Wiring to silo components and grounding of silos will be completed by electrical contractor.

Site will incorporate a closed loop process cooling system. Chillers will provide required 50F water temp. The site will require three 150-ton high efficiency chillers. A divided process pit (details provided in Outline Specs) will include a (cold) process supply side and a (hot) process return side. VFD recirc pumps will move water from (hot) return side through filter banks to chillers to (cold) supply side of pit. 6-in schedule 80 PVC will be used for chiller side. VFD process pumps will deliver water from (cold) supply side through an 8-in Schedule 80 PVC overhead distribution header to individual extrusion lines (approx. 500 LF). Chilled water distribution will include 2-in drops to a 2-in supply manifold running along utility rail line side. Individual connections will be made from 2-in supply manifold. A 4 in gravity return manifold

will run along utility rail line side to 6-in stub up to under slab 16-in PVC pipe (details provided in Outline Specs). Return manifold will include vent pipes every 20-ft. All new piping will have 1-in thick fiberglass insulation installed, including aluminum jacketing with heat tape on all exterior piping. A make-up supply line will be installed from city water supply to pit.

Process cooling water system to be designed by third party. Chilled water equipment will be procured and installed by mechanical contractor. Chilled water equipment will be wired by electrical contractor. Chilled water piping will be installed by mechanical contractor. Water treatment is not included in this scope - planned as an operating expense per Dura-Line policy.

Site will require (2) 75-HP air compressors for blenders, vac pumps, plasma units, pullers, product testing, box tilt stations, product drying, etc. Air compressors will be stationed in pit room with a 660-gal receiver. System will include an integrated refrigerant dryer, coalescing filters, and oil/ water separator. The compressed air distribution system will include a 2.5-in header loop (1300 LF) around main production area with four 2-in sub headers inside the loop for (22) 1-in drops at extrusion lines. Drops will include ball valves. An additional (8) 1-in piping runs from main loop to specified areas will include drops with ball valves. 1-in drops with valves will also be included at every other column around main production area. All drops w/ valves to be positioned approximately shoulder height off floor.

Installation of compressor system equipment, fabrication & installation of exhaust duct work, materials & labor to install header loop will be completed by mechanical contractor. Wiring to compressors will be completed by electrical contractor. Distribution to point of use to be completed by Dura-Line maintenance personnel.

Existing power at site will not support 6,000-amp operational requirements. A second transformer will be installed on west side of shell building. Transformer installation will require a trench to be cut across concrete lot from utility company tap box to new transformer location. Two 3,000-amp GFI Main breaker, 480-V switchboards with onboard metering and breakers will be installed in new switchgear room. Onboard monitoring to include line voltage and load voltage presence, current, power, reactive/apparent power, frequency, power factor, demand, etc. The existing service entrance will be extended from tap box to new 3,000-amp main switchboard. Eight sets of 500 MCM copper conductors in PVC conduits from new transformer will need to be installed to second 3,000-amp main switchboard. A 400 amp, 480V bus duct with switches to provide power to distribution of downstream equipment on the two (2) Standard Duct extrusion lines will be required. Included in electrical scope will be (3) 75-KVA 480-120/208V, 3-phase transformers and (3) 200-amp, 120/208V breaker panels. Phase loss protection on two switchgear units are out of scope.

Local motor disconnects and wiring for eleven extrusion lines, grinding system equipment, pelletizing equipment, vacuum pumps, blowers, blending equipment, air compressors, silos, silo load cells, supersac loading stations, and chillers in electrical contractor’s scope.

LP&L will install their primary conduit, conductor and transformer. Electrical contractor (DesignPlast) will provide ditch and backfill and new transformer pad.

Standard Duct line setup will include 5s cart to stage tooling. Accessory items to be procured: pins & bushings, red depth indicating thermocouples, die safety guards, sizing sleeves, vac tank roller set, quick change hardware and gaskets for three tank positions, rope payoffs and static eliminators.

MicroDuct line setup will include tooling delivered with equipment. 5s cart will be included to stage tooling. Accessory items to be procured: string payoffs, fiber payoffs (for 2 lines), BB testers, red depth indicating thermocouples, die safety guards, wire flyer & stands, wire straightener & stand, quick change gaskets, sizing sleeves.

FuturePath line setup will include 5s cart to stage tooling. Accessory items to be procured: MD guides, red depth indicating thermocouples, string payoff, wire payoff, wire straightener & stand, 15 payoff sleds

per line, inline oversheath slitter, quick change hardware & gaskets for three tank positions, sponge cutting tools.

Three reel building stations will be fabricated and setup in production area, one on north end for MD reels and two on south end for SD and FP reels.

Product handling scope will include an upender, three floor jacks, racking for raw materials, and one scrap cart per two lines.

In addition to standard QC lab instrumentation, the production area will be supplied with two octopus testers and two fiber testers.

To support OT network and equipment digitization, the following network drops will be required:

- Blending/Gravimetrics (2) – 1 interface per CD blender, 1 interface per Graviman
- Extruder Area (4) – 1 for Extruder PLC, 1 for HMI, 1 for Dimensional monitoring, 1 extra
- Puller/Inkjet Area (4) – 2 for printers, 1 for PFDC terminal, 1 extra
- Reeling Area (2) – 1 for Operator HMI/PC, 1 for Scanner
- Pelletizing/Grinding/Scales/Silo Area (1 each) – 1 each, a small switch/router can be deployed if necessary
- Displays/TVs (2) – 2 each
- Chillers – 1 per chiller

Production floor will be PFDC network ready for nine workstations. SAP will be deployed with Go Live included in project scope. Entire site will have Wi-Fi coverage, including yard.

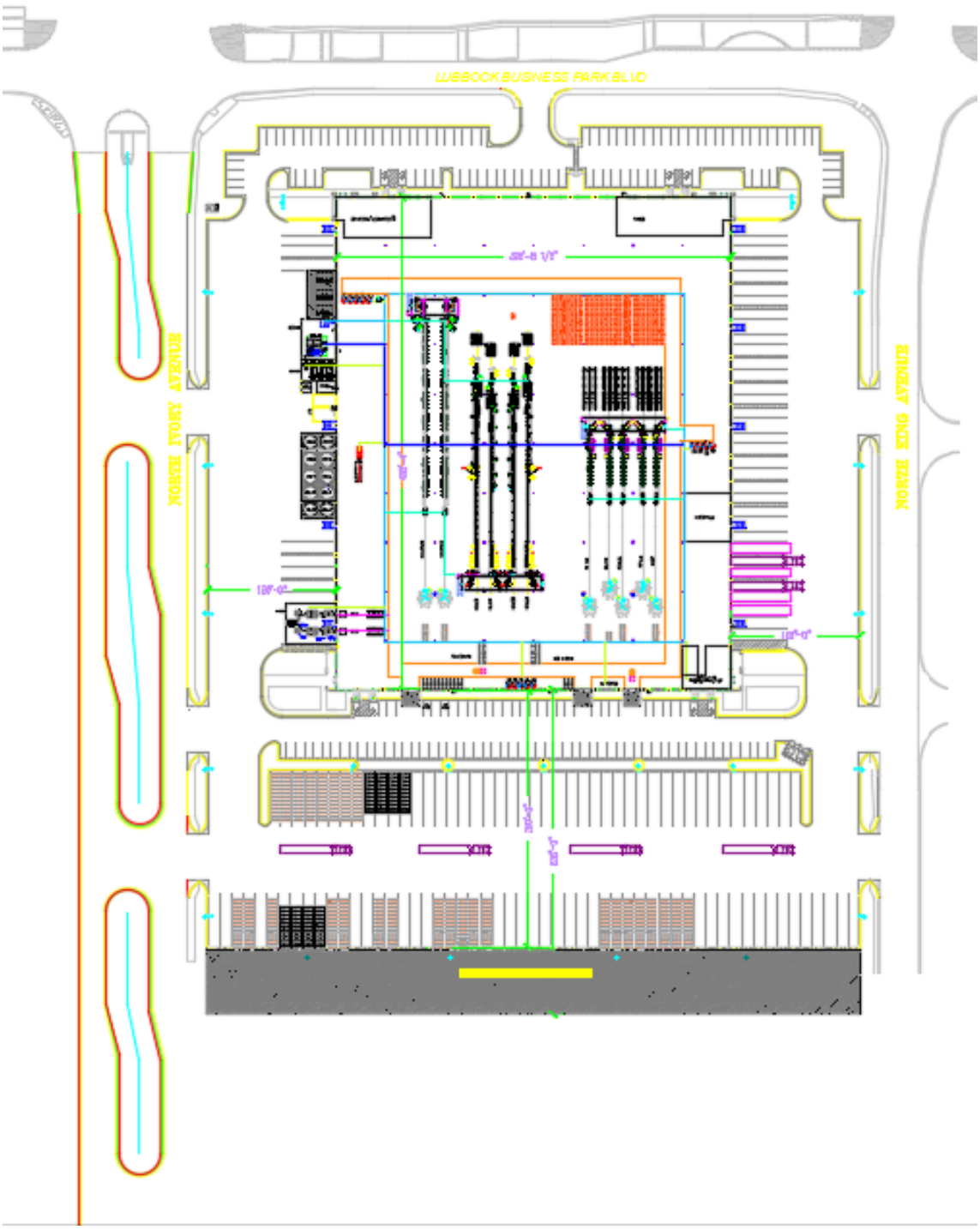
This site will follow current EHSS guidelines and will install and operate access control and monitoring infrastructure consisting of, perimeter fencing, access control for all entries, including trucking and camera monitoring of all perimeters. Perimeter fencing will extend from north corners of building out around east & west lots and entire south lot. Employee auto parking lot on north end will be outside perimeter fence. Four truck access control locations will be included with one manual gate for maintenance to access north end of building. All exterior doors not within perimeter fencing will include access control.

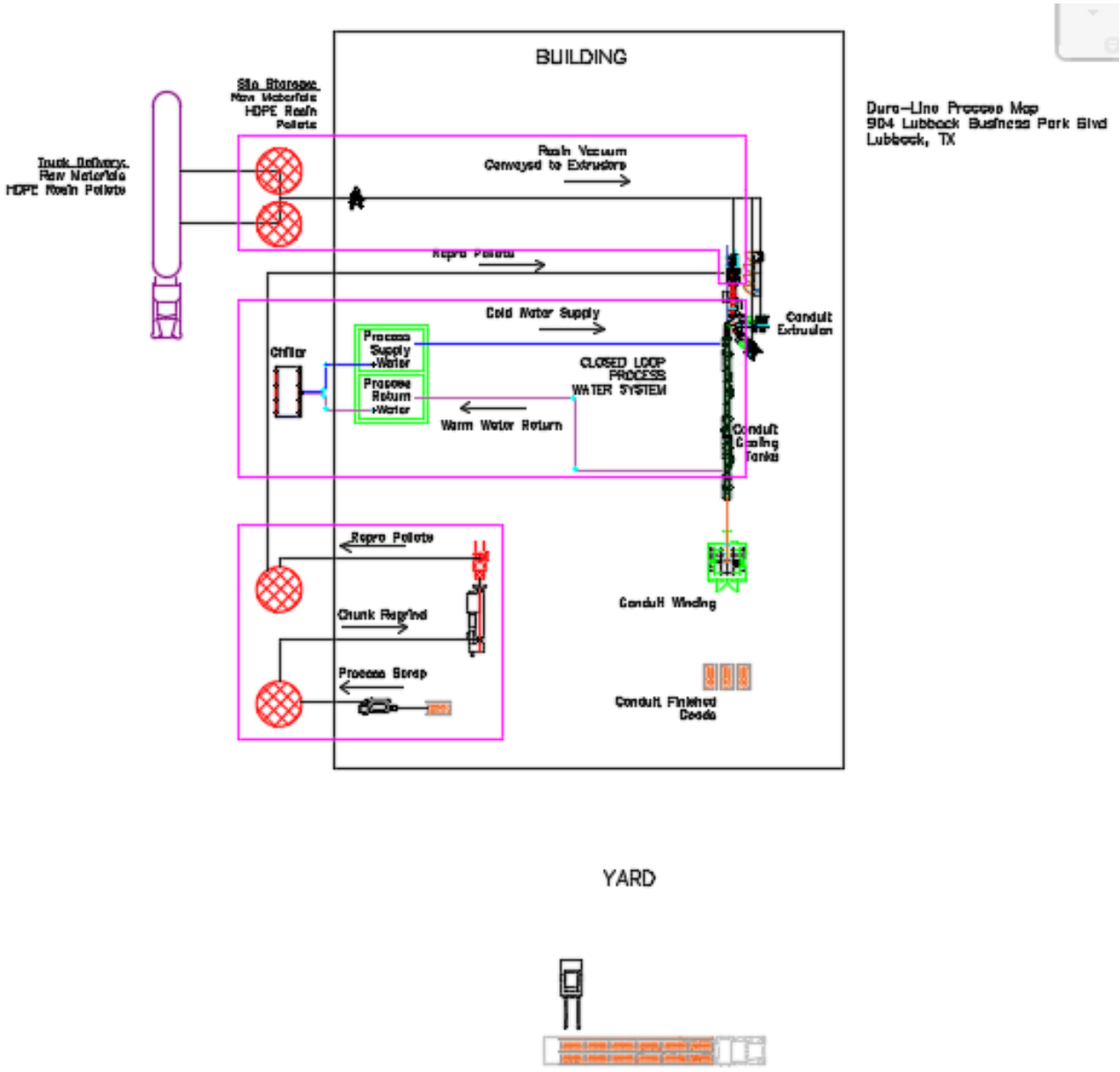
Site will follow current EHSS guidelines for production area considerations. Site already has an existing fire suppression system installed. Extension of fire suppression system will be required for protection under mezzanines.

Site will incorporate a fenced area within main building for Maintenance department. Budget considerations have been made for maintenance tools & basic support equipment. Site critical spare parts will be established per Critical Spare Parts policy.

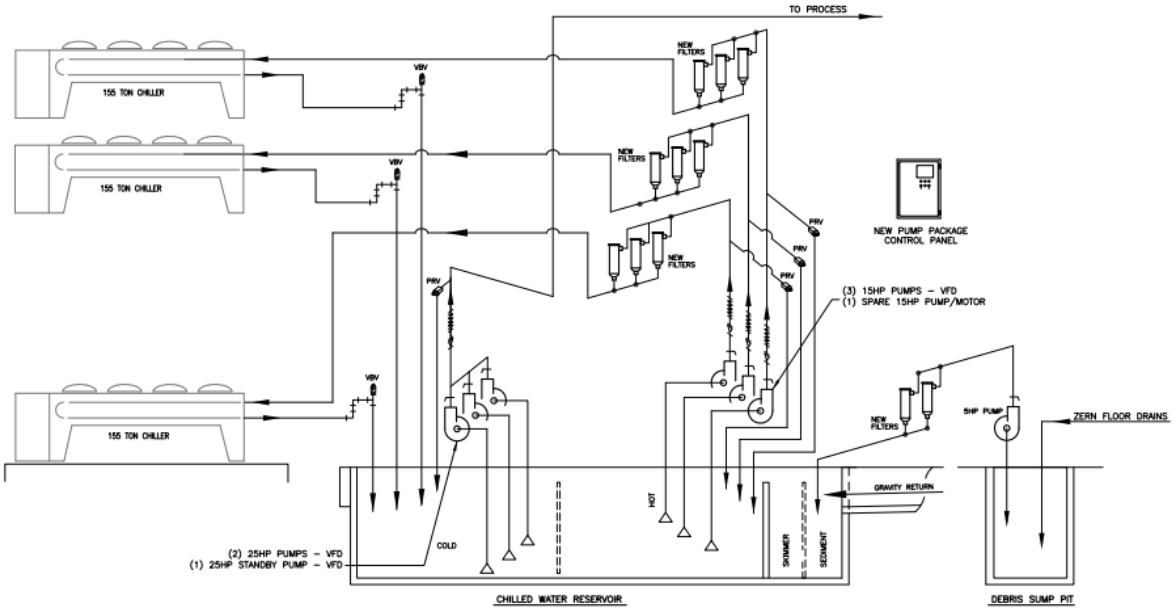
No landscape irrigation system is included in scope. Landscaping will be native and drought resistant.

CONFIDENTIAL

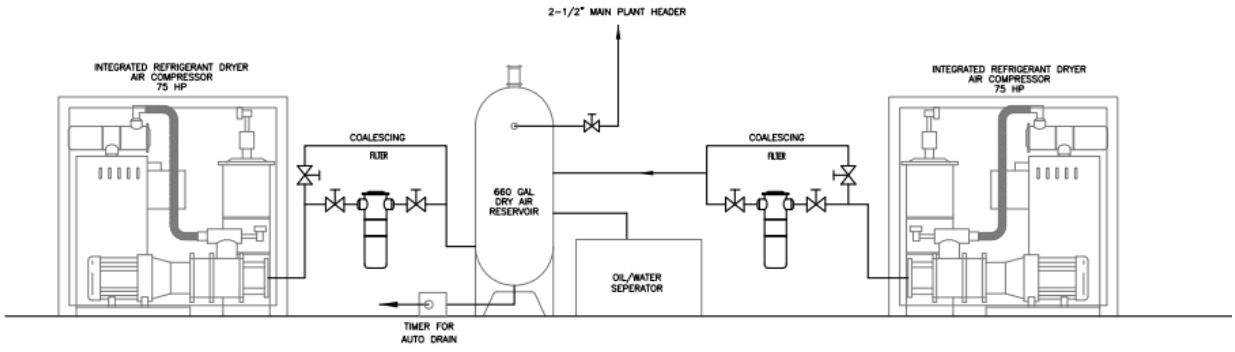



BUILDING
Silo Storage
Raw Materials
HDPE Resin
Pellets
Truck Delivery
Raw Materials
HDPE Resin Pellets
Resin Vacuum
Conveyed to Extruders
Repro Pellets
Cold Water Supply
Conduit
Extrusion
Chiller
Process
Supply
Water
Process
Return
Water
CLOSED LOOP
PROCESS
WATER SYSTEM
Warm Water Return
Conduit
Cooling
Tanks
Repro Pellets
Chunk Regrind
Process Scrap
Conduit Winding
Conduit Finished
Goods
Dura-Line Process Map
904 Lubbock Business Park Blvd
Lubbock, TX
YARD

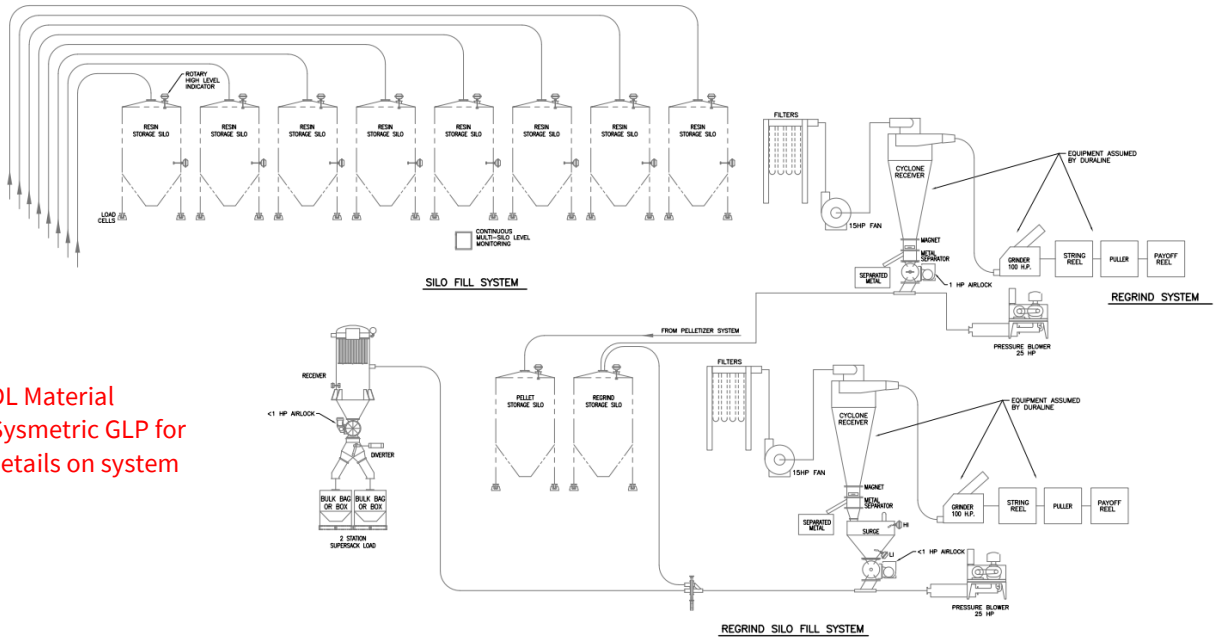
CHILLED WATER SYSTEM



COMPRESSED AIR SYSTEM

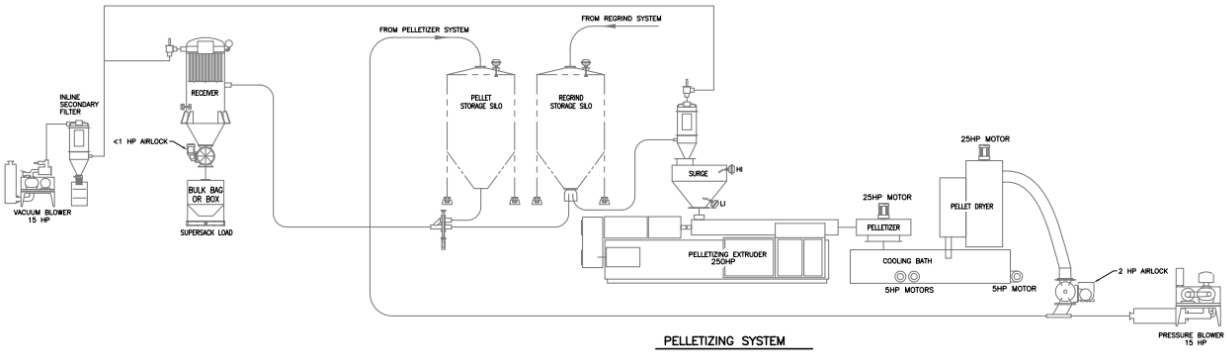


REGRIND AND SILO PFD



Reference DL Material Matrix and Sysmetric GLP for additional details on system design.

PELLETIZING PFD



Real Property Improvements

- 9,350 sqft of office and employee experience (including office space, lobby, break room, locker room, lobby, collaborative workspace, office kitchen, drivers lounge, etc)
- Upgraded electrical service (additional 3,000 amps)
- sqft of additions to the existing footprint (2000 sqft grinding room, 288 sqft switchgear room, 735 sqft for vacuum pump room, 1470 sqft pit room)
- Perimeter fencing of property
- Exterior yard lighting upgrades
- Interior lighting upgrades
- Interior painting
- Dock door upgrades
- Exterior patio for the employees
- Air movement upgrades
- Building security (Cameras, access control doors and gates)
- Additional openings in building with ramps and large, high speed access doors
- 10 silos (200,000 lb capacity each)
- Compressed air distribution and piping network inside plant
- Process water system and piping inside plant
- Xeriscape landscaping using local, low water plants
- Wiring and equipment for IT infrastructure including wifi, network drops for equipment data collection, security needs and office needs.

Tangible Personal Property

- 11 Extrusion lines, including resin distribution system, blending and line controls, extruders, and reelers.
- 2 grinders system with pelletizing capability
- Additional 3,000 amp electrical service

Dura-Line LLC
11400 Parkside Dr., Suite 300 TN 37934 USA
PHONE 865/218-3460 • FAX 865/223-5085
www.duraline.com

June 30, 2023

Mayor of Tray Payne and Lubbock City Council Members
City of Lubbock
P.O. Box 2000
Lubbock, Texas 79457

Dear Mayor Tray Payne and Lubbock City Council Members,

The list following in Attachment 4 represents the customer base and city/state pairings where Dura-Line LLC intends to focus manufacturing and distribution for the upcoming site planned in Lubbock, TX.

Please reach out for further details if needed.

Thank you,

Kendall Roach
Transportation Manager
Dura-Line Corporation

Dura-Line LLC
11400 Parkside Dr., Suite 300 TN 37934 USA
PHONE 865/218-3460 • FAX 865/223-5085
www.duraline.com

Appendix A

Customer Name	City	State	Zip	Country
TDS METROCOM	HOBBS	NM	88240	US
POWER & TELEPHONE SUPPLY - EDI	STANTON	TX	79782	US
REXEL USA INC	PECOS	TX	79772	US
ACCU-TECH CORP	ODESSA	TX	79766	US
WHOLESALE ELECTRIC SUPPLY - HO	ODESSA	TX	79765	US
CABLE ONE *	ODESSA	TX	79762	US
AT&T SUPPLY	ODESSA	TX	79761	US
GRAYBAR - ODESSA	ODESSA	TX	79761	US
PRYSMIAN GROUP SPECIALTY	ODESSA	TX	79761	US
REYNOLDS COMPANY THE	ODESSA	TX	79761	US
AT&T SUPPLY	GARDENDALE	TX	79758	US
BORDER STATES	GARDEN CITY	TX	79739	US
TDS METROCOM	FORT STOCKTON	TX	79735	US
AT&T SUPPLY	MIDLAND	TX	79706	US
AT&T SUPPLY	ABILENE	TX	79602	US
WESCO - AMARILLO 7891	ABILENE	TX	79601	US
GRAYBAR - ZCNC CHARLOTTE	WINGATE	TX	79566	US
MILLENNIUM	MERKEL	TX	79536	US
TECHLINE INC.	MERKEL	TX	79536	US
GRAYBAR - ST CLOUD	JAYTON	TX	79528	US
POKA LAMBRO TELE. COOP,. INC.	WILSON	TX	79381	US
POWER & TELEPHONE SUPPLY - EDI	SPUR	TX	79370	US
WINDSTREAM SUPPLY, LLC	BROWNFIELD	TX	79316	US
TECHLINE INC.	VANDERPOOL	TX	78885	US
GENUINE CABLE GROUP	ROCKSPRINGS	TX	78880	US
AT&T SUPPLY	UVALDE	TX	78801	US
ANIXTER INC	AUSTIN	TX	78758	US
GRAYBAR - ZSTX STAFFORD	AUSTIN	TX	78758	US
GOOGLE FIBER	AUSTIN	TX	78753	US
LONESTAR ELECTRIC SUPPLY	AUSTIN	TX	78753	US
AT&T SUPPLY	AUSTIN	TX	78748	US
VERIZON ONE FIBER	AUSTIN	TX	78748	US
CHARTER COMMUNICATIONS	AUSTIN	TX	78745	US
CRAWFORD ELECTRIC SUPPLY	AUSTIN	TX	78744	US
GRAYBAR - AUSTIN	AUSTIN	TX	78744	US
HILL COUNTRY ELECTRIC/AUSTIN	AUSTIN	TX	78744	US
KBS ELECTRICAL DISTR.,INC.	AUSTIN	TX	78744	US
QUEST UTILITY CONSTRUCTION INC	AUSTIN	TX	78725	US
TEXAS ELECTRIC COOPERATIVES	AUSTIN	TX	78701	US
CRAWFORD ELECTRIC SUPPLY	ROUND ROCK	TX	78664	US
ACCU-TECH CORP	PFLUGERVILLE	TX	78660	US

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Appendix A Cont.

Customer Name	City	State	Zip	Country
CED - AUSTIN 0234	PFLUGERVILLE	TX	78660	US
GRAYBAR - AUSTIN	PFLUGERVILLE	TX	78660	US
LONESTAR ELECTRIC SUPPLY	PFLUGERVILLE	TX	78660	US
LONESTAR ELECTRIC SUPPLY	LIBERTY HILL	TX	78642	US
DURA-LINE LLC - SAMPLES ONLY	Leander	TX	78641	US
GOOGLE FIBER	Leander	TX	78641	US
FRONTIER COMM OF THE SOUTH INC	HUTTO	TX	78634	US
GOOGLE FIBER	HUTTO	TX	78634	US
GRAYBAR - AUSTIN	HUTTO	TX	78634	US
TECHLINE INC.	HUTTO	TX	78634	US
D. F. COUNTRYMAN CO	GEORGETOWN	TX	78626	US
ONESOURCE COMMUNICATIONS *	GEORGETOWN	TX	78626	US
TEXAS ELECTRIC COOPERATIVES	GEORGETOWN	TX	78626	US
TVC COMMUNICATIONS LLC	GEORGETOWN	TX	78626	US
USTC CORP.	GEORGETOWN	TX	78626	US
KBS ELECTRICAL DISTR.,INC.	FREDERICKSBURG	TX	78624	US
GOOGLE FIBER	BUDA	TX	78610	US
KT COMMUNICATIONS SUPPLIES	BUDA	TX	78610	US
STUART C IRBY - BASTROP 603	BASTROP	TX	78602	US
FRONTIER COMM OF THE SOUTH INC	ROBSTOWN	TX	78380	US
TEXAS ELECTRIC COOPERATIVES	ROBSTOWN	TX	78380	US
CABLE ONE *	GREGORY	TX	78359	US
ADB COMPANIES, INC *	San Antonio	TX	78266	US
NX UTILITIES *	SAN ANTONIO	TX	78266	US
AT&T SUPPLY	SAN ANTONIO	TX	78249	US
CHARTER COMMUNICATIONS	SAN ANTONIO	TX	78247	US
ACCU-TECH CORP	SAN ANTONIO	TX	78223	US
DURA-LINE LLC - SAMPLES ONLY	SAN ANTONIO	TX	78219	US
GOOGLE FIBER	SAN ANTONIO	TX	78219	US
ANIXTER INC - POWER SOLUTIONS	SAN ANTONIO	TX	78218	US
GRAYBAR - SAN ANTONIO	SAN ANTONIO	TX	78217	US
KGP LOGISTICS	SEGUIN	TX	78155	US
VERIZON ONE FIBER	SELMA	TX	78154	US
DURA-LINE LLC - SAMPLES ONLY	NEW BRAUNFELS	TX	78132	US
GOOGLE FIBER	NEW BRAUNFELS	TX	78132	US
POWER & TELEPHONE SUPPLY - EDI	NEW BRAUNFELS	TX	78132	US
DURA-LINE LLC - SAMPLES ONLY	ELMENDORF	TX	78112	US
ACCU-TECH CORP	CONVERSE	TX	78109	US
ADVANCED MEDIA TECHNOLOGIES IN	CONVERSE	TX	78109	US
AT&T SUPPLY	CONVERSE	TX	78109	US
QUEST UTILITY CONSTRUCTION INC	CONVERSE	TX	78109	US

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Appendix A Cont.

Customer Name	City	State	Zip	Country
ZAYO GROUP, LLC *	CONVERSE	TX	78109	US
ELLIOTT ELECTRIC SUPPLY INC	PLEASANTON	TX	78064	US
MILLENNIUM	PLEASANTON	TX	78064	US
EIS INC	LAREDO	TX	78045	US
AT&T SUPPLY	LAREDO	TX	78041	US
HILL COUNTRY ELECTRIC	KERRVILLE	TX	78028	US
CSSA - COMM. SUP. SERV. ASSOC	INGRAM	TX	78025	US
GRAYBAR - DTSC DALLAS	INGRAM	TX	78025	US
DURA-LINE LLC - SAMPLES ONLY	Boerne	TX	78015	US
ADB COMPANIES, INC *	CASTROVILLE	TX	78009	US
INSPIRED SOLUTIONS, INC *	CASTROVILLE	TX	78009	US
VERIZON ONE FIBER	CASTROVILLE	TX	78009	US
STUART C IRBY - BASTROP 603	VICTORIA	TX	77905	US
GRAYBAR - ZSTX STAFFORD	VICTORIA	TX	77904	US
AT&T SUPPLY	VICTORIA	TX	77901	US
CABLE ONE *	VICTORIA	TX	77901	US
WHOLESALE ELECTRIC SUPPLY - HO	VICTORIA	TX	77901	US
CITY ELECTRIC SUPPLY - CHARLOT	COLLEGE STATION	TX	77840	US
FRONTIER COMM OF THE SOUTH INC	BRYAN	TX	77803	US
CITY BUILD UTILITY SUPPLY	MANVEL	TX	77578	US
POWER & TELEPHONE SUPPLY CO	KATY	TX	77494	US
CDT UNDERGROUND LLC	KATY	TX	77493	US
COMCAST COMMUNICATIONS **	KATY	TX	77493	US
KGP LOGISTICS - COMCAST	KATY	TX	77493	US
GRAYBAR - ZSTX STAFFORD	STAFFORD	TX	77477	US
TERRY-DURIN COMPANY	CYPRESS	TX	77429	US
CABLE ONE *	BAY CITY	TX	77414	US
KGP LOGISTICS - COMCAST	RICHMOND	TX	77406	US
REM COMMUNICATIONS, INC	HUMBLE	TX	77396	US
KGP LOGISTICS - CENTURYLINK	SPRING	TX	77389	US
DURA-LINE LLC - SAMPLES ONLY	CONROE	TX	77385	US
MILLENNIUM	CONROE	TX	77385	US
STUART C IRBY	CONROE	TX	77385	US
TERRY-DURIN COMPANY	CONROE	TX	77385	US
ANIXTER INC	TOMBALL	TX	77375	US
COMCAST COMMUNICATIONS **	TOMBALL	TX	77375	US
ELLIOTT ELECTRIC SUPPLY INC	TOMBALL	TX	77375	US
KGP LOGISTICS - COMCAST	TOMBALL	TX	77375	US
KGP LOGISTICS	PORTER	TX	77365	US

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Appendix A Cont

Customer Name	City	State	Zip	Country
TERRY-DURIN COMPANY	PORTER	TX	77365	US
AT&T SUPPLY	NEW CANEY	TX	77357	US
VERIZON ONE FIBER	NEW CANEY	TX	77357	US
POWER & TELEPHONE SUPPLY - EDI	LIVINGSTON	TX	77351	US
POWER & TELEPHONE SUPPLY CO	LIVINGSTON	TX	77351	US
AT&T SUPPLY	CLEVELAND	TX	77327	US
TECHLINE INC.	MONTGOMERY	TX	77316	US
POWER & TELEPHONE SUPPLY CO	CONROE	TX	77304	US
ADVANCED MEDIA TECHNOLOGIES IN	HOUSTON	TX	77093	US
KGP LOGISTICS - COMCAST	HOUSTON	TX	77093	US
KGP LOGISTICS - CENTURYLINK	HOUSTON	TX	77075	US
KGP LOGISTICS	HOUSTON	TX	77073	US
CED - HOUSTON 3276 & 3274	HOUSTON	TX	77067	US
CDT UNDERGROUND LLC	HOUSTON	TX	77049	US
COMCAST COMMUNICATIONS **	HOUSTON	TX	77049	US
GEORGIA UNDERGROUND	HOUSTON	TX	77049	US
CABLETEX COMMUNICATION, LLC *	HOUSTON	TX	77048	US
AT&T SUPPLY	JERSEY VILLAGE	TX	77041	US
AT&T SUPPLY	HOUSTON	TX	77034	US
VERIZON ONE FIBER	HOUSTON	TX	77032	US
WHOLESALE ELECTRIC SUPPLY - HO	HOUSTON	TX	77004	US
CITY BUILD UTILITY SUPPLY	HOUSTON	TX	77003	US
DURA-LINE LLC - SAMPLES ONLY	HOUSTON	TX	77003	US
STUART C IRBY	HOUSTON	TX	77003	US
TEXAS ELECTRIC COOPERATIVES	SAN ANGELO	TX	76905	US
GRAYBAR - ZAGA AUSTELL	SAN ANGELO	TX	76901	US
TRANSTELCO, INC	SAN ANGELO	TX	76901	US
TECHLINE INC.	EARLY	TX	76802	US
CHARTER COMMUNICATIONS	WACO	TX	76710	US
AT&T SUPPLY	WACO	TX	76704	US
ACCU-TECH CORP	MCGREGOR	TX	76657	US
GRAYBAR - ZSTX STAFFORD	TAYLOR	TX	76574	US
ONESOURCE COMMUNICATIONS *	TAYLOR	TX	76574	US
STUART C IRBY	TAYLOR	TX	76574	US
MILLENNIUM	HARKER HEIGHTS	TX	76548	US
ONESOURCE COMMUNICATIONS *	HARKER HEIGHTS	TX	76548	US
POWER & TELEPHONE SUPPLY - EDI	HARKER HEIGHTS	TX	76548	US
CENTURYLINK *	KILLEEN	TX	76543	US
GEORGIA UNDERGROUND	KILLEEN	TX	76541	US

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Customer Name	City	State	Zip	Country
ADB COMPANIES, INC *	JARRELL	TX	76537	US
GEORGIA UNDERGROUND	JARRELL	TX	76537	US
ONESOURCE COMMUNICATIONS *	JARRELL	TX	76537	US
KGP LOGISTICS - CENTURYLINK	BELTON	TX	76513	US
AT&T SUPPLY	TEMPLE	TX	76504	US
POWER & TELEPHONE SUPPLY - EDI	DE LEON	TX	76444	US
BORDER STATES	CISCO	TX	76437	US
GRAYBAR - ST CLOUD	CISCO	TX	76437	US
KGP LOGISTICS - CENTURYLINK	BRIDGEPORT	TX	76426	US
PRYSMIAN GROUP SPECIALTY	STEPHENVILLE	TX	76401	US
KGP LOGISTICS	OLNEY	TX	76374	US
GALLOWAY GROUP INC, THE	ROANOKE	TX	76262	US
LONESTAR ELECTRIC SUPPLY	KRUM	TX	76249	US
ONESOURCE COMMUNICATIONS *	FORT WORTH	TX	76244	US
USTC CORP.	AUBREY		76227	US
GRAYBAR - CUIL CHAMPAIGN IL	CORINTH	TX	76208	US
STUART C IRBY	CORINTH	TX	76208	US
DURA-LINE LLC - SAMPLES ONLY	Fort Worth	TX	76177	US
ANIXTER INC - POWER SOLUTIONS	FORT WORTH	TX	76155	US
GRAYBAR - FORT WORTH	FORT WORTH	TX	76155	US
CHARTER COMMUNICATIONS	Forest Hill	TX	76119	US
TECHLINE INC.	FORT WORTH	TX	76119	US
TERRY-DURIN COMPANY	FORT WORTH	TX	76119	US
AT&T SUPPLY	RICHLAND HILLS	TX	76118	US
STUART C IRBY - FT WORTH TX	FORT WORTH	TX	76118	US
CHARTER COMMUNICATIONS	Haltom City	TX	76117	US
WHOLESALE ELECTRIC SUPPLY - TE	HALTOM CITY	TX	76117	US
KGP LOGISTICS	FORT WORTH	TX	76115	US
TVC COMMUNICATIONS LLC	WHITE SETTLEMENT	TX	76108	US
WESCO - AMARILLO 7891	WHITE SETTLEMENT	TX	76108	US
GRAYBAR - DTSC DALLAS	FORT WORTH	TX	76107	US
AT&T SUPPLY	FORT WORTH	TX	76106	US
AT&T SUPPLY	WEATHERFORD	TX	76088	US
NEXTLINK INTERNET *	SPRINGTOWN	TX	76082	US
GRAYBAR - DTSC DALLAS	NEWARK	TX	76071	US
MILLENNIUM	NEWARK	TX	76071	US
R J CARROLL COMPANY	MANSFIELD	TX	76063	US

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Appendix A Cont.

Customer Name	City	State	Zip	Country
VERIZON ONE FIBER	MANSFIELD	TX	76063	US
NX UTILITIES *	ITASCA	TX	76055	US
CHARTER COMMUNICATIONS	HURST	TX	76053	US
MILLENNIUM	HASLET	TX	76052	US
AT&T SUPPLY	EULESS	TX	76039	US
STUART C IRBY - BASTROP 603	CLEBURNE	TX	76033	US
TERRY-DURIN COMPANY	CLEBURNE	TX	76031	US
STUART C IRBY - BASTROP 603	BURLESON	TX	76028	US
STUART C IRBY - OKLAHOMA CITY	BURLESON	TX	76028	US
AT&T SUPPLY	ARLINGTON	TX	76015	US
DURA-LINE LLC - SAMPLES ONLY	Aledo	TX	76008	US
KT COMMUNICATIONS SUPPLIES	ALEDO	TX	76008	US
TEXAS ELECTRIC COOPERATIVES	ALEDO	TX	76008	US
CHARTER COMMUNICATIONS	Arlington	TX	76001	US
AT&T SUPPLY	NACOGDOCHES	TX	75961	US
POWER & TELEPHONE SUPPLY - EDI	LUFKIN	TX	75904	US
POWER & TELEPHONE SUPPLY - EDI	LEONA	TX	75850	US
DURA-LINE LLC - SAMPLES ONLY	PALESTINE	TX	75801	US
KGP LOGISTICS	JACKSONVILLE	TX	75766	US
KGP LOGISTICS - CENTURYLINK	ATHENS	TX	75751	US
AT&T SUPPLY	TYLER	TX	75701	US
ELLIOTT ELECTRIC SUPPLY INC	TYLER	TX	75701	US
POWER & TELEPHONE SUPPLY - EDI	HENDERSON	TX	75654	US
GRAYBAR - DTSC DALLAS	DALLAS	TX	75261	US
STUART IRBY - CODALE ELECTRIC	DALLAS	TX	75247	US
VERIZON ONE FIBER	DALLAS	TX	75247	US
AT&T SUPPLY	DALLAS	TX	75244	US
GEORGIA UNDERGROUND	DALLAS	TX	75211	US
USTC CORP.	DALLAS	TX	75211	US
MILLENNIUM	SUNNYVALE	TX	75182	US
ACCU-TECH CORP	BALCH SPRINGS	TX	75180	US
ADVANCED MEDIA TECHNOLOGIES IN	BALCH SPRINGS	TX	75180	US
CENTURYLINK *	BALCH SPRINGS	TX	75180	US
CHARTER COMMUNICATIONS	Balch Springs	TX	75180	US
KGP LOGISTICS - CENTURYLINK	MESQUITE	TX	75180	US
TERRY-DURIN COMPANY	BALCH SPRINGS	TX	75180	US
VERIZON ONE FIBER	BALCH SPRINGS	TX	75180	US
CRAWFORD ELECTRIC SUPPLY	WILMER	TX	75172	US
TERRY-DURIN COMPANY	WILMER	TX	75172	US

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Appendix A Cont.

Customer Name	City	State	Zip	Country
GRAYBAR - ZJIL JOLIET	LAVON	TX	75166	US
AT&T SUPPLY	TERRELL	TX	75160	US
CHARTER COMMUNICATIONS	MESQUITE	TX	75149	US
AT&T SUPPLY	DUNCANVILLE	TX	75137	US
AT&T SUPPLY	LANCASTER	TX	75134	US
CHARTER COMMUNICATIONS	Canton	TX	75103	US
DURA-LINE LLC - SAMPLES ONLY	CANTON	TX	75103	US
FRONTIER COMM OF THE SOUTH INC	LEWISVILLE	TX	75077	US
CHARTER COMMUNICATIONS	Mckinney	TX	75071	US
AT&T SUPPLY	MCKINNEY	TX	75069	US
CHARTER COMMUNICATIONS	LEWISVILLE	TX	75067	US
KGP LOGISTICS	IRVING	TX	75063	US
KGP LOGISTICS - FRONTIER	IRVING	TX	75063	US
KGP LOGISTICS - VERIZON	IRVING	TX	75063	US
PARRISH HARE ELECTRICAL SUPPLY	IRVING	TX	75061	US
TRINITY CABLING CO	IRVING	TX	75061	US
ANIXTER INC	LEWISVILLE	TX	75057	US
KMM TELECOMMUNICATIONS	LEWISVILLE	TX	75057	US
TECHLINE INC.	GRAND PRAIRIE	TX	75053	US
ADVANTAGE ELECTRONICS WIRE & C	GRAND PRAIRIE	TX	75050	US
GEORGIA UNDERGROUND	GARLAND	TX	75043	US
CENTURYLINK *	GARLAND	TX	75041	US
CHARTER COMMUNICATIONS	Garland	TX	75040	US
CRAWFORD ELECTRIC SUPPLY	IRVING	TX	75038	US
DATA OPTICS CABLE, INTL INC	FRISCO	TX	75034	US
AT&T SUPPLY	PLANO	TX	75025	US
DURA-LINE LLC - SAMPLES ONLY	PLANO	TX	75023	US
MILLENNIUM	CELINA	TX	75009	US
REXEL USA INC	CARROLLTON	TX	75007	US
ANIXTER INC	CARROLLTON	TX	75006	US
DURA-LINE LLC - SAMPLES ONLY	CARROLLTON	TX	75006	US
FRONTIER COMM OF THE SOUTH INC	CARROLLTON	TX	75006	US
GENESEE SUPPLY COMPANY	CARROLLTON	TX	75006	US
GEORGIA UNDERGROUND	CARROLLTON	TX	75006	US
GOOGLE FIBER	CARROLLTON	TX	75006	US
GALLOWAY GROUP INC, THE	ADDISON	TX	75001	US
PRECISION CONTRACTING SERVICES	ADDISON	TX	75001	US

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Appendix A Cont.

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LUBBOCK CENTRAL APPRAISAL DISTRICT

Property	Owner	Property Address	Tax Year	2023 Market Value
R338788	BVLBP2 LP	904 LUBBOCK BUSINESS PARK BLVD, LUBBOCK, TX 79403	2023	$16,408,777

2023 GENERAL INFORMATION

Property Status	Active
Property Type	Real Commercial
Legal Description	LUBBOCK BUSINESS PARK L 15
Neighborhood	0502 - City Of Lubbock
Account	R533675-00000-00150-000
Related Properties	R55361
Map Number	007

2023 OWNER INFORMATION

Owner Name	BVLBP2 LP
Owner ID	
Exemptions	
Percent Ownership	100%
Mailing Address	5820 W NORTHWEST HWY #STE 200 DALLAS, TX 75225-3201
Agent	-

2023 VALUE INFORMATION

MARKET VALUE

Improvement Homesite Value	$0
Improvement Non-Homesite Value	$15,800,360
Total Improvement Market Value	$15,800,360
Land Homesite Value	$0
Land Non-Homesite Value	$608,417
Land Agricultural Market Value	$0
Total Land Market Value	$608,417
Total Market Value	$16,408,777

ASSESSED VALUE

Total Improvement Market Value	$15,800,360
Land Homesite Value	$0
Land Non-Homesite Value	$608,417
Agricultural Use	$0
Timber Use	$0
Total Appraised Value	$16,408,777
Homestead Cap Loss	-$0
Total Assessed Value	$16,408,777

2023 ENTITIES & EXEMPTIONS

TAXING ENTITY	EXEMPTIONS	EXEMPTIONS AMOUNT	TAXABLE VALUE	TAX CEILING
CLB- City Of Lubbock		$0	$16,408,777	0
GLB- Lubbock County		$0	$16,408,777	0
HSP- Lubb Cnty Hospital		$0	$16,408,777	0
SLB- Lubbock ISD		$0	$16,408,777	0
WHP- Hi Plains Water		$0	$16,408,777	0

2023 IMPROVEMENTS

Expand/Collapse All

Improvement #1	State Code	Homesite	Total Main Area (Exterior Measured)	Market Value
-	F1 - Real Commercial	No	201,700 Sq. Ft	$15,800,360

RECORD	TYPE	YEAR BUILT	SQ. FT	VALUE	ADD'L INFO
1	MA - Main Area	2021	201,700	$15,800,360	Details

2023 LAND SEGMENTS

LAND SEGMENT TYPE	STATE CODE	HOMESITE	MARKET VALUE	AG USE	TIM USE	LAND SIZE
1 - Commercial	F1 - Real Commercial	No	$608,417	$0	$0	608,417 Sq. ft
TOTALS						608,417 Sq. ft / 13.967332 acres

VALUE HISTORY

YEAR	IMPROVEMENT	LAND	MARKET	AG MARKET	AG USE	APPRAISED	HS CAP LOSS	ASSESSED
2022	$9,039,583	$608,417	$9,648,000	$0	$0	$9,648,000	$0	$9,648,000
2021	$0	$608,417	$608,417	$0	$0	$608,417	$0	$608,417
2020	$0	$608,417	$608,417	$0	$0	$608,417	$0	$608,417

SALES HISTORY

DEED DATE	SELLER	BUYER	INSTR #	VOLUME/PAGE
11/9/2020	LUBBOCK ECONOMIC DEVELOP ALLIANCE	BVLBP2 LP	2020-50275	

DISCLAIMER

Every effort has been made to offer the most current and correct information possible on these pages. The information included on these pages has been compiled by District staff from a variety of sources, and is subject to change without notice. The Lubbock Central Appraisal District makes no warranties or representations whatsoever regarding the quality, content, completeness, accuracy or adequacy of such information and data. The Lubbock Central Appraisal District reserves the right to make changes at any time without notice. Original records may differ from the information on these pages. Verification of information on source documents is recommended. By using this application, you assume all risks arising out of or associated with access to these pages, including but not limited to risks of damage to your computer, peripherals, software and data from any virus, software, file or other cause associated with access to this application. The Lubbock Central Appraisal District shall not be liable for any damages whatsoever arising out of any cause relating to use of this application, including but not limited to mistakes, omissions, deletions, errors, or defects in any information contained in these pages, or any failure to receive or delay in receiving information said or implied.

Lubbock Central Appraisal District
2109 Avenue Q
PO BOX 10542
Lubbock, Texas 79408-3542
806.762.5000 EXT 5
www.lubbockcad.org

NOTICE OF APPRAISED VALUE

This is NOT a Tax Bill

Date: 04/03/2023

QuickRef#: (Refer to this # when inquiring about your property)
R338788
Property ID: R533675-00000-00150-000
Street Address:
904 LUBBOCK BUSINESS PARK BLVD LUBBOCK TX 79403
Property Description:
LUBBOCK BUSINESS PARK L 15

Quick Ref#: R338788

BVLBP2 LP
5820 W NORTHWEST HWY
STE 200
DALLAS TX 75225-3201

2018 Appraised Value: N/A %Chg (2018 to 2023): 0 N/A
This percentage information is required by Tax Code Section 25.19(b-1).

Dear Property Owner:
We have appraised the property listed above for the 2023 tax year. Based on the appraisal date of January 1 of this year, the appraisal is as follows:

Appraised Information	Last Year	Proposed This Year
Land Market Value	608,417	608,417
Agricultural Market Value	0	0
Agricultural Productivity Value	0	0
Improvement (Buildings) Market Value	9,039,583	15,800,360
Personal Property Market Value	0	0
Mineral Interest Market Value	0	0
Total Market Value of this Property	9,648,000	16,408,777
Total Appraised Value (with Homestead Limit) **	9,648,000	16,408,777
Exemptions		

2022 Exemptions	2022 Exemption Amount	2022 Taxable Value	Taxing Unit	2023 Proposed Appraised Value	2023 Exemptions	2023 Exemption Amount	2023 Proposed Taxable Value	Exemption Amount Canceled or Reduced from Last Year
	0	9,648,000	Lubbock County	16,408,777		0	16,408,777	0
	0	9,648,000	Lubbock ISD	16,408,777		0	16,408,777	0
	0	9,648,000	City Of Lubbock	16,408,777		0	16,408,777	0
	0	9,648,000	Lubb Cnty Hospital	16,408,777		0	16,408,777	0
	0	9,648,000	Hi Plains Water	16,408,777		0	16,408,777	0

Beginning August 7th, visit 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 regarding the amount of taxes that each entity that taxes your property will impose if the entity adopts its proposed tax rate. Your local property tax database will be updated regularly during August and September as local elected officials propose and adopt the property tax rates that will determine how much you pay in property taxes.

Property owners who file a notice of protest with the Appraisal Review Board (ARB) may request an informal conference with the Appraisal District to attempt to resolve their dispute prior to a formal ARB hearing. The informal conference must be held before the hearing on the protest.

The governing body of each taxing unit listed on this notice decides whether property taxes increase. The appraisal district only determines the value of your property. "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials."

*If you are 65 or older and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than when you first received the exemption on this home. If you are disabled and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year you received the exemption, whichever is later. If your county or city has approved a limitation on your taxes, your county or city taxes will not be higher than the first year your county or city approved the limitation or the first year you qualified for the limitation. If you improved your property (by adding rooms or buildings) your school, county, or city tax ceiling may increase for these improvements. If you are a surviving spouse age 55 or older, you may retain the tax ceiling.

**Your residence homestead is protected from future appraisal value increases in excess of 10% of the appraised value of the property for the preceding tax year plus the value of any new improvements.

SEE 2023 PROPERTY TAX PROTEST PROCESS INSERT

PLEASE FILE YOUR PROTEST ONLINE
Online Inquiry/Protest ID: xxxxxxxxxx

Protest Deadline: 05/15/2023
ARB Hearings Begin: 05/01/2023
Location of ARB Hearings: 2109 Avenue Q

Information

Agenda Item

Public Hearing - Planning (District 1): Consider a request for Zone Case 2016-D, a request of Parkhill for Thomas Kenneth Abraham, for a zone change from Family Apartment District (A-1) to High-Rise Apartment District (A-3) with a Planned Development, at 2401 through 2413 14th Street and 2402 through 2416 15th Street, located south of 14th Street and east of University Avenue, Overton Addition, Block 102, Lots 1 through 7 and 17 through 24 and the portion of alley between Lots 1 through 7 and 18 through 24 (to be closed), and consider an ordinance.

Item Summary

For detailed information on this request, please refer to the Planning Department Staff Report attached hereto. As noted in the report, staff recommends approval of this request. The Planning and Zoning Commission heard this case on July 27, 2023, and recommended approval of the request by a vote of 4-3-0.

Fiscal Impact

None

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Kristen Sager, Director of Planning
Planning and Zoning Commission

Attachments

Zone Case 2016-D Ordinance
Zone Case 2016-D Staff Report
Zone Case 2016-D Documentation

ORDINANCE NO._____

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 7084 AND THE OFFICIAL MAP OF THE CITY OF LUBBOCK MAKING THE FOLLOWING CHANGES: ZONE CASE NO. 2016-D; A ZONING CHANGE FROM A-1 TO A-3 WITH A PLANNED DEVELOPMENT (PD) ZONING DISTRICT AT 2401 THROUGH 2413 14TH STREET AND 2402 THROUGH 2416 15TH STREET, LOCATED SOUTH OF 14TH STREET AND EAST OF UNIVERSITY AVENUE, OVERTON ADDITION, BLOCK 102, LOTS 1 THROUGH 7 AND 17 THROUGH 24 AND THE PORTION OF ALLEY BETWEEN LOTS 1 THROUGH 7 AND 18 THROUGH 24 (TO BE CLOSED), LUBBOCK, TEXAS; PROVIDING A PENALTY; PROVIDING A SAVINGS CLAUSE; AND, PROVIDING FOR PUBLICATION.

WHEREAS, the proposed changes in zoning as hereinafter made have been duly presented to the Planning and Zoning Commission for its recommendation which was received by the City Council and, after due consideration, the City Council found that due to changed conditions, it would be expedient and in the interest of the public health, safety and general welfare to make those proposed changes in zoning; and

WHEREAS, the 2040 Comprehensive Land Use Plan as amended is a guide to help the Lubbock Planning and Zoning Commission and City Council determine the physical development of the community; however, planning is a continuous process and change is inevitable; and

WHEREAS, the Lubbock Planning and Zoning Commission and City Council recognize that the zone change is a minor deviation from the 2040 Comprehensive Land Use Plan as amended, which protects public and private commitments that have been previously based on the Plan; and

WHEREAS, all conditions precedent required by law for a valid amendment to the Zoning Ordinance and Map have been fully complied with, including giving notices in compliance with Section 29-10 of the Code of Ordinances, City of Lubbock, Texas, and the notices provided by the Texas Local Government Code §211.007 (Vernon, 1990), and notice was duly published in the Lubbock Avalanche-Journal more than fifteen (15) days prior to the date of the public hearing before the City Council on such proposed amendment, and the public hearing according to said notice, was held in the City Council Chamber of the Municipal Building, Lubbock, Texas, at which time persons appeared in support of the proposal; and after said hearing, it was by the City Council determined that it would be in the public interest, due to changed conditions, that the Zoning Ordinance and the Zoning Map be amended in the manner hereinafter set forth in the body of this Ordinance and this Ordinance having been introduced prior to first reading hereof; NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

ZONE CASE NO. 2016-D

SECTION 1. THAT Ordinance No. 7084 and the Official Zoning Map are amended as follows:

A change of zoning under the provisions of Section 29-29 of the Code of Ordinances of the City of Lubbock from **A-1** to **A-3 WITH A PLANNED DEVELOPMENT (PD)** zoning district at 2401 through 2413 14th Street and 2402 through 2416 15th Street, located south of 14th Street and east of University Avenue, Overton Addition, Block 102, Lots 1 through 7 and 17 through 24 and the portion of alley between Lots 1 through 7 and 18 through 24 (to be closed), City of Lubbock, Lubbock County, Texas.

SECTION 2. THAT violation of any provision of this Ordinance shall be deemed a misdemeanor punishable by fine not to exceed Two Thousand and No/100 Dollars ($2,000.00) as provided in Section 29-31 of the Zoning Ordinance of the City of Lubbock.

SECTION 3. THAT should any paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 4. THAT the City Secretary is hereby authorized to cause publication of the descriptive caption of this Ordinance as an alternative method provided by law.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Kristen Sager, Director of Planning

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

vw/CityAtt/Kelli/Zones/ZC2016-D
7.28.23

Planning Department
City of Lubbock

Staff Report	Zone Case 2016-D
City Council Meeting	August 22, 2023

Applicant Parkhill

Property Owner Thomas Kenneth Abraham

Council District 1

Recommendations

- Staff recommends approval of this request.

Prior Board or Council Action

- February 7, 1921, Ordinance No. 197: The subject property was annexed into city limits.
- March 13, 1941, Ordinance No. 661: The Original Zoning Ordinance and Map designates these properties as District D – Apartments (High).
- April 6, 1955, Ordinance No. 1695: The 1955 Zoning Code designated the properties as Multi-Family District (R-3).
- October 8, 1975, Zone Case 2016, Ordinance No. 7153: The properties were rezoned from Multi-Family District (R-3) to Family Apartment District (A-1).
- July 27, 2023, Zone Case 2016-D: The Planning and Zoning Commission recommended approval of a zone change from A-1 to High-Rise Apartment District (A-3) with a Planned Development (PD) by a vote of 4-3-0.

Notification Summary

- Notifications Sent: 54
- Received In Favor: 73 (47 outside the notification boundary)
- Received In Opposition: 53 (49 outside the notification boundary)

Site Conditions and History

The subject property was platted on August 2, 1908 as Overton Addition, Block 102, Lots 1 through 7 and 17 through 24. Currently, the properties have residential structures developed between 1927 and 1948.

Adjacent Property Development

The subject property is surrounded by residential housing to the north, south, and east, with parking lots and commercial property to the west. Properties to the north and south are zoned Family Apartment District (A-1). Properties to the east are zoned Two-Family District (R-2) and properties to the west are zoned A-1 and General Retail District (C-3). The South Overton National Residential Historic District is located east of this property. This property is not contained within the historic district. A letter dated April 7, 2011, written by the South Overton Residential and Commercial Association (SORCA, Inc.), is included in the packet of information for this case. The letter references the applicant's plans to build student housing on the subject properties and asks City staff to not include the properties in the historic district, so the applicant can continue with his plan.

Item Summary

The subject properties are located from 2401 through 2413 14th Street and 2402 through 2416 15th Street, south of 14th Street and east of University Avenue, Overton Addition, Block 102, Lots 1 through 7 and 17 through 24 and the portion of alley between Lots 1 through 7 and 18 through 24 (to be closed). The Applicant is requesting a zone change from Family Apartment District (A-1) to High-Rise Apartment District (A-3) with a Planned Development (PD).

Current zoning: **Family Apartment District (A-1)**

Requested zoning: **High-Rise Apartment District (A-3) with a Planned Development (PD)**

The applicant is requesting the following deviations from the Zoning Code, as part of the Planned Development:
1. Allow a 14.3 foot setback from 14th Street in lieu of the required 25 foot setback (10.7 foot deviation)
2. Allow an 11.28 foot setback from Avenue X in lieu of the required 25 foot setback (13.72 foot deviation)
3. Allow a 17 foot setback from 15th Street in lieu of the required 25 foot setback (8 foot deviation)
4. Allow a 17 foot setback from west property line in lieu of the required 25 foot setback (8 foot deviation)
5. Allow 544 parking spaces in lieu of the required 635 parking spaces (91 space deviation)
6. Allow for restaurant/retail/service uses in addition to the permitted A-3 uses
7. Allow for 72% lot coverage in lieu of the allowed 40% coverage (32% deviation)

Intent Statements
The intent of the current A-1 zoning is "…to promote medium-density, multiple-occupancy development. The regulations are designed to promote family-oriented development which provides the occupants with the proper environmental quality, and compatibility with lower-density development. The purpose of this district is not to isolate multi-family units, but to encourage compatible residential land uses through effective planning and urban design. When adjacent to "RR," "R-1," "R-1A," or "R-2" zoned property, the proposed development in the district shall be so designed to provide for maximum compatibility with adjacent development. Architectural design, landscaping, screening, and parking areas shall be properly to ensure maximum protection of lower-density uses."

The intent of the proposed A-3 zoning is"… to provide for high-density high-rise developments in the immediate vicinity of concentrations of commercial or population activities. The standards of the district are designed to minimize adverse effects on lower-density residential developments in surrounding areas. When proposed development in this district is adjacent to "RR," "R-1," "R-1A," or "R-2" zoned property, the proposed development shall be so designed to provide for maximum compatibility with adjacent development. Architectural design, landscaping, screening, and parking areas shall be properly provided to ensure maximum protection of lower-density uses."

The intent of the proposed PD regulations are, "… to provide a zoning regulatory process that encourages planning and design, resulting in plans for particular sites that fulfill the goals and objectives of the Comprehensive Plan while allowing for development that could not normally be achieved under conventional zoning regulations. It is the further intent of these regulations to permit development in accordance with such plans for particular sites, provided that the plans are prepared and adopted in accordance with the regulations in this Article."

Traffic Network/Infrastructure Impacts
The location is along Avenue X and 14th Street, which are designated as local streets, and 15th Street, which is designated as a collector street, and near University Avenue, which is designated as a Principal Arterial, by the Master Thoroughfare Plan, 2018. Local Streets provide access to smaller, destination-oriented areas, such as neighborhoods, subdivisions or local business districts. Collectors provide access and movement within residential, commercial, and industrial areas. Principal Arterials are continuous routes whose function is to serve high volume needs of local traffic and regional traffic.

Compatibility with Surrounding Property
The proposed zone change is compatible with the surrounding area. There is apartment zoning to the north and south and to the west is C-3 zoning along a primary arterial. The applicant is proposing apartments for student housing and is in close proximity to Texas Tech University.

Conformance with Comprehensive Plan Principles and Future Land Use Map
The Future Land Use Map designates this area for Residential Low Density. Although the proposed zone change to A-3 would not be in conformance with the Future Land Use Plan, the proposed Planned Development will help establish a design that would provide for maximum compatibility with adjacent developments. The request is in conformance with the Comprehensive Plan Principles as apartments are a suitable buffer between the medium density residential to the east and the commercial to the west.

Conformance with Zoning Ordinance
The proposed zone change is in conformance with the zoning ordinance and is appropriate next to other apartment districts and the existing commercial along University Avenue.

Suitability of Property for Allowed Uses
The property is suitable for the proposed use and will require additional improvements.

Attachments

A. Case Information
B. Thoroughfare Map
C. Notification Map
D. Aerial Map
E. Zoning Map
F. Future Land Use Map
G. Photos
H. Application and supporting documentation
I. Notification Replies

Staff Contacts

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Case Information: Zone Case 2016-D

Allowable Uses: High-Rise Apartment District (A-3) & Planned Development District (PD)

Transportation: The proposed development has points of access from 15st Street, 14th Street, and Ave X and is near University Avenue.

Thoroughfare	Existing	Per Thoroughfare Development Plan
Avenue X Avenue, *Local Street, Completed*	R.O.W. 50 feet, two-lane, undivided, paved	R.O.W. 50 feet, two-lane, undivided, paved
14th Street, *Local Street, Completed*	R.O.W. 60 feet, two-lane, Undivided, bricked	R.O.W. 60 feet, two-lane, undivided, bricked
15th street, *Collector Street, Completed*	R.O.W. 60 feet, two-lane, Undivided, paved	R.O.W. 64 feet, four-lane, Undivided, paved
University Avenue, *Principal Arterial, Completed*	R.O.W 102 feet, six-lane, Divided, paved	R.O.W 110 feet, six-lane, Divided, paved

Engineering Comments: No comments.

Public Works Comments: No comments.

Building Safety Comments: No comments.

Fire Marshal Comments: No comments.

Draft Planning and Zoning Commission Minutes

District 1

5.2 **Zone Case 2016-D:** Parkhill for Thomas Kenneth Abraham, request a zone change from Family Apartment District (A-1) to High-Rise Apartment District (A-3) with a Planned Development, at:

- 2401 through 2413 14th Street and 2402 through 2416 15th Street, located south of 14th Street and east of University Avenue, Overton Addition, Block 102, Lots 1 through 7 and 17 through 24 and the portion of alley between Lots 1 through 7 and 18 through 24 (to be closed).

PLANNING DIRECTOR KRISTEN SAGER stated that there were fifty-four (54) notifications sent out with thirty-seven (37) returned in favor (11 of which are outside the notification boundary) and fifty-three (53) returned in opposition (49 of which are outside the notification boundary). Staff shared the location of the property, including pictures and maps and discussed the surrounding properties. There are several homes currently constructed on

the subject properties. Staff presented an aerial visual of the existing homes on the properties today, as well as a site plan of the proposed apartment building. The applicant's proposal would require deviations to the required parking, setbacks, lot coverage, and uses. The applicant provided a traffic study that showed the project would not have a significant impact on the surrounding network. Staff recommended approval of the request.

CHAIR SAWYER asked who created the boundary map submitted with the 2011 letter from the South Overton Residential and Commercial Association.

PLANNING DIECTOR KRISTEN SAGER noted that it was R.M. Brodkin who created the map, correcting the boundary that initially included the subject properties.

JAMES BELL asked if the purpose of the letter was to clarify that R.M. Brodkin knew of the student housing plans and did not mean to have this area included with the South Overton Design Regulations. Staff responded in the affirmative.

JORDAN WHEATLEY asked if the person who signed the letter owned the property in question.

PLANNING DIRECTOR KRISTEN SAGER answered no; R.M. Brodkin signed the letter on behalf of the South Overton Residential and Commercial Association. The letter states Mr. Brodkin had been in contact with Kenneth Abraham and Ted Rushing in regards to their plans for the student housing. The letter requested the City remove those properties from the Design Regulations so the student housing project could move forward at some point.

CHAIR SAWYER asked if all parking was to be entirely contained in the parking garage.

PLANNING DIRECTOR KRISTEN SAGER responded in the affirmative. On-street parking does not count toward the parking requirements.

CHAIR SAWYER stated he had questions regarding the traffic study and asked if a representative was present to answer the questions. Staff responded in the affirmative.

SUSAN TOMLINSON noted that the proposed project does not look historic, which would be necessary for tying the project into the South Overton neighborhood.

APPLICANT KENNETH ABRAHAM, 1317 University Avenue, stated his passion for the city of Lubbock and Texas Tech. His business put him on college campuses from the age of 20. It afforded him the unique insight of what made good universities; student housing in close proximity to campus. It gave him passion to build a first-class housing facility for Texas Tech students and has remained a goal of his for over 50 years. This project should not be a surprise to anyone. He referred to the 2011 letter and stated he had been visiting with Mr. Brodkin and the other members of the Overton organization about his student housing project. The letter was their agreement to not include his land in the design district boundary out of respect for his project. His property was never in the historic district. Moreover, the neighborhood already has another high-density student housing project. The U-Loft Apartment building is two blocks away and stands almost as tall as the proposed project. The type of first-class amenities provided, are the key to ensuring that Lubbock retains its draw for students to choose Texas Tech over other universities. Mr. Abraham and Mr. Pierce (project architect) have put the plan to paper over the last five years and have created an amazing project. Mr. Abraham noted that he owns almost all of the surrounding properties, so if the Commission would like to see parking anywhere in particular, he likely has the ability to make it happen. A lot of thought and research went into this plan. Mr. Abraham respectfully asked for the Commission's careful consideration and welcomes any questions.

PROJECT PARTNER RYAN MCCULLOCH, 911 Aurora Circle, in Austin TX, spoke as the project's facilitator, and added that the project's architect, civil engineer, and traffic study engineer were also present and available for questions. **MR. MCCULLOCH** stated that they have projects in almost every state, which are primarily student housing projects. Most recently, three student housing projects were completed in Austin, Texas with several more projects being set to be complete before the Fall 2023 school year commences.

CHAIR SAWYER asked if those projects were the same size as what Mr. Abraham is presenting today.

RYAN MCCULLOCH stated that their projects are primarily high-rise, with an average of 18 to 20 stories. Ohio State and Birmingham, Alabama had plans for smaller scale designs like those used for Lubbock. The company builds projects based on what will fit with the neighborhood and what is appropriate with the surrounding area. Considering this location and its surroundings, he feels seven stories is an appropriate height.

SUSAN TOMLINSON asked if the projects all have the same style. **MR. MCCULLOCH** answered in the negative, noting the company's use of several different architects and interior designers for the differing styles required for each project to have its own identity.

CHAIR SAWYER asked if it is common that the parking count averages less than the bed count, due to the foot traffic in the vicinity of the campus.

RYAN MCCULLOCH agreed that there is an art and a science to that statement, but said Kimley-Horn would be better equipped to answer questions regarding the traffic count. They partner with some of the best property managers in the country, with some of the widest portfolios of student housing projects. Their average parking ratios for similar projects are comparable to this project. None are over 75% parking ratios, because they just aren't seeing the demand from students.

JORDAN WHEATLEY asked if Mr. McCulloch's company designs, builds, and manages their projects.

RYAN MCCULLOCH answered in the affirmative, noting they are the owner, but they do hire a property management company to manage day-to-day operations. Both the designer and builder are hired out, they are not in-house.

CHAIR SAWYER asked if any out-of-house positions had been hired for this project and **MR. MCCULLOCH** responded they had hired those positions out locally to Lubbock.

CHAIR SAWYER inquired about the square footage allocated for retail on the project and **MR. MCCULLOCH** noted that 7,000 square feet of retail was allocated for a leasing lobby. Study lounges, a clubhouse, interior courtyards, and other amenities expected of top-quality student housing projects would also be part of the project.

CHAIR SAWYER asked if any improvements were being done to City water or sewer in the area, surrounding the project.

RYAN MCCULLOCH replied in the affirmative and asked the civil engineers to expound on those improvements.

ALAN HOLLY, 4222 85th Street, with Parkhill, spoke to the improvements on the existing infrastructure. Because they knew there would be infrastructure issues with this development, they conducted a study primarily on the sanitary sewer. Luckily, a sufficiently-sized piece of tubing was found that can be used to extend the sanitary sewer main. Not only would it be sufficient to serve the project, but it would also improve service for the existing area.

JOHNNA ANTHONY, 4222 85th Street, with Parkhill added that the sewer study was completed with the City's Engineering Department staff. All calculations were approved by City engineers and they agreed that doing these improvements will result in improved level of service for the entire area.

ALAN HOLLY noted that the new sewer will be sent down 15th Street, which is ideal because 15th Street is of asphalt construction. This avoids tearing up of any brick streets, such as 14th Street. This is the same route that all utilities will be relocated on, including electric and gas lines.

JORDAN WHEATLEY asked how they arrived at the size and scope of the proposed project.

JOHN WARFIELD, 1312 Cedar Hill Avenue, Dallas, Texas, spoke to the project's size as one of its architects. Pro forma is one consideration in determining the size of a project in generating the right size community that works well as a student community. Architecturally, it's about taking in the height and vitality of the buildings in the surrounding area. The height should measure such that the overall height and character looks appropriate next to the neighboring structures down University Avenue while also reinforcing the character of the university. The design that was settled on worked best to support the development of a commercial district for South Overton while fitting within the context of the use.

CHAIR SAWYER asked if any local traffic counts for the area were considered.

ABBY AXLESON, 13455 Noel Road, in Dallas Texas, representative for Kimley-Horn advised that they used nationally accepted data from the Institute of Transportation Engineers Trip Generation Manual. Historical data provided by TxDOT for Avenue X, University Avenue, and 14th and 15th Streets was compiled to determine the negative growth since 2012.

JORDAN WHEATLEY asked if they had ever studied the parking design of one of their projects after it had been established for a year to determine if the parking garages are meeting the numbers anticipated.

RYAN MCCULLOCH noted that in general, they aren't fully leased on the parking that is provided. The younger generations are finding more ways to get around than just automobiles.

IN OPPOSITION JOSH STUEVE, 1501 University Avenue, pastor of St. John's Methodist Church, spoke to the parking issues he already deals with at the church, as they are a direct neighbor to the proposed project site. The church parking lot is a huge monetary draw for the ministry. He felt that his parking lot is going to be too inviting for students to park on and was concerned about the invasiveness of the project. The increased density in terms of people and pets would not be compatible with the area. Being the most direct neighbor to the project, he was never consulted by anyone working on the project.

IN OPPOSITION TED HOGAN, 2712 20th Street, stated that South Overton is a much smaller neighborhood and less supported, so he is advocating for them. His family owns several properties in the area. This neighborhood would be adversely affected by the project. These properties are preserved by people investing in, renovating, and upgrading them. In many cases, a property owner's right to do what they want with their land should end when what they are proposing to do is negatively impactful. This project will increase traffic and damage roads. The structures the applicant will demolish to build this property can be renovated and repaired. The applicant does not get to purchase properties for over three decades and let them go to ruin to ultimately use that block-busting to destroy property values in order to enrich himself.

IN OPPOSITION CATHERINE PRENOT, 2213 17th Street, spoke to her concern that adding 700 residents to a three-block area of the neighborhood will negatively affect traffic and parking. As a mom, her concern lies with walkability for herself and her children with the increased traffic. The property on the corner of 18th Street and

Avenue X has been hit twice by vehicles due to so many people using Avenue X to bypass traffic on University Avenue. Those additional 700 residents are not going to do any less when pulling out of the proposed parking garage. The project is 91 spots shy of the parking requirement for the requested zoning district. She asked where will the students park.

IN OPPOSITION SAM LANHAM, 2009 16th Street, stated he and his wife bought their home, built in 1935, because of the history and diversity of the neighborhood. He opposes the zoning change because the project does not fit the neighborhood, and it doesn't support the purpose of a historic neighborhood. He went on to state that the City Council agreed it was important to preserve the culture and history of South Overton, hence why the design regulations are in place. Student housing development belongs in North Overton. Even if the project is outside the historic boundary, there will be spill-over into the residential community.

IN OPPOSITION KELLY HAND, 4625 94th Street, spoke to the character of each home in the South Overton District. Each home is original and keeping that history is what honors South Overton. The City infrastructure over the last forty years has proven to be inadequate in this area to be able to take on the project. The main arteries of the drainage systems already won't drain with existing residents. A high-rise project that adds 700 residents to that already fragile infrastructure is inappropriate. The proposed change is the equivalent of crowding seven existing residential blocks of South Overton residents into two-thirds of a city block. Every proposed resident is not provided their own parking, much less consideration for any study partners, family members, or friends that will be visiting them. He went on to state that this is unwanted and unnecessary for existing residents.

IN OPPOSITION TONYA HAGY-VALDINE, 1704 Avenue X, spoke to the 2011 letter discussed. She said that the letter was just an acknowledgement of circumstances of the time and not an acceptance of a 700-plus resident high-rise. She showed videos depicting flooding and other issues she had dealt with because of the antiquated infrastructure that runs through South Overton. The neighborhood has changed drastically since Mr. Abraham started dreaming about this project. A lot of homes intended for single-family use now have been renovated by developers to house up to four students. The neighborhood is already over-crowded. She read a statement from the 2040 Comprehensive Plan that spoke to vibrant neighborhoods and housing variety. It states that existing neighborhoods should be protected and strengthened with neighborhood maintenance strategies specific to each neighborhood. The second passage states that the existing neighborhoods are a vital part of the community, and it is important to protect these residential areas as the City grows. It was her belief that this proposal in no way fits in with the fabric of the existing neighborhood.

IN OPPOSITION MARY CRITES, 4617 8th Street, spoke in opposition to the request. The Planned Development (PD) is for development that cannot be achieved under traditional zoning. Student housing can be achieved under any of the apartment zoning districts. The land is too small for the proposal. The purpose of a PD is not to circumvent regulations, as stated in the ordinance. The project application deviates from the requirements of both the A-3 base district and the PD district. The project does not meet the PD requirement of encouraging preservation of historic sites. The parking ratio for dorms is one space per bed in the Unified Development Code (UDC), making the project even more short on parking requirements.

IN OPPOSITION ROGER SETTLER, 2120 Broadway, spoke on behalf of the Congress of Neighborhood Associations. He expressed that the proposed project was a threat of urban sprawl that endangers the efficacy and integrity of this historic neighborhood.

IN OPPOSITION STEVEN FAULK, 2022 Broadway, spoke to the domino effect the project will have on his investments. The proposal is incredibly dense and therefore problematic for emergency personnel and their

equipment, should a fire break out. He stated that more is not better. The opportunity to develop housing at this location is there; just not at 80 feet in height.

IN OPPOSITION DAVID GEORGE, 3308 59th Street, spoke to the average college student being 100 miles from their hometown. Houston is the number one city Texas Tech students transfer from, which is 500 miles away. Students are bringing their cars here. Parking is the key issue for the project.

IN FAVOR LENORA ASK, 612 Broadway, stated that she was in favor of allowing new developments in Lubbock. She went on to state that there were more optimistic results of the project than not. She stated that she had been waiting for years to see new development in downtown Lubbock and wanted to see Lubbock vibrant again.

IN FAVOR ALEX ABRAHAM, 401 Topeka Avenue, spoke in favor of embracing the future. Texas Tech students are citizens too. This is a great opportunity to bring some newness to the City, and the project does that.

SUSAN TOMLINSON stated that she loved the idea of developing the City and creating walkability in the area. However, parking does have to be considered. There is an opportunity to develop on the site, but not at the proposed size. The aesthetic also does not fit South Overton.

TERRI MORRIS added that there should be some compromise. She went on to state that the Commission keeps seeing large projects proposed for small sites.

JORDAN WHEATLEY mentioned that he drove past the site and viewed it on Google Earth, going back 20 years. With the exception of a CVS, the site looks exactly the same as it did 20 years ago. As a developer, he hears a lot of people complaining that everything is moving south. However, when there is a proposal to build in other areas, like South Overton, it is met with resistance. He stated that didn't agree that the traffic and parking will never work. Lubbock needs to change and it's time the City take big steps to make it happen. He stated that he was in favor of the project.

CHAIR SAWYER sees fewer traffic issues with this site than the recent Tech Terrace proposal. The increased traffic is not a deal breaker. The tax revenues from a project this size are a great thing. It will bring in a lot of money to the local economy, which is great for the community. This is great for the business owners off University Avenue. He stated that he was in favor of the project.

SUSAN TOMLINSON noted that the project should enhance the neighborhood. She wasn't convinced that they couldn't come up with a better architectural plan for the site.

RENEE CAGE expressed concern regarding the impact on the infrastructure, noting that it could serve to diminish any potential revenue that would be brought in.

CHAIR SAWYER countered that the proposed changes to the infrastructure were approved by City engineers, whose job it is to ensure that any new additions or changes are not going to overwhelm the system.

ALAN HOLLY noted that the proposed plan includes improving infrastructure. The design runs new sanitary sewer from the property, all the way down 15th Street and Avenue X. The additional three blocks of new sewer would be paid for by the developer, not the City. The changes relieve existing pressure on pipes, so it would improve issues such as blocked drains, which the South Overton neighborhood is currently dealing with.

JOHNNA ANTHONY added that they factored in 800 people showering and flushing toilets, instead of the 700, and the planned infrastructure still doesn't get overwhelmed. As it's designed now, all of the sewer from CVS and the other nearby businesses goes down the alley. The new plan would completely bypass that. The new design takes on the flow from the commercial businesses and adds it to the new line that will run down 15th Street to the

larger-diameter line. This would take pressure off the existing smaller-diameter lines that run down the alley. This was all run through flow models by City engineers and the results were reduced flows in the existing lines. **CHAIR SAWYER** noted that projected reduction in flows is a good thing for the neighborhood.

AVIRAJ PATEL agreed that the City keeps passing up projects, but it won't stop Texas Tech from growing. Those people have to go somewhere.

JORDAN WHEATLEY stated that even if the project was jumping from R-1 to A-2, it would still be met with resistance. At some point, you have to try something new. He indicated a need to realize that the proposed project is on University Avenue, next to Texas Tech. This would be a massive benefit for the City.

RENEE CAGE questioned the affordability of housing for prospective students if they are expected to pay for parking as well.

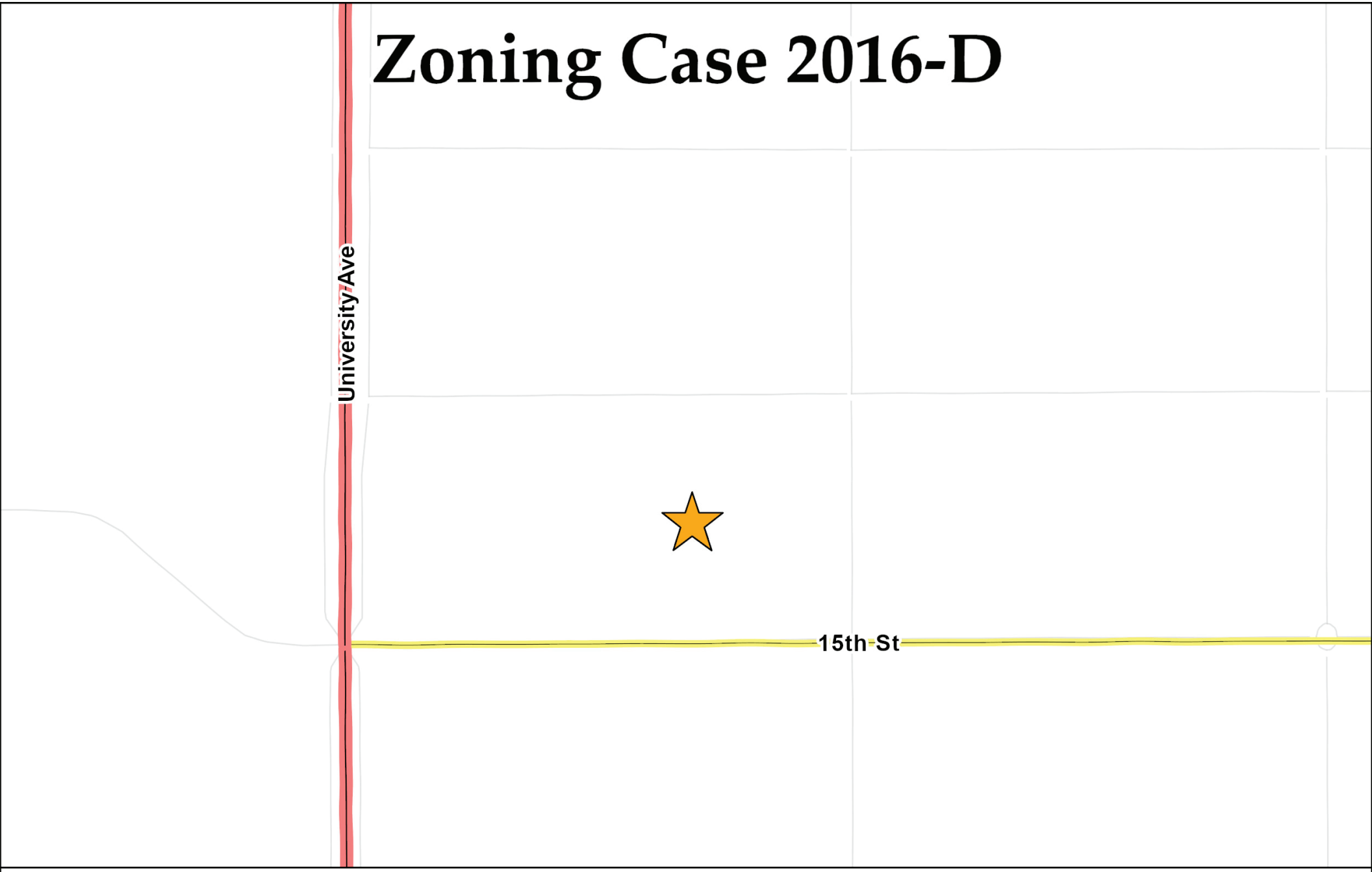
APPLICANT KEN ABRAHAM noted that the Methodist church rents out its parking spaces, stating that paid parking is not a new concept.

RYAN MCCULLOCH added that there are vast amounts of rentals in the area. This is not a zero-sum game. They were not competing with the neighbors, being able to do what they would like. He went on to indicate that they have tried to be good neighbors. He explained that they reached out to the nearby businesses and the neighborhood association multiple times. They were denied a meeting by the association every time. They reached out to all of the groups in opposition.

In the matter of **Zone Case 2016-D,** a motion was made by **JAMES BELL** seconded by **JORDAN WHEATLEY** to approve the request and the Commission members voted 4 (in favor) to 3 (in opposition) to approve the motion. The item will be forwarded to City Council for consideration.

Susan Tomlinson, **Renee Cage**, and **Terri Morris** cast the votes in opposition.

Zoning Case 2016-D



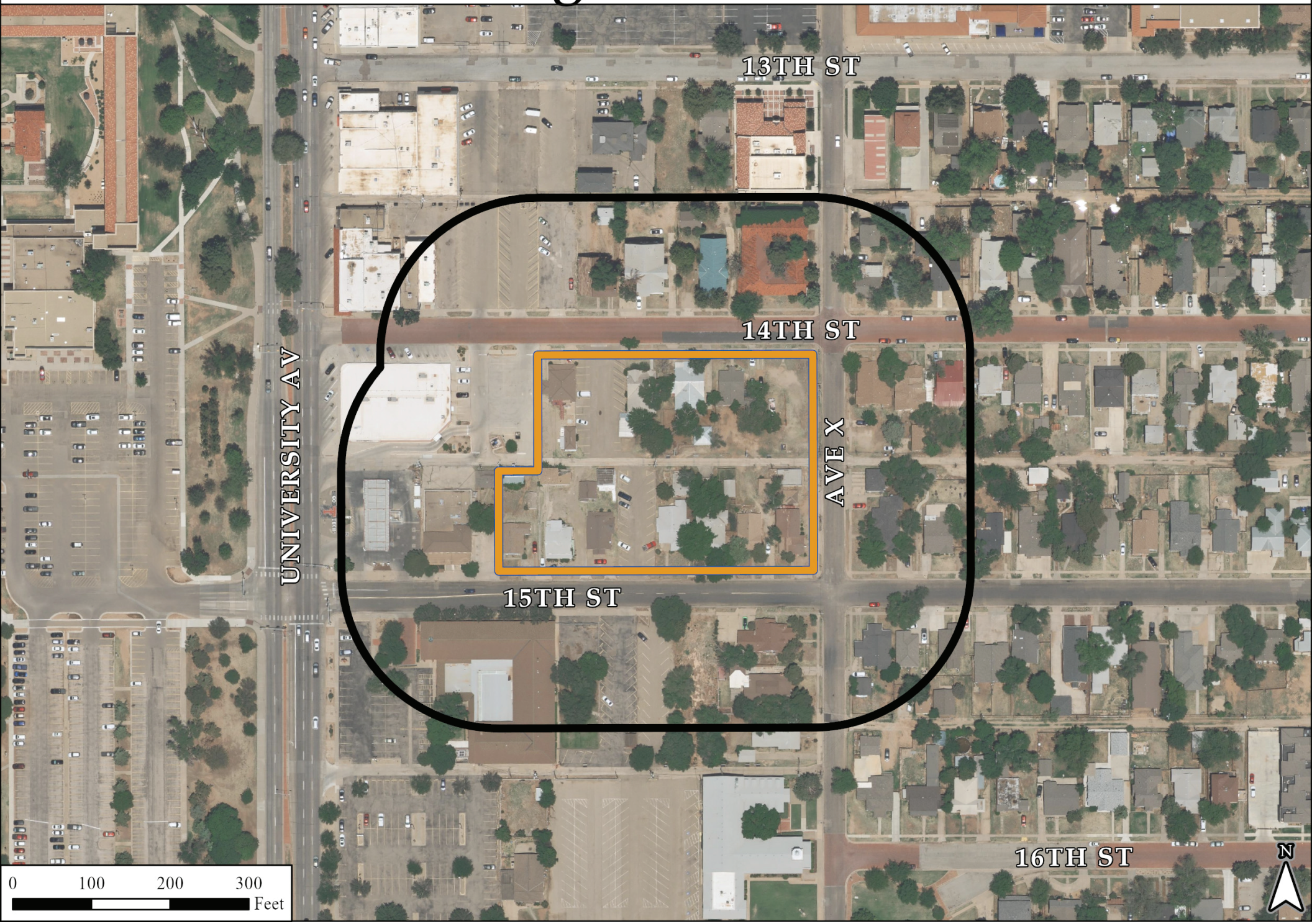
Collector	Minor Arterial	Modified Arterial	Principal Arterial	Freeway
Completed	Completed	Partial	Completed	Completed
Partial	Partial	Future	Partial	Partial
Future	Future		Future	Proposed Outer Loop

N
W E
S

Date Exported: June 2023

PZC Mailout
Notifications Received
13TH ST
N
UNIVERSITY AVE
14TH ST
15TH ST
X AVE
Legend
LocatorPnt2016_D
MailoutBuffer2016_D
Notification Result
In Favor
Opposed
Created by Planning Department
Date: 7/27/2023
0
100
200
400 Feet

Zoning Case 2016-D



Current Zoning 2016-D

Zoning Districts

- Family Apartment
- General Retail
- General Retail Specific Use
- Central Business District 1
- Single Family
- Two Family

N

0 50 100 150 Feet

City of Lubbock TEXAS

Date Exported: June 2023

Future Land Use Plan
Case 2016-D

Future Land Use Type

- Commercial
- Heavy Commercial
- Downtown
- Office
- Industrial
- Interstate Commercial
- Interstate Industrial
- Mixed Use
- Parks
- Public/ Semi-Public
- Residential Low Density
- Residential Medium Density
- Residential High Density

N

0 50 100 150 200 Feet

City of Lubbock TEXAS

Date Exported: June 2023

2016-D

View of subject property to the south 14th Street.

View to the east 14th Street.

View to the north 14th Street.

View to the west 14th Street.

2016-D

View of subject property to the North 15th Street.

View to the East 15th Street.

View to the South 15th Street.

View to the west 15th Street.

2016-D

View of subject property to the west Avenue X.

View to the east Avenue X.

View to the north Avenue X.

View to the west Avenue X.

City of Lubbock TEXAS
PLANNING

Lubbock Planning Department
PO Box 2000 / 1314 Avenue K
Lubbock, TX 79457

APPLICATION FOR ZONING CHANGE

Project Information

Location or Address: 2413 14th Street

Lots/Tracts: Lots 1-7 and 17-24

Survey & Abstract: Block 102, Overton Addition

Metes and Bounds Attached: Yes ☑ No ☐ Total Acreage of Request: 2.35

Existing Land Use: Multi-Family Existing Zoning: A-1

Requested Zoning: A-3 Planned Development

If property is not subdivided, will a preliminary plat be submitted? Yes ☐ No ☑

Representative/Agent Information (if different from owner)

Firm Name: Parkhill

Name: Alan Holly

Address: 4222 85th Street City: Lubbock State: TX

ZIP Code: 79423 Telephone: 806-473-2200 Email: aholly@parkhill.com

Applicant's Signature: Alan Holly

Date: 05/30/2023 Printed Name: Alan Holly

Owner Information

Firm Name: /

Owner: Thomas Kenneth Abraham

Address: 1317 University Ave City: Lubbock State: Texas

ZIP Code: 79401 Telephone: 806-787-3633 Email: Ken@paddletramps.com

Property Owner's Signature: Thomas Kenneth Abraham

Date: 5/31/2023 Printed Name: Thomas Kenneth Abraham

Preparer Information

Preparer's Signature: Johna Anthony

Date: 05/30/2023 Printed Name: Johna Anthony

For City Use Only

Zone Case No: _____ Planning and Zoning Commission Date: _____

Request for zoning change from: _____ To: _____

Lots: _____ Blocks: _____

Addition: _____

By signing this application, Applicant agrees and warrants that any and all materials submitted to the City in support or reference to this application are not protected by copyrights or, in cases of potential copyrighted materials, the Applicant is the sole owner of any copyrighted interest and grants to the City permission and license to reproduce, publish, distribute and utilize such materials.

If you have any questions pertaining to the zoning process, please contact the City of Lubbock Planning Department by phone at (806) 775 - 2108 or by e-mail at cityplanning@mylubbock.us.

Parkhill

June 8, 2023

Ms. Kristen Sager
Director of Planning
City of Lubbock
1314 Avenue K
Lubbock, Texas 79401

Re:

Dear Ms. Sager:

We are requesting a zoning change from A-1 to A-3 with a Planned Development classification for lots 1-7 and 17-24 of Block 102 Overton Addition to the City of Lubbock. This change is to convert several duplex homes to a single mid-rise development which will accommodate a 7-story student housing facility to serve the Texas Tech student population. This development will provide students with a flexible housing option directly adjacent to campus, improve the overall aesthetic of the Overton area, make improvements to existing public infrastructure, and spur continuing development in this currently underserved area. A Planned Development is required to allow for full and efficient use of the property and accommodate the full scope of the project.

Sincerely,

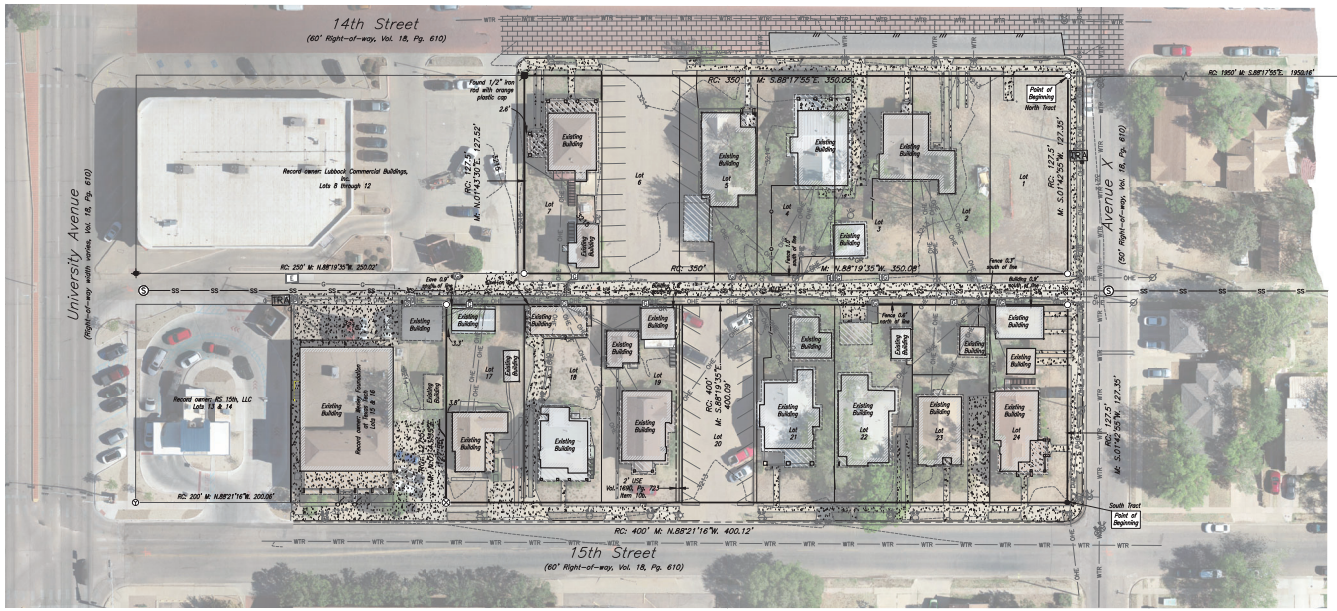
PARKHILL

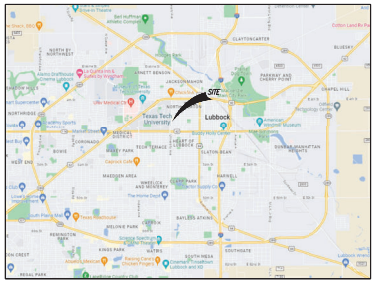
By _____
Alan Holly, P.E.
Civil Engineer, Associate

ALTA/NSPS (2021) LAND TITLE SURVEY OF LOTS 1 THROUGH 7 & LOTS 17 THROUGH 24, BLOCK 102, OVERTON ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS

PARKHILL PROJECT 40975.23

PLAT VOLUME 18, PAGE 610, DEED RECORDS OF LUBBOCK COUNTY





N

SCALE: 1" = 40'

0 20' 40' 80'

THE FOLLOWING ITEMS ARE TAKEN VERBATIM FROM ITEM 10, SCHEDULE "B" OF A COMMITMENT FOR TITLE INSURANCE ISSUED BY STEWART TITLE GUARANTY COMPANY, FILE NO. 1720147, EFFECTIVE DATE APRIL 27, 2023 AT 8:00 AM, ISSUED MAY 4, 2023 AT 11:57 AM.

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a) Rights of parties in possession. (Owner Title Policy Only)

b) Underground street light cable easement granted to the City of Lubbock by instrument recorded in/under Volume 1690, Page 723 of the Deed Records of Lubbock County, Texas. [SURVEYOR'S NOTE: THE LEGAL DESCRIPTION OF THIS INSTRUMENT ENCUMBERS THE EAST 2 FEET OF LOT 19 AS SHOWN ON THE PLAT HEREON]

c) Rights of tenants, and assigns, as tenants only, under currently effective lease agreements.

d) All leases, grants, exceptions, rights-of-way, roadways, encroachments, etc., which a survey or physical inspection of the premises might disclose.

e) subject to any easements rights-of-way, roadways, encroachments, etc., which a survey or physical inspection of the premises might disclose.

f) Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.

THE FOLLOWING LEGAL DESCRIPTION IS TAKEN VERBATIM FROM SCHEDULE "A" OF A COMMITMENT FOR TITLE INSURANCE ISSUED BY STEWART TITLE GUARANTY COMPANY, FILE NO. 1720147, EFFECTIVE DATE APRIL 27, 2023 AT 8:00 AM, ISSUED MAY 4, 2023 AT 11:57 AM.

LOTS 1, 2, 3, 4, 5, 6, 7, 17, 18, 19, 20, 21, 22, 23 AND 24, IN BLOCK 102, OVERTON ADDITION, AN ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, AS SHOWN ON THE PLAT ATTACHED TO THE DEDICATION DEED RECORDED IN/UNDER VOLUME 18, PAGE 568, REAL PROPERTY RECORDS, LUBBOCK COUNTY, TEXAS.

THE FOLLOWING METES AND BOUNDS DESCRIPTIONS ARE PREPARED BY THIS SURVEYOR.

TWO TRACTS OF LAND, BEING ALL OF LOTS 1 THROUGH 7 AND ALL OF LOTS 17 THROUGH 24, BLOCK 102, OVERTON ADDITION TO THE CITY OF LUBBOCK, LUBBOCK COUNTY, TEXAS, ACCORDING TO THE MAP, PLAT AND/OR DEDICATION DEED THEREOF RECORDED IN VOLUME 18, PAGE 610 OF THE DEED RECORDS OF LUBBOCK COUNTY, TEXAS, SAID TRACTS BEING DESCRIBED AS THE NORTH TRACT AND SOUTH TRACT RESPECTIVELY BY METES AND BOUNDS AS FOLLOWS:

NORTH TRACT: 44,611 SQUARE FEET (1.024 ACRES)

BEGINNING AT A 1/2-INCH IRON ROD WITH A PLASTIC CAP MARKED "PARKHILL RPLS 6453" SET FOR THE NORTHEAST CORNER OF LOT 1, BLOCK 102 OF SAID OVERTON ADDITION, FOR THE NORTHEAST CORNER OF THIS TRACT, WHENCE A 1-INCH IRON PIPE FOUND AT THE NORTHEAST CORNER OF BLOCK 53 OF SAID OVERTON ADDITION BEARS SOUTH 88 DEGREES 17 MINUTES 55 SECONDS EAST A DISTANCE OF 1950.16 FEET (PREVIOUSLY CALLED 1950 FEET);

(1) THENCE SOUTH 01 DEGREES 42 MINUTES 55 SECONDS WEST A DISTANCE OF 127.35 FEET (PREVIOUSLY CALLED 127.5 FEET) TO A 1/2-INCH IRON ROD WITH A PLASTIC CAP MARKED "PARKHILL RPLS 6453" SET FOR THE SOUTHEAST CORNER OF SAID LOT 1, BLOCK 102, FOR THE SOUTHEAST CORNER OF THIS TRACT, WHENCE A 3/8-INCH IRON ROD FOUND AT THE SOUTHEAST CORNER OF SAID BLOCK 102 BEARS SOUTH 01 DEGREES 42 MINUTES 55 SECONDS WEST A DISTANCE OF 147.35 FEET;

(2) THENCE NORTH 88 DEGREES 19 MINUTES 35 SECONDS WEST, ALONG THE SOUTH LINE OF LOTS 1, 2, 3, 4, 5, 6 AND 7, OF SAID BLOCK 102, A DISTANCE OF 350.08 FEET (PREVIOUSLY CALLED 350 FEET) TO A 1/2-INCH IRON ROD WITH A PLASTIC CAP MARKED "PARKHILL RPLS 6453" SET FOR THE SOUTHWEST CORNER OF SAID LOT 7 FOR THE SOUTHWEST CORNER OF THIS TRACT, WHENCE A "MAG" NAIL FOUND AT THE SOUTHWEST CORNER OF LOT 12 OF SAID BLOCK 102 BEARS NORTH 88 DEGREES 19 MINUTES 35 SECONDS WEST A DISTANCE OF 250.02 FEET (PREVIOUSLY CALLED 250 FEET);

(3) THENCE NORTH 01 DEGREES 43 MINUTES 30 SECONDS EAST A DISTANCE OF 127.52 FEET (PREVIOUSLY CALLED 127.5 FEET) TO A 1/2-INCH IRON ROD WITH AN ORANGE PLASTIC CAP FOUND AT THE NORTHWEST CORNER OF SAID LOT 7 FOR THE NORTHWEST CORNER OF THIS TRACT;

(4) THENCE SOUTH 88 DEGREES 17 MINUTES 55 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOTS 7, 6, 5, 4, 3, 2 AND 1, A DISTANCE OF 350.05 FEET (PREVIOUSLY CALLED 350 FEET) TO THE POINT OF BEGINNING.

SOUTH TRACT: 50,994 SQUARE FEET (1.171 ACRES)

BEGINNING AT A 3/8-INCH IRON ROD FOUND AT THE SOUTHEAST CORNER OF LOT 24, BLOCK 102 OF SAID OVERTON ADDITION, FOR THE SOUTHEAST CORNER OF THIS TRACT;

(1) THENCE NORTH 88 DEGREES 21 MINUTES 16 SECONDS WEST, ALONG THE SOUTH LINE OF LOTS 24, 23, 22, 21, 20, 19, 18 AND 17 OF SAID BLOCK 102, A DISTANCE OF 400.12 FEET (PREVIOUSLY CALLED 400 FEET) TO AN "X" CUT ON CONCRETE FOUND AT THE SOUTHWEST CORNER OF SAID LOT 17 FOR THE SOUTHWEST CORNER OF THIS TRACT, WHENCE A "CROW'S FOOT" CUT ON CONCRETE FOUND AT THE SOUTHWEST CORNER OF SAID BLOCK 102 BEARS NORTH 88 DEGREES 21 MINUTES 16 SECONDS WEST A DISTANCE OF 200.06 FEET (PREVIOUSLY CALLED 200 FEET);

(2) THENCE NORTH 01 DEGREES 43 MINUTES 35 SECONDS EAST A DISTANCE OF 127.55 FEET (PREVIOUSLY CALLED 127.5 FEET) TO A 1/2-INCH IRON ROD WITH A PLASTIC CAP MARKED "PARKHILL RPLS 6453" SET FOR THE NORTHWEST CORNER OF SAID LOT 17 AND THE NORTHWEST CORNER OF THIS TRACT;

(3) THENCE SOUTH 88 DEGREES 19 MINUTES 35 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOTS 17, 18, 19, 20, 21, 22, 23 AND 24, A DISTANCE OF 400.09 FEET (PREVIOUSLY CALLED 400 FEET) TO A 1/2-INCH IRON ROD WITH A PLASTIC CAP MARKED "PARKHILL RPLS 6453" SET FOR THE NORTHEAST CORNER OF SAID LOT 24 AND THE NORTHEAST CORNER OF THIS TRACT, WHENCE A 1/2-INCH IRON ROD SET FOR THE NORTHEAST CORNER OF SAID BLOCK 102 BEARS NORTH 01 DEGREES 42 MINUTES 55 SECONDS EAST A DISTANCE OF 147.35 FEET (PREVIOUSLY CALLED 147.5 FEET) AND A 1-INCH IRON PIPE FOUND AT THE NORTHEAST CORNER OF BLOCK 53 OF SAID OVERTON ADDITION BEARS NORTH 01 DEGREES 42 MINUTES 55 SECONDS EAST A DISTANCE OF 147.35 FEET AND SOUTH 88 DEGREES 17 MINUTES 55 SECONDS EAST A DISTANCE OF 1950.16 FEET (PREVIOUSLY CALLED 1950 FEET).

(4) THENCE SOUTH 01 DEGREES 42 MINUTES 55 SECONDS WEST, ALONG THE EAST LINE OF SAID LOT 24, A DISTANCE OF 127.35 FEET (PREVIOUSLY CALLED 127.5 FEET) TO THE POINT OF BEGINNING.

AERIAL IMAGERY SHOWN ON THIS PLAT WAS CAPTURED BY PARKHILL ON APRIL 18, 2023 AND WAS TIED TO THE GROUND CONTROL POINTS BASED ON THE SURVEY. IT IS SHOWN FOR CONTEXT AND SHOULD NOT REPLACE THE FIELD MEASUREMENTS OF PHYSICAL IMPROVEMENTS.

LEGEND:

SCALE: 1" = 40'

- ○ = SET 1/2" IRON ROD WITH CAP "PARKHILL RPLS 6453".
- ⊗ = SET "X" CUT ON CONCRETE.
- ● = FOUND 3/8" IRON ROD.
- ✦ = FOUND "MAG" NAIL.
- Ⓥ = FOUND "CROW'S FOOT" CUT ON CONCRETE.
- ◎ = FOUND 1" IRON PIPE.

- BOLLARD/GUARD POST
- EB ELECTRIC BOX
- ELECTRIC GUY DOWN
- ELECTRIC LIGHT POLE
- EM ELECTRIC METER
- ELECTRIC POWER POLE
- ELECTRIC RISER
- E ELECTRIC VAULT
- TRA ELECTRIC TRANSFORMER GROUND
- FLAGPOLE
- G GAS METER
- GR GAS RISER
- WATER FIRE HYDRANT
- WATER IRRIGATION CONTROL VALVE
- WATER METER
- WATER VALVE
- SANITARY SEWER MANHOLE
- SIGN

- BUILDING
- BUILDING OVERHANG
- GAS LINE UNDERGROUND
- POWER OVERHEAD
- CONCRETE
- BRICK
- EDGE OF ASPHALT
- GUTTER FLOW LINE
- FENCE CHAINLINK
- FENCE PIPE RAIL
- FENCE WOOD
- SANITARY SEWER GRAVITY LINE
- WATER UNDERGROUND
- BOUNDARY LINE
- BLOCK LINE
- LOT LINE
- EASEMENT

NOTES FOR ITEMS IN ALTA/NSPS TABLE "A"

1: MONUMENTS INDICATED ON PLAT HEREON

3: BASED ON EVIDENCE PROVIDED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), IT APPEARS THAT THIS TRACT LIES WITHIN ZONE "X" AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE OF FLOODPLAIN AS SHOWN ON PANEL 305 OF 550, MAP NUMBER 48303C0305E OF THE FLOOD INSURANCE RATE MAP FOR LUBBOCK COUNTY, TEXAS, COMMUNITY NUMBER 480452, EFFECTIVE DATE: SEPTEMBER 28, 2007.

4: GROSS LAND AREA OF THE NORTH TRACT (LOTS 1 THROUGH 7) IS 44,611 SQUARE FEET (1.024 ACRES) GROSS LAND AREA OF THE SOUTH TRACT (LOTS 17 THROUGH 24) IS 50,994 SQUARE FEET (1.171 ACRES)

5: VERTICAL RELIEF DEPICTED ON THIS SURVEY IS SHOWN FROM FIELD OBSERVATIONS MADE DURING THIS SURVEY. BENCHMARK IS A 1/2" IRON ROD WITH A CAP MARKED "PARKHILL CONTROL" AT NORTHING: 7,275,074.47 AND EASTING: 942,470.20. BENCHMARK HAS AN ELEVATION OF 3,214.78 U.S. SURVEY FEET TIED TO THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) AS DETERMINED BY NGS OPUS SOLUTION. CONTOUR INTERVALS ARE AT 1 FOOT.

8: SUBSTANTIAL FEATURES OBSERVED IN THE PROCESS OF CONDUCTING FIELDWORK INDICATED ON PLAT HEREON.

13: NAMES OF ADJOINING LANDOWNERS ACCORDING TO CURRENT TAX RECORDS INDICATED ON PLAT HEREON.

16: EVIDENCE OF RECENT EARTH MOVING WORK, BUILDING CONSTRUCTION, OR BUILDING ADDITIONS INDICATED ON PLAT HEREON

SURVEYOR'S REPORT

THIS SURVEY IS BASED ON THE TEXAS COORDINATE SYSTEM OF 1983 (NAD'83), TEXAS NORTH CENTRAL ZONE 4202. ELEVATIONS ARE BASED ON NAVD'88.
CONVERGENCE = -1°50'16".
COMBINED SCALE FACTOR = 0.99976551
PROJECT BASE POINT IS A 1/2" IRON ROD WITH A PLASTIC CAP MARKED PARKHILL CONTROL
NORTHING: 7,275,074.47
EASTING: 942,470.20
BOUNDARY AND DEED DISTANCE CALLED ON THIS SURVEY ARE AT SURFACE DISTANCES. AREAS REPORTED HEREIN ARE BASED ON CALCULATIONS MADE FROM SURFACE DISTANCES. UNITS ARE U.S. SURVEY FEET.

LOCATION OF UNDERGROUND UTILITIES DETERMINED FROM SURFACE EVIDENCE AND/OR REPORTED LOCATION AND MAY OR MAY NOT CORRECTLY INDICATE THE ACTUAL LOCATION OR EXISTENCE OF THOSE UTILITIES. ADDITIONAL UTILITIES MAY EXIST WHICH THIS SURVEY DOES NOT INDICATE.

THIS SURVEY IS SUBJECT TO ANY FACTS WHICH MAY BE DISCLOSED BY A FULL AND ACCURATE TITLE SEARCH. RECORD DOCUMENTS OTHER THAN THOSE SHOWN MAY AFFECT THIS TRACT.

MONUMENTS INDICATED AS FOUND BY THIS SURVEY ARE NOT 'PHYSICAL MONUMENTS OF RECORD DIGNITY' UNLESS SO NOTED.

FOUND MONUMENTS ARE ACCEPTED BY THIS SURVEYOR AS CONTROLLING EVIDENCE DUE TO SUBSTANTIAL AGREEMENT WITH RECORD DOCUMENTS.

THIS PLAT WAS PREPARED FOR THE EXCLUSIVE USE OF THE INDIVIDUAL AND/OR INSTITUTIONS NAMED ON THIS SURVEY. IT IS NOT TRANSFERABLE TO ADDITIONAL INSTITUTIONS OR INDIVIDUALS WITHOUT WRITTEN CONSENT OF PARKHILL.

THIS PLAT IS THE PROPERTY OF PARKHILL REPRODUCTION OF THIS PLAT FOR ANY PURPOSE IS EXPRESSLY FORBIDDEN WITHOUT THE WRITTEN CONSENT OF AN AUTHORIZED AGENT OF PARKHILL.

THIS PLAT IS INVALID UNLESS IT BEARS THE SURVEYOR'S ORIGINAL SEAL AND SIGNATURE.

TO PARALLEL ACQUISITIONS, LLC, AND STEWART TITLE GUARANTY COMPANY

THIS IS TO CERTIFY THAT THIS MAP OR PLAT 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 1, 3, 4, 5, 8, 13, AND 16 OF TABLE A THEREOF. THE FIELDWORK WAS COMPLETED ON APRIL 26, 2023.

DATE OF PLAT OR MAP: MAY 08, 2023
REVISED TO REFLECT UPDATED TITLE COMMITMENT ISSUED MAY 04, 2023

SAMUEL WYATT
RPLS 6453

Parkhill
Parkhill.com
TBPELS FIRM REGISTRATION NO. 10194091

Parkhill

METES AND BOUNDS DESCRIPTIONS OF
LOTS 1 THROUGH 7 & LOTS 17 THROUGH 24, BLOCK 102,
OVERTON ADDITION TO THE CITY OF LUBBOCK,
LUBBOCK COUNTY, TEXAS

Two tracts of land, being all of Lots 1 through 7 and all of Lots 17 through 24, Block 102, Overton Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 18, Page 610 of the Deed Records of Lubbock County, Texas, said tracts being described as the North Tract and South Tract respectively by metes and bounds as follows:

North Tract: 44,611 square feet (1.024 acres)

BEGINNING at a 1/2-inch iron rod with a plastic cap marked "PARKHILL RPLS 6453" set for the northeast corner of Lot 1, Block 102 of said Overton Addition, for the northeast corner of this tract, whence a 1-inch iron pipe found at the northeast corner of Block 53 of said Overton Addition bears *South 88 degrees 17 minutes 55 seconds East* a distance of 1950.16 feet (previously called 1950 feet);

(1) THENCE *South 01 degrees 42 minutes 55 seconds West* a distance of 127.35 feet (previously called 127.5 feet) to a 1/2-inch iron rod with a plastic cap marked "PARKHILL RPLS 6453" set for the southeast corner of said Lot 1, Block 102, for the southeast corner of this tract, whence a 3/8-inch iron rod found at the southeast corner of said Block 102 bears *South 01 degrees 42 minutes 55 seconds West* a distance of 147.35 feet;

(2) THENCE *North 88 degrees 19 minutes 35 seconds West*, along the south line of Lots 1, 2, 3, 4, 5, 6 and 7, of said Block 102, a distance of 350.08 feet (previously called 350 feet) to a 1/2-inch iron rod with a plastic cap marked "PARKHILL RPLS 6453" set for the southwest corner of said Lot 7 for the southwest corner of this tract, whence a "MAG" nail found at the southwest corner of Lot 12 of said Block 102 bears *North 88 degrees 19 minutes 35 seconds West* a distance of 250.02 feet (previously called 250 feet);

(3) THENCE *North 01 degrees 43 minutes 30 seconds East* a distance of 127.52 feet (previously called 127.5 feet) to a 1/2-inch iron rod with an orange plastic cap found at the northwest corner of said Lot 7 for the northwest corner of this tract;

(4) THENCE *South 88 degrees 17 minutes 55 seconds East*, along the north line of said Lots 7, 6, 5, 4, 3, 2 and 1, a distance of 350.05 feet (previously called 350 feet) to the **POINT OF BEGINNING**.

South Tract: 50,994 square feet (1.171 acres)

BEGINNING at a 3/8-inch iron rod found at the southeast corner of Lot 24, Block 102 of said Overton Addition, for the southeast corner of this tract;

(1) THENCE *North 88 degrees 21 minutes 16 seconds West*, along the south line of Lots 24, 23, 22, 21, 20, 19, 18 and 17 of said Block 102, a distance of 400.12 feet (previously called 400 feet) to an "X" cut on concrete found at the southwest corner of said Lot 17 for the southwest corner of this tract, whence a "Crow's Foot" cut on concrete found at the southwest corner of said Block 102 bears *North 88 degrees 21 minutes 16 seconds West* a distance of 200.06 feet (previously called 200 feet);

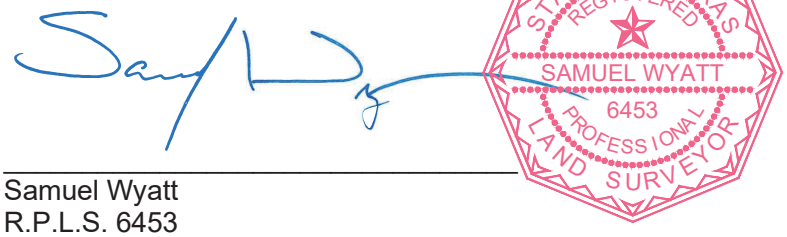
(2) THENCE *North 01 degrees 43 minutes 35 seconds East* a distance of 127.55 feet (previously called 127.5 feet) to a 1/2-inch iron rod with a plastic cap marked "PARKHILL RPLS 6453" set for the northwest corner of said Lot 17 and the northwest corner of this tract;

(3) THENCE *South 88 degrees 19 minutes 35 seconds East*, along the north line of said Lots 17, 18, 19, 20, 21, 22, 23 and 24, a distance of 400.09 feet (previously called 400 feet) to a 1/2-inch iron rod with a plastic cap marked “PARKHILL RPLS 6453” set for the northeast corner of said Lot 24 and the northeast corner of this tract, whence a 1/2-inch iron rod set for the northeast corner of said Block 102 bears *North 01 degrees 42 minutes 55 seconds East* a distance of 147.35 feet (previously called 147.5 feet) and a 1-inch iron pipe found at the northeast corner of Block 53 of said Overton Addition bears *North 01 degrees 42 minutes 55 seconds East* a distance of 147.35 feet and *South 88 degrees 17 minutes 55 seconds East* a distance of 1950.16 feet (previously called 1950 feet).

(4) THENCE *South 01 degrees 42 minutes 55 seconds West*, along the east line of said Lot 24, a distance of 127.35 feet (previously called 127.5 feet) to the **POINT OF BEGINNING**.

Bearings called in this description are based on the Texas Coordinate System, North Zone 4201, North American Datum of 1983. Distances called in this description are at surface. Areas reported hereon are based on calculations made from surface distances. This survey is subject to any facts which may be disclosed by a full and accurate title search. Record documents other than those shown may affect this tract. A plat of this survey accompanies this description.

Surveyed on the ground: April 26, 2023
Signed: May 04, 2023



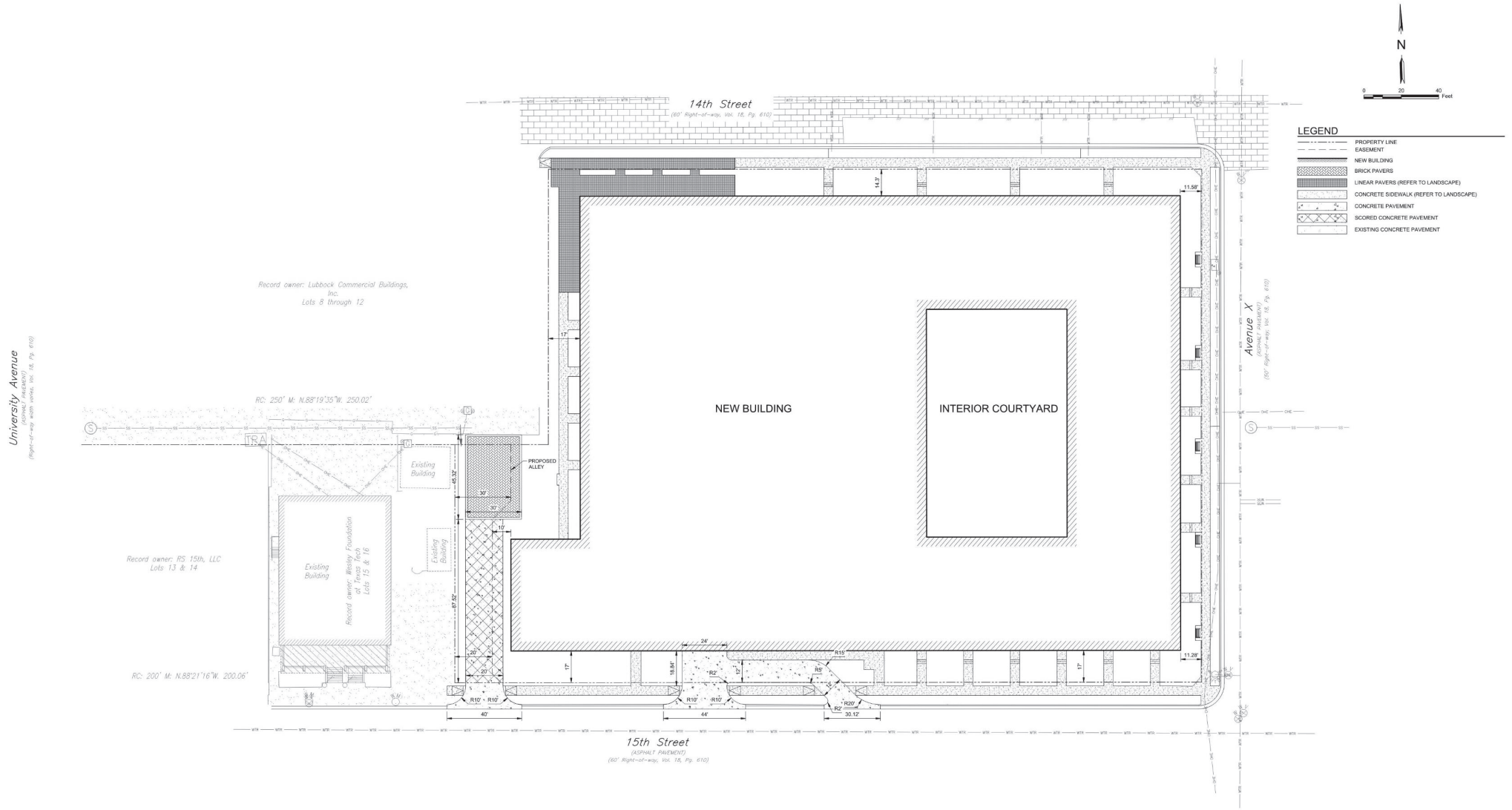
Samuel Wyatt
R.P.L.S. 6453

2413 14th STREET STUDENT HOUSING

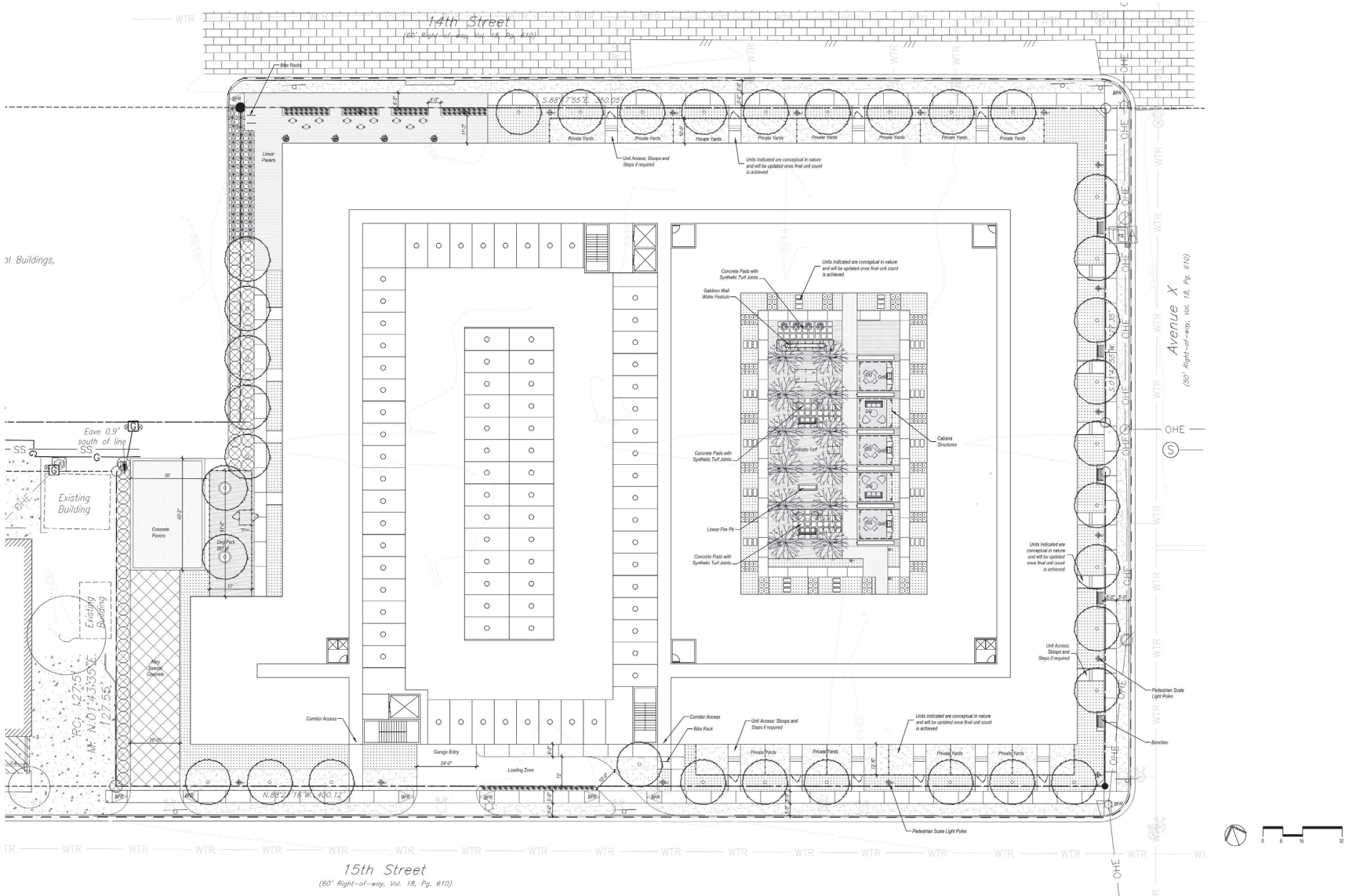
LUBBOCK, TEXAS 5/31/2023

John E. Orfield
Reg. No. 11164

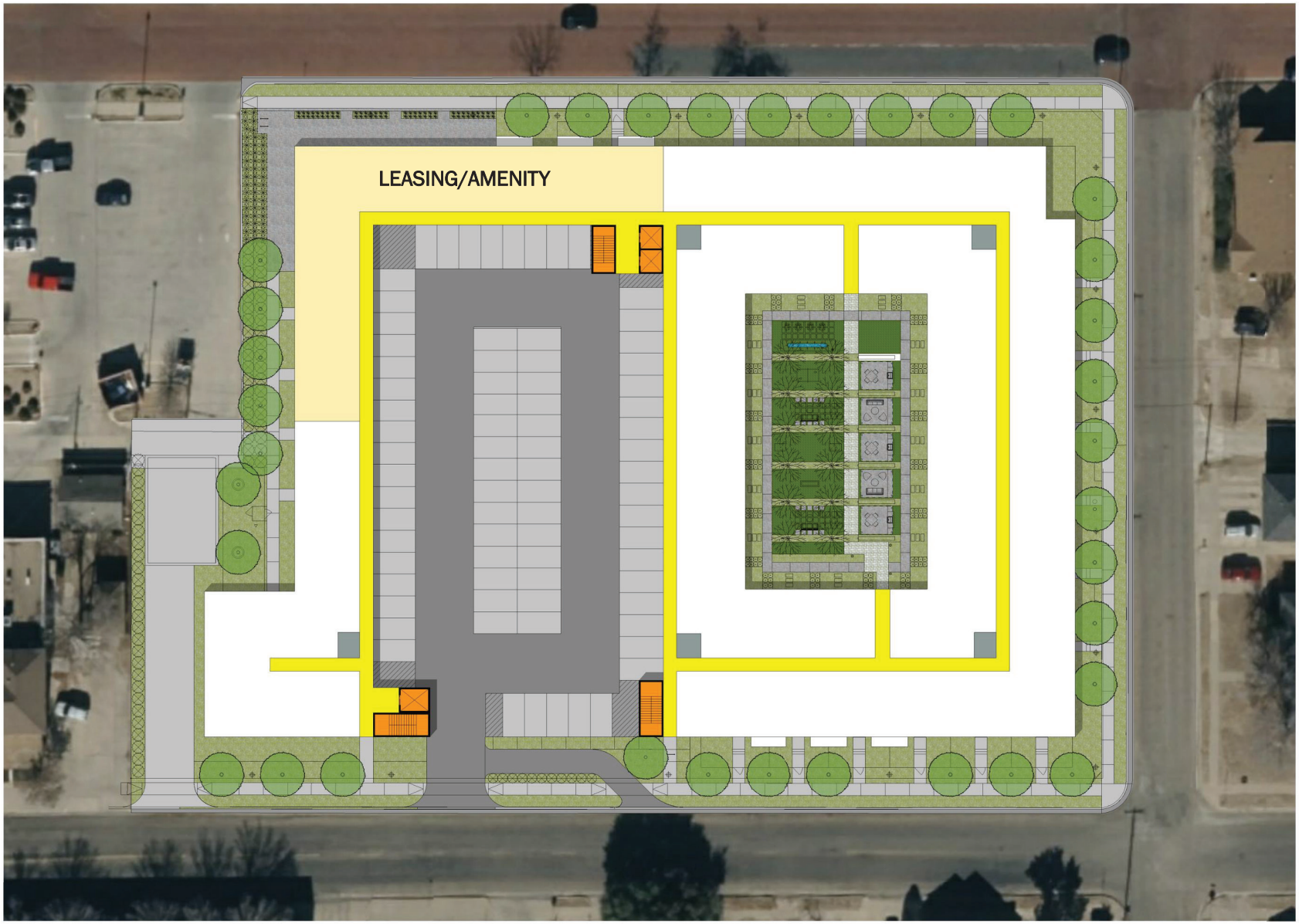
BOKAPowell


N
0
20
40
Feet
LEGEND
PROPERTY LINE
EASEMENT
NEW BUILDING
BRICK PAVERS
LINEAR PAVERS (REFER TO LANDSCAPE)
CONCRETE SIDEWALK (REFER TO LANDSCAPE)
CONCRETE PAVEMENT
SCORED CONCRETE PAVEMENT
EXISTING CONCRETE PAVEMENT
14th Street
(60' Right-of-way, Vol. 18, Pg. 610)
University Avenue
(ASPHALT PAVEMENT)
(Right-of-way width varies, Vol. 18, Pg. 610)
Avenue X
(ASPHALT PAVEMENT)
(50' Right-of-way, Vol. 18, Pg. 610)
15th Street
(ASPHALT PAVEMENT)
(60' Right-of-way, Vol. 18, Pg. 610)
Record owner: Lubbock Commercial Buildings, Inc.
Lots 8 through 12
RC: 250' M: N.88°19'35"W. 250.02'
RC: 200' M: N.88°21'16"W. 200.06'
Record owner: RS 15th, LLC
Lots 13 & 14
Record owner: Wesley Foundation at Texas Tech
Lots 15 & 16
NEW BUILDING
INTERIOR COURTYARD
Existing Building
Existing Building
Existing Building
PROPOSED ALLEY
TRA
14.3'
11.58'
11.28'
17'
45.32'
67.52'
30'
30'
10'
20'
20'
24'
18.84'
R15'
R8'
R2'
R10'
R10'
R10'
R10'
R20'
R2'
40'
44'
30.12'

CIVIL PLAN



LANDSCAPE PLAN

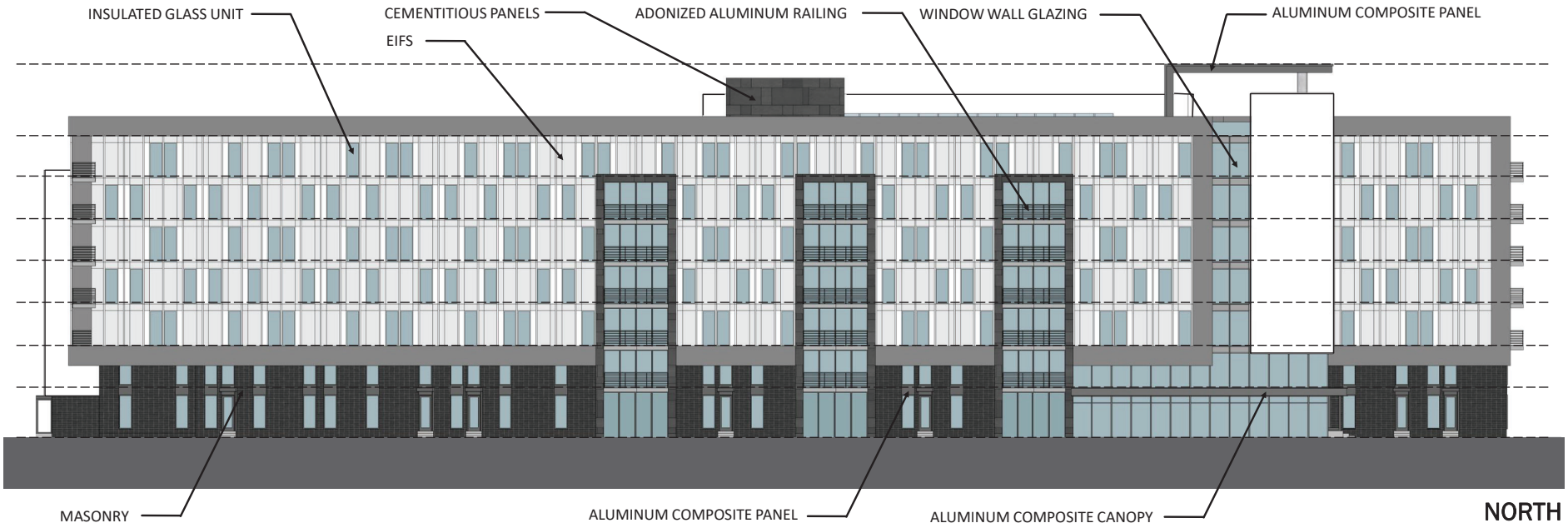


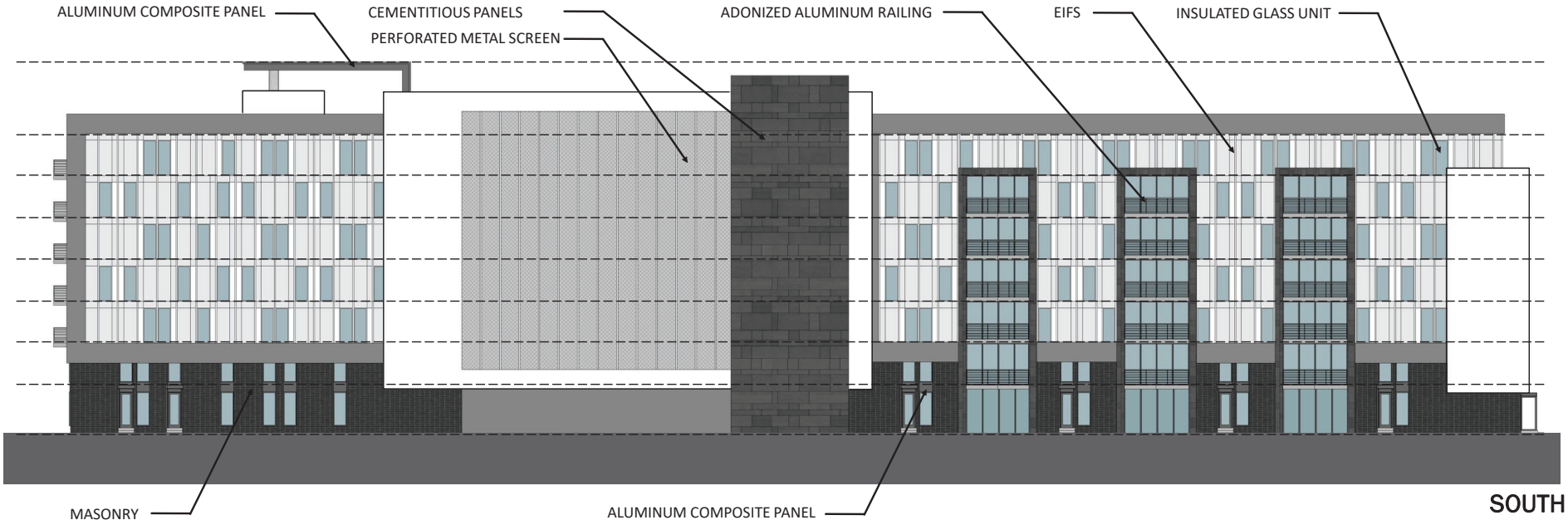
SCALE: 1/16”=1’-0”

GROUND LEVEL

SCALE: 1/16”=1’-0”

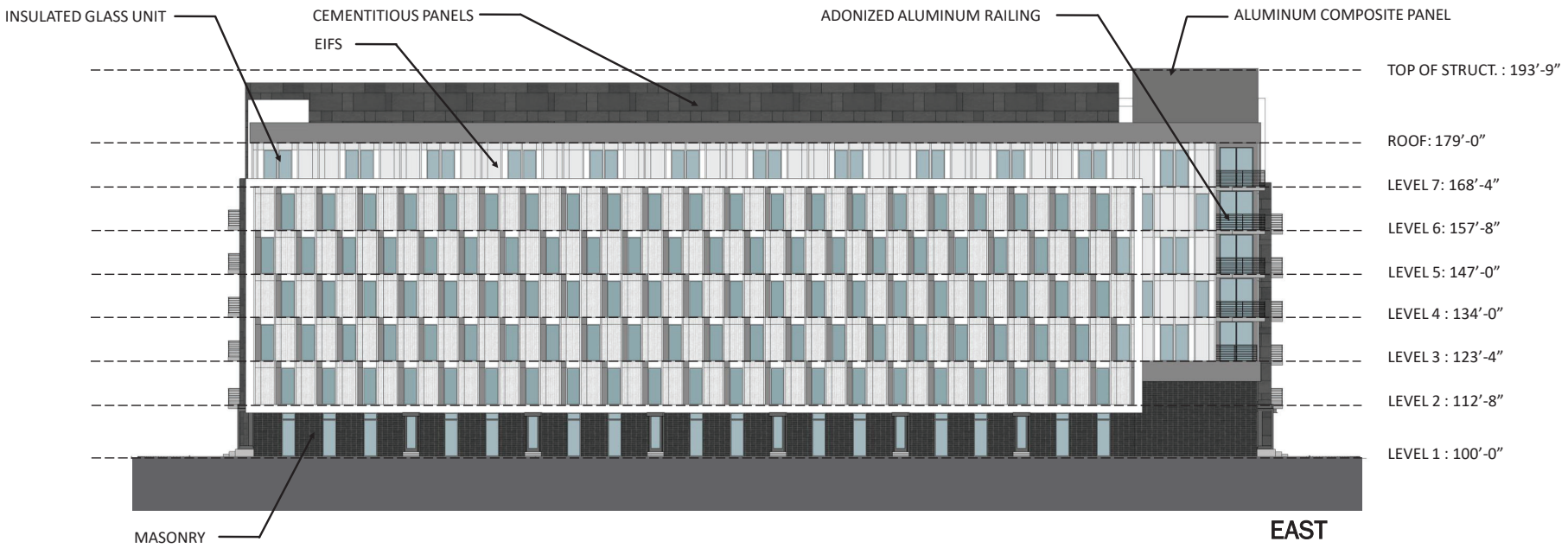
TYPICAL LEVEL

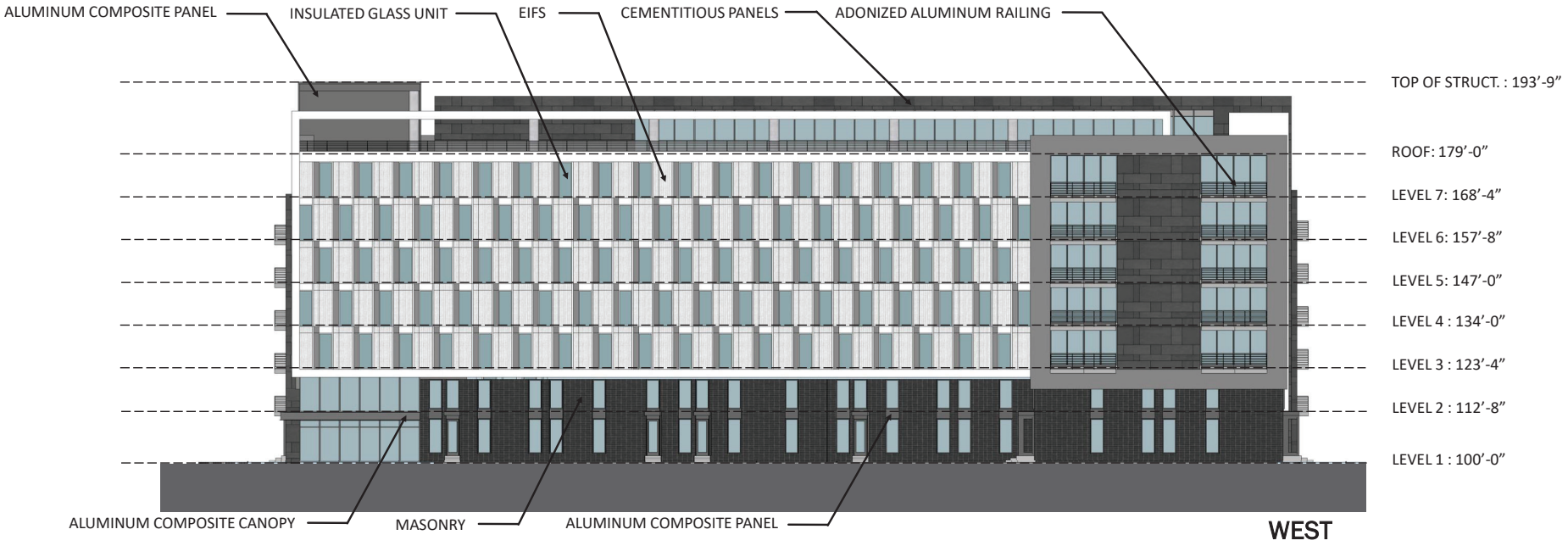




SCALE: 3/32"=1'-0"

ELEVATIONS





SCALE: 3/32"=1'-0"

ELEVATIONS

Northwest Corner Aerial

Northwest Corner from 14th Street

Northeast Corner from 14th Street

Townhome Walk-ups

AREA CALCULATIONS	*Garage gsf*	*Residential sf*	*Leasing /Amenity sf*	*Circ/BOH sf*	*Building gsf*	*Total gsf*	
Level 1	24,115	32,514	7,000	7,468	46,982	71,097	
Level 2	24,115	39,513	-	7,468	46,981	71,096	
Level 3	24,115	39,513	-	7,468	46,981	71,096	
Level 4	24,115	39,513	-	7,468	46,981	71,096	
Level 5	24,115	39,513	-	7,468	46,981	71,096	
Level 6	24,115	39,513	-	7,468	46,981	71,096	
Level 7	19,579	39,513	-	7,468	46,981	66,560	
Level 8	24,610	-	5,000	1,190	6,190	30,800	
TOTAL	**188,879**	**269,589**	**12,000**	**53,466**	**335,055**	**523,934**	

290-330 Units
700-720 Beds

GARAGE PARKING SPACES	*Total*	*Standard*	*Accessible (2%)*
Level 1	77	73	4
Level 2	80	78	2
Level 3	80	78	2
Level 4	80	78	2
Level 5	80	79	1
Level 6	80	80	0
Level 7	52	52	0
Total	**529**	518	11

PARKING REQUIREMENTS		
ZONING		
Code Min. Spaces	587	
Provided Spaces	529	
Surplus (Deficit)	(58)	
PARKING SPACES/BED		
Total Beds	707	
Provided Spaces	529	
Spaces/Bed Ratio	0.75	

AREA AND PARKING

PARKING GARAGE AS DRAWN:

GARAGE PARKING SPACES	*Total*	*Standard*	*Accessible (2%)*
Level 1	78	74	4
Level 2	78	76	2
Level 3	78	76	2
Level 4	78	76	2
Level 5	78	77	1
Level 6	78	78	0
Level 7	76	76	0
Total	**544**	533	11

PARKING REQUIREMENT OPTIONS:

Option 1: By Market (75%)		
Required	531	ps
Provided	544	ps
Deficit/Surplus	13	ps
Option 2: By Code		
Required	635	ps
Provided	544	ps
Deficit/Surplus	-91	ps

PARKING REQUIRED BY CODE BREAKDOWN:

	UNITS	*RATIO*	*PARKING REQUIRED*
S - STUDIO	*61*	*1.0*	*61*
A - 1 BED	*40*	*1.5*	*60*
B - 2 BED	*74*	*2.0*	*148*
C - 3 BED	*35*	*2.5*	*88*
D - 4 BED	*56*	*2.5*	*140*
E - 5 BED	*26*	*2.5*	*65*
ADDITIONAL	*292*	*0.25*	*73*
			635

GARAGE SPREADSHEET

Paddle Tramps Residential Unit Mix

Unit Type		Bedrooms	SO Bedroom	DO Bedroom	Beds	Baths	Total Units		Total Bedrooms		Total Beds		Avg S.F.
S1	0	1	1	0	1	1	20	7%	20	3%	20	3%	355
S2	0	1	1	0	1	1	25	9%	25	4%	25	4%	426
A1	1	1	1	0	1	1	54	18%	54	8%	54	8%	536
A1.1	1	1	1	0	1	1	8	3%	8	1%	8	1%	546
B1	2	2	2	0	2	2	45	15%	90	13%	90	13%	832
B2	2	2	2	0	2	2	9	3%	18	3%	18	3%	897
B3	2	2	2	0	2	2	1	0%	2	0%	2	0%	787
B4 ANSI	2	2	2	0	2	2	1	0%	2	0%	2	0%	983
B5	2	2	2	0	2	2	8	3%	16	2%	16	2%	926
B6	2	2	2	0	2	2	1	0%	2	0%	2	0%	998
C1	3	3	3	0	3	3	20	7%	60	8%	60	8%	1,118
C2	3	3	3	0	3	3	8	3%	24	3%	24	3%	1,150
D1	4	4	4	0	4	4	35	12%	140	20%	140	20%	1,256
D2	4	4	4	0	4	4	26	9%	104	15%	104	15%	1,244
D3 - TH	4 TH	4	4	0	4	4	18	6%	72	10%	72	10%	1,767
D4 - TH	4 TH	4	4	0	4	4	0	0%	0	0%	0	0%	1,478
D5 - TH	4 TH	4	4	0	4	4	0	0%	0	0%	0	0%	1,845
E1	5	5	5	0	5	5	5	2%	25	4%	25	4%	1,570
E2	5	5	5	0	5	5	9	3%	45	6%	45	6%	1,702
F1 - TH	6 TH	6	6	0	6	6	0	0%	0	0%	0	0%	1,996
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
			0	0	0			0%	0	0%	0	0%	
Totals / Averages							**293**		**707**		**707**		**920**
Studio	0						45	15%	45	6%	45	6%	394
One Bedroom	1						62	21%	62	9%	62	9%	537
Two Bedroom	2						65	22%	130	18%	130	18%	857
Three Bedroom	3						28	10%	84	12%	84	12%	1,127
Four Bedroom	4						61	21%	244	35%	244	35%	1,251
Four Bedroom TH	4 TH						18	6%	72	10%	72	10%	1,767
Five Bedroom	5						14	5%	70	10%	70	10%	1,655
Six Bedroom TH	6 TH						0	0%	0	0%	0	0%	0

Residential NRSF **269,589**

BO KA Powell

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architecture
interiors
planning
graphics
strategy

Submittal Narrative: 2413 14th Street Student Housing

Civil

The surrounding water, sewer, and road public infrastructure is sufficient to provide service to the proposed development without negatively impacting service to adjacent areas.

A sewer study was conducted to determine the possible implications of additional sewer flow to the overall system. Based on the analysis, it was concluded that the existing 18" sanitary sewer at 15th Street and Avenue V has sufficient capacity to accommodate the new student housing mid-rise development. The developer has committed to upgrading and connecting the existing sewer of this property and its immediate neighbors and connect it to the Avenue V sewer. The additional effluent generated by the proposed development is well within the capacity of the existing sewer. In addition, by providing a larger diameter rerouted service main, the directly adjacent service areas will have an improved level of service by increasing available flow capacity and redirecting flow from overburdened lines. Refer to the attached memo for more detailed information. The proposed development site is surrounded on all sizes by large diameter water mains, including an 8” line in Avenue X and 14th Street, and a 12” main in University Avenue. Water connections for the mid-rise are readily accessible and sufficient, while still allowing for ample fire flow and pressure.

Site

All parking for the development will be accommodated by an on-site parking garage. While the parking garage entrance will increase traffic flow on 15th street, the overall traffic burden will be reduced due to the proximity to the Texas Tech campus. Student residents will be able to walk less than a block to campus thereby encouraging more pedestrian access through the new sidewalks and accessible ramps that are planned for the development. Fewer students will be required to drive to on-campus parking lots through congested roadways, not only reducing student travel time, but also the overall burden on University Avenue and surrounding streets. In order to accommodate the development, the alley between 14th and 15th Street will need to be closed east of CVS to Avenue X. Trash service and dry utilities will be relocated through a new alley to 15th street to allow uninterrupted service to the existing businesses to the west.

Architectural

The height of the building is limited to seven stories of residences. To accommodate the building program, the front and side yards setbacks have been established as a ten foot minimum and the current dimensions are as noted on the civil drawing. Lot coverage is 46 percent exclusive of the garage, and the related floor area ratio is 3.36, also exclusive of the garage.

To reinforce the neighborhood, walk-up units have been located around the perimeter of the building. These units have front stoops that enliven the streetscape of the surrounding roads, increasing, and enhancing pedestrian activity.

The lobby for the building is located on the northwest corner of the project, minimizing the distance for students to walk to the campus, encouraging the pedestrian life of the neighborhood, and minimizing reliance on vehicles. The building lobby and its related functions, most notably leasing, will also activate the 14th street pedestrian experience enabling a transparent and active facade. Additional student resident activity functions will be located adjacent to the interior courtyard and on the rooftop.

It is envisioned that the project would be comprised of between 290 and 300 units, accommodating between 700 and 720 students in individual bedrooms and accompanying bathrooms. Completing each residential unit would be a full kitchen and living area.

Although conceptual and preliminary in nature, the accompanying sketches illustrate the intentions of the development. The mass of the project is articulated to give each facade its own identity, providing interest and variety for the neighborhood. The ground floor zone is clad with tactile materials of a human scale to enliven the walkable experience. Windowing configuration highlights the residential nature of the project and balconies add visual emphasis and variety to the facades. The roofscape provides variety to the profile of the building and emphasizes entrances for both pedestrians and vehicles. Finally, the garage facade on 15th street is screened and integrated into the overall composition of the building.

Landscape

The perimeter landscaping development will focus on the development of walkable perimeter sidewalks, walk-up units with stoop entries and potentially occasional private yards. The entry plaza at the lobby entrance on 14th street will consist of pavers, planters, and seating. In addition, a dog park will be located on the west side of the site adjacent to the relocated alley R.O.W.

Perimeter landscaping will include:

- Street Yard Trees
    - One canopy tree or two ornamental trees per street frontage
- Foundation Plantings
    - Two ornamental trees or ten shrubs per 50 linear feet of foundation along front setback
    - Two ornamental trees or ten shrubs per 50 linear feet of foundation alongside setback
    - Two ornamental trees or ten shrubs per 50 linear feet of foundation along rear setback
- Site Landscaping
    - One canopy or two ornamental trees per 1,000 sf of site landscape area
    - Six shrubs per 1,000 sf of site landscape area
    - One shrub per four linear feet of sign base on each side

Parkhill

TECHNICAL MEMORANDUM NO. (1) - - Sewer Study

PROJECT: Parallel Company Mid-Rise (northwest corner of 15th Street and Avenue X)
FROM: Parkhill
Job No.: 22197.22
DATE: 5/9/2023

I. DESIGN OBJECTIVES

A sewer capacity analysis was conducted on the existing 18” sanitary sewer in 15th Street to determine if the proposed student housing development can be accommodated with the existing infrastructure.

II. CURRENT FACILITY EVALUATION

An Eighteen-inch standard strength V.C.T sanitary sewer pipe installed at a 0.15% slope and 13-14’ of depth with manhole located at the intersection of Avenue V and 15th Street. The existing sewer system has been designed to serve the North and South Overton communities, conveying wastewater throughout the system to the Southeast Water Reclamation Plant according to the Lubbock Wastewater Master Plan, Volume 2 provided by the City of Lubbock. The projected 2028 flow in the analyzed portion of the sewer is 0.23 million gallons per day (MGD). The full flow capacity of this line is 2.63 MGD resulting in a projected utilization of only 8.75%.

III. GOVERNING DESIGN CRITERIA

To determine if the existing 18” sanitary sewer can accommodate the new student housing development, hydraulic analysis was performed using Bentley FlowMaster in addition to criteria set in the City of Lubbock Design Standards.
The following assumptions were made for the analysis:

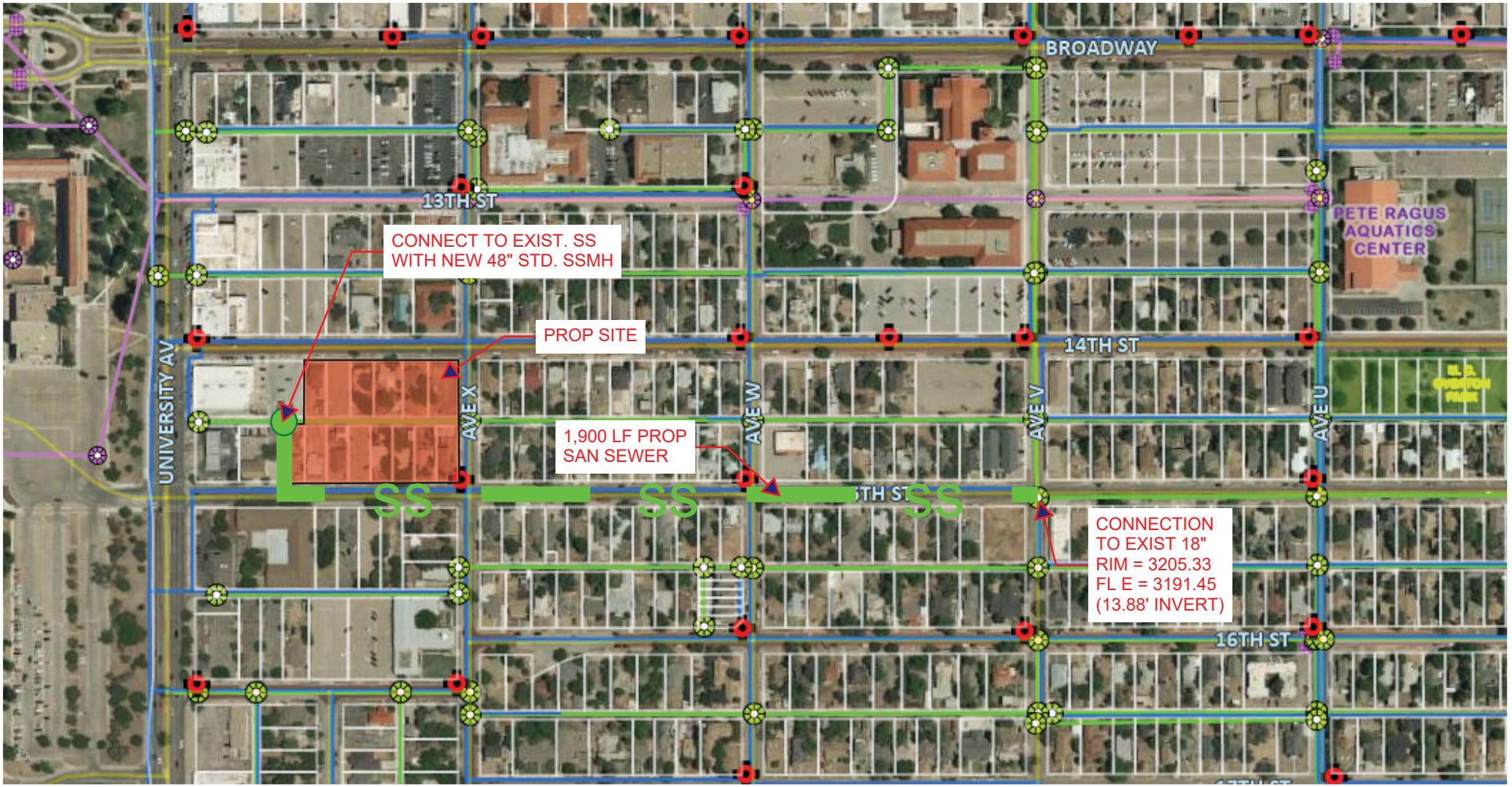
1. Projected maximum occupancy of 800 beds
2. 100 gallons per capita per day
3. 5.0 peaking factor for less than 0.50 MGD

Based on these assumptions, the calculated contributing flow is 0.40 MGD, resulting in a combined 0.63 MGD or 24% of the maximum capacity, concluding that the existing 18” sewer has the capacity to accommodate the proposed development without negatively impacting the downstream system.

Additional calculations were performed to accurately size the required sewer main to sufficiently serve the existing commercial businesses and the new development. The Wesley Foundation, 7 Brew Coffee, and CVS are estimated to have a total combined peak flow of 0.0058 MGD. When added with the calculated 0.40 MGD peak flow, a total capacity of 0.406 MGD is required. A 10” service line at 0.50% slope has a capacity of 0.90 MGD, or 44.3% full during peak hours.

IV. RECOMMENDATION

Based on the analysis, it was concluded that the existing 18" sanitary sewer on 15th Street has sufficient capacity to accommodate the new 800 bed student housing mid-rise development. The additional effluent generated by the proposed development is well within the capacity of the existing sewer. The recommended line size to serve the existing commercial facilities, the proposed mid-rise, and any additional future developments in the area is 10” at 0.50% slope to align with surveyed invert depths measured at existing manholes.



Parallel Company Mid-Rise

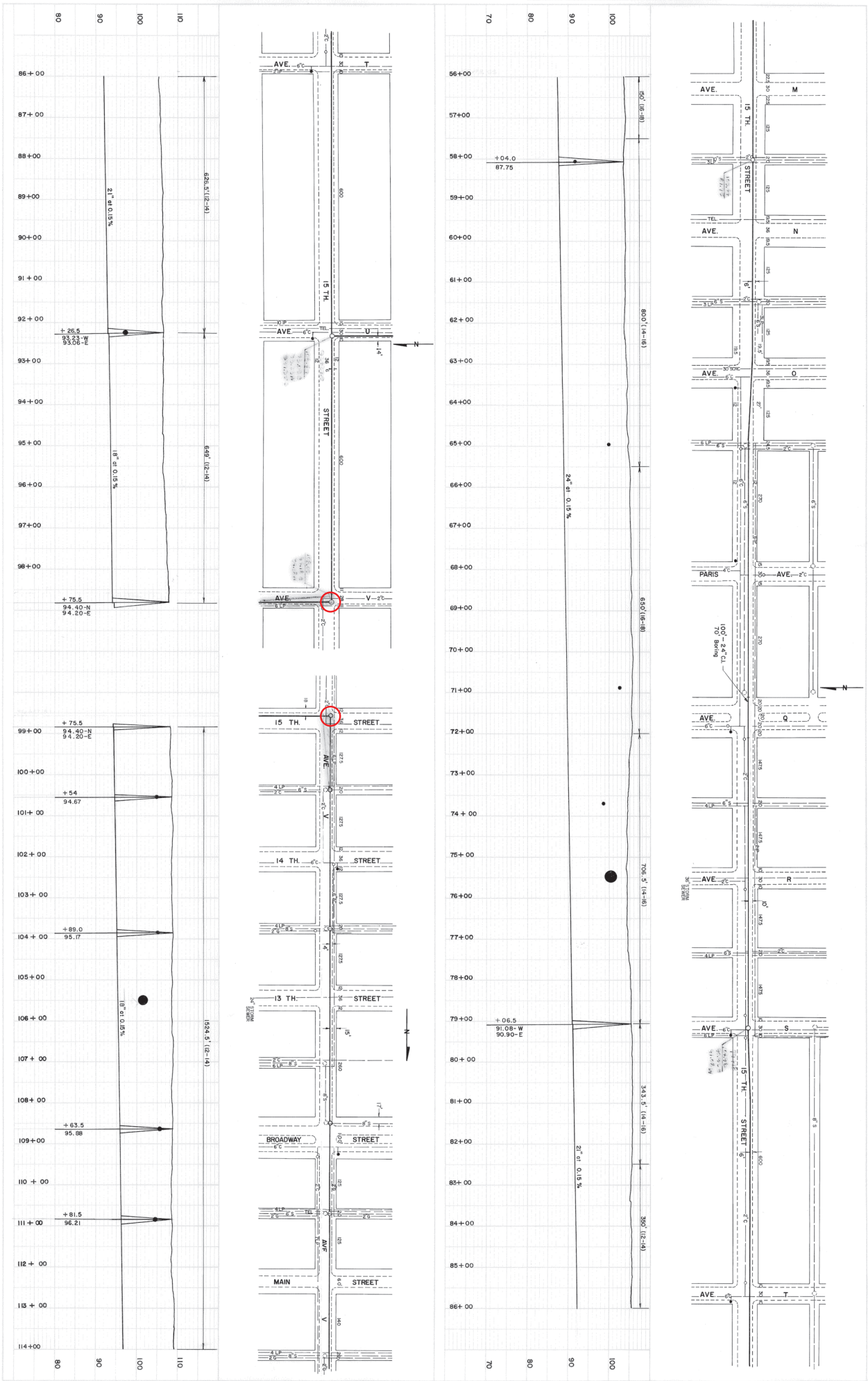
Avenue V and 15th Street

Parkhill

Parkhill.com

Proposed Sewer Reroute

Date:	05/02/2023
Project No:	22197.22
Sheet:	Exhibit 1


PROFILE
PLAN
15 TH. STREET
AVE. M
AVE. N
AVE. O
AVE. Q
AVE. R
AVE. S
AVE. T
AVE. U
AVE. V
PARIS AVE.
14 TH. STREET
13 TH. STREET
BROADWAY STREET
MAIN STREET
86+00
87+00
88+00
89+00
90+00
91+00
92+00
93+00
94+00
95+00
96+00
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77+00
78+00
79+00
80+00
81+00
82+00
83+00
84+00
85+00
86+00
+26.5
93.23-W
93.06-E
+75.5
94.40-N
94.20-E
+54
94.67
+89.0
95.17
+63.5
95.88
+81.5
96.21
+04.0
87.75
+06.5
91.08-W
90.90-E
21" at 0.15%
18" at 0.15%
24" at 0.15%
626.5'(12-14)
649'(12-14)
1524.5'(12-14)
950'(16-18)
800'(14-16)
650'(16-18)
796.5'(14-16)
343.5'(14-16)
350'(12-14)
100'-24"CI
70' Boring
N

Mid-Rise Student Housing - 800 Beds

Projected 2028 Flow in 18" @ 0.15% = 0.23 MGD

Full-Flow Capacity = 2.63 MGD

Proposed Additional Flow:

(800 beds)(100 gpcd)(5.0 peak factor) = 400,000 gpd = 0.4 MGD

Total Proposed Flow: 0.23 MGD + 0.40 MGD = 0.63 MGD

= 2.00 MGD Remaining

Service Line Flow:

CUS: (8 employees)(20 gpcd) = 160 gpd

> Brew Coffee: (12,750 SF)($^{40\ gal}/_{100\ SF}$) = 5,100 gpd

Wesley Foundation: (100 students)(5 gpcd) = 500 gpd

=> 5,760 gpd = 0.0058 MGD

0.0058 MGD + 0.40 MGD = 0.4058 MGD = 0.628 cfs

Worksheet for 18" Full Flow

Project Description	
Friction Method	Manning Formula
Solve For	Full Flow Capacity

Input Data	
Roughness Coefficient	0.013
Channel Slope	0.002 ft/ft
Normal Depth	18.0 in
Diameter	18.0 in
Discharge	4.07 cfs = 2.63 MGD

Results	
Discharge	4.07 cfs
Normal Depth	18.0 in
Flow Area	1.8 ft²
Wetted Perimeter	4.7 ft
Hydraulic Radius	4.5 in
Top Width	0.00 ft
Critical Depth	9.3 in
Percent Full	100.0 %
Critical Slope	0.005 ft/ft
Velocity	2.30 ft/s
Velocity Head	0.08 ft
Specific Energy	1.58 ft
Froude Number	(N/A)
Maximum Discharge	4.38 cfs
Discharge Full	4.07 cfs
Slope Full	0.002 ft/ft
Flow Type	Subcritical

GVF Input Data	
Downstream Depth	0.0 in
Length	0.0 ft
Number Of Steps	0

GVF Output Data	
Upstream Depth	0.0 in
Profile Description	N/A
Profile Headloss	0.00 ft
Average End Depth Over Rise	0.0 %
Normal Depth Over Rise	100.0 %
Downstream Velocity	Infinity ft/s
Upstream Velocity	Infinity ft/s
Normal Depth	18.0 in
Critical Depth	9.3 in
Channel Slope	0.002 ft/ft
Critical Slope	0.005 ft/ft

Worksheet for 10" Service

Project Description	
Friction Method	Manning Formula
Solve For	Normal Depth

Input Data	
Roughness Coefficient	0.013
Channel Slope	0.005 ft/ft
Diameter	10.0 in
Discharge	0.63 cfs = 0.406 MGD

Results	
Normal Depth	4.4 in
Flow Area	0.2 ft²
Wetted Perimeter	1.2 ft
Hydraulic Radius	2.3 in
Top Width	0.83 ft
Critical Depth	4.2 in
Percent Full	44.3 %
Critical Slope	0.006 ft/ft
Velocity	2.69 ft/s
Velocity Head	0.11 ft
Specific Energy	0.48 ft
Froude Number	0.895
Maximum Discharge	1.67 cfs
Discharge Full	1.55 cfs
Slope Full	0.001 ft/ft
Flow Type	Subcritical

GVF Input Data	
Downstream Depth	0.0 in
Length	0.0 ft
Number Of Steps	0

GVF Output Data	
Upstream Depth	0.0 in
Profile Description	N/A
Profile Headloss	0.00 ft
Average End Depth Over Rise	0.0 %
Normal Depth Over Rise	38.6 %
Downstream Velocity	Infinity ft/s
Upstream Velocity	Infinity ft/s
Normal Depth	4.4 in
Critical Depth	4.2 in
Channel Slope	0.005 ft/ft
Critical Slope	0.006 ft/ft

MEMORANDUM

To: Ryan McCulloch
Director of Development
Parallel Acquisitions, LLC and its assigns
506 W. 7th Street, Suite 1
Austin, TX 78701

From: Abby Axelson, P.E.
Hiron Fernando, P.E.
Kimley-Horn and Associates
2600 N Central Expressway, Suite 400
Richardson, TX 75080

PRELIMINARY

Kimley»Horn

This document is released for the purposes of interim review under the authority of ABIGAIL AXELSON and not for construction, bidding, or permit purposes.

Engineer	ABIGAIL AXELSON		
P.E. No.	123288	Date	7/25/2023

Date: July 25, 2023

Subject: Trip Generation Memorandum – 14th Street (Lubbock) Student Housing Complex

Introduction

The purpose of this project is to document and evaluate the projected vehicular trips that will be associated with the proposed development. The proposed development is an off-campus student housing complex, within walking distance to the Texas Tech University campus. The development is located along the north side of 15th Street, between University Avenue, from the west, and Avenue X, from the east in Lubbock, TX as shown in **Figure 1**. This memorandum documents and evaluates the total projected site-generated trips for the proposed development and its impact on the roadway network over a typical weekday. The proposed site consists of approximately 293 units (707 bedrooms) and is expected to be built out by 2026.

Figure 1 – Site Vicinity Map

Trip Generation

Site-generated traffic estimates are determined through a process known as trip generation. Rates and equations are applied to the proposed land use to estimate traffic generated by the development during a specific time interval. The acknowledged source for trip generation rates is the 11th edition of the *Trip Generation Manual* published by the Institute of Transportation Engineers (ITE). ITE has established trip rates in nationwide studies of similar land uses. The trips indicated are one-way trips or *trip ends*, where one vehicle entering and exiting the site is counted as one inbound trip and one outbound trip. The one-way trips associated with this development are illustrated in **Table 1.**

Table 1 – 14th Street Student Housing Trip Generation

Land Uses	Amount	Units	ITE Code	Daily One-Way Trips	AM Peak Hour One-Way Trips			PM Peak Hour One-Way Trips		
					IN	OUT	TOTAL	IN	OUT	TOTAL
Off-Campus Student Housing (Mid-Rise)	707	Bedrooms	226	1,817	23	26	49	70	78	148
Total Net New External Vehicle Trips:				**1,817**	**23**	**26**	**49**	**70**	**78**	**148**

Trip Generation rates based on *ITE's Trip Generation Manual*, 11th Edition.

Approximate peak hour times: AM Peak Hour (7:30 - 8:30 AM), PM Peak Hour (5:30 - 6:30 PM)

The Off-Campus Student Housing land use code (226) takes into account data for sites located adjacent to campus and sites located over a half mile from campus. In this case, the proposed site is considerably close to the Texas Tech University campus and will be less than a 5-minute walk for students to reach the campus. For this reason, a vast majority of residents are expected to bike or walk to campus. In addition, Citibus also has two main bus routes along University Avenue adjacent to the subject project, increasing the likelihood for residents to use a non-motorized means of transportation. As a result, the projected trips outlined in Table 1 are considered a conservatively high estimate of the total vehicular demand created by the proposed site.

Proposed Site Access and Trip Distribution

The subject development will be served by a full access driveway along 15th Street (Garage Entry). The distribution of the site-generated traffic volumes into and out of the site driveway and onto the street system was based on the area street system characteristics, existing traffic patterns, relative residential density, and the location of the proposed driveway access to/from the site. **Table 2** displays the general directional distribution percentages assumed for the site. As shown below, the majority of traffic is expected to utilize University Avenue to enter and exit the site.

Table 2 - General Directional Distribution

Direction	Percent From/To
South (via University Avenue or Avenue X)	52%
North (via University Avenue or Avenue X)	46%
East (via 15th Street)	2%

Exhibit A shows the corresponding inbound and outbound traffic assignment percentages. **Exhibit B** shows the site-generated weekday AM and PM peak hour turning movements. These volumes were obtained by multiplying the trip generation by the traffic assignment percentages.

Hourly Variation of Generated Trips

The bar chart shown in **Figure 2** below illustrates the hourly distribution of the vehicular trips from 7:00 AM to 10:00 PM computed by the hourly distribution factors from the ITE *Trip Generation Manual, 11th Edition*. These volumes were obtained by multiplying the daily trips by the hourly distribution factors for the ITE land use code for Off-Campus Student Housing (Mid-Rise) (226). As shown in **Figure 2**, the proposed development site traffic peaks at 11:00 in the AM peak hour and 6:00 in the PM peak hour. During the standard AM peak hour between 7:00-9:00 AM, the proposed site is expected to develop 50 vehicles or less per hour. This is due to most students traveling to class later in the morning. As a result of this offset AM peak hour, the site traffic is not expected to have a significant impact to the surrounding network during the AM period.

In the PM peak hour, the site is expected to generate 157 vehicle trips between 6:00-7:00 PM, which includes vehicles entering and exiting the site. The majority of traffic is seen on 15th Street between University Avenue and the site driveway which projects 67 vehicles traveling eastbound and 74 vehicles traveling westbound. For each approach, this averages in approximately 1 vehicle per minute traveling to or from University Avenue along 15th Street. With the traffic signal at the intersection of 15th Street at University Avenue, even this peak hour of site traffic is not expected to significantly impact the surrounding network during the PM period. As mentioned previously, due to the proximity of the site to the campus, it is important to note that these projected vehicular trips are considered conservatively high.

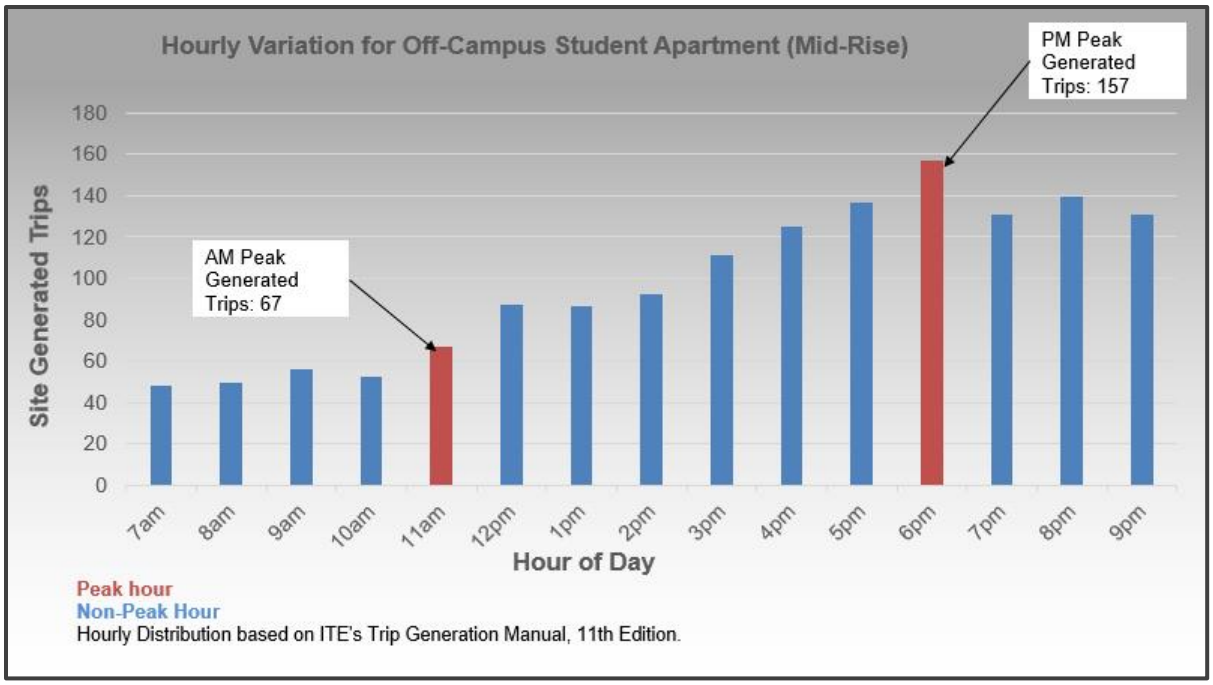


Figure 2 – Hourly Vehicular Trips for a Typical Weekday

Site Proportionality Assessment

Table 3 shows a proportion of the traffic generated by the off-campus proposed site along University Avenue and Avenue X.

Background traffic volumes along University Avenue were pulled from TxDOT's Traffic Count Database System (TCDS). Historical TCDS data in the site vicinity was then used to calculate an annual growth rate. The historical growth since 2012 in the surrounding network is negative: however, an annual growth of 1% was used for a more conservative analysis. The background traffic was grown by 1% from the year it was collected (2022) to the build-out year of the site (2026). The resulting total background traffic is shown in **Table 3.**

Table 3 – Site Proportionality

University Avenue				
-	Student Housing Site		Total Background Traffic	
	AM	PM	AM	PM
Volume	25	74	1179	2127
Percent of Total Volume	2.0%	3.4%	98.0%	96.6%
Average Percent (Weighted)	2.7%		97.3%	

Avenue X				
-	Student Housing Site		Total Background Traffic	
	AM	PM	AM	PM
Volume	1	3	57	158
Percent of Total Volume	1.7%	1.8%	98.3%	98.2%
Average Percent (Weighted)	1.8%		98.2%	

After analyzing an average of the peak traffic volumes, the proposed site is expected to contribute 2.7% of the total traffic on University Avenue and 1.8% of the total traffic on Avenue X during the peak hours. Compared to the added tax base and other supplementary revitalization benefits of this project, these results are further indication that the proposed site will not have a significant impact on the surrounding network.

Summary

The location of the proposed off-campus development will play a large role in limiting the potential traffic impacts to the surroundings. With the site being located 1 block from the Texas Tech University campus, or less than a 5-minute walk, it is easily walkable and bikeable for residents. For less common vehicle trips to campus, the proposed site is located approximately 0.1 miles from the nearest on campus parking lot (Lot R13) near the east side of the Texas Tech University. In summary, due to its proximity to campus, the vehicular-generated traffic from the proposed off-campus student housing site is not expected to have a significant impact on the surrounding network.

END

Attachments: Exhibit A: Trip Distribution and Traffic Assignment
Exhibit B: Site-Generated Traffic Volumes
14th Street (Lubbock) Site Plan
Historical Link Volumes and Growth Rates

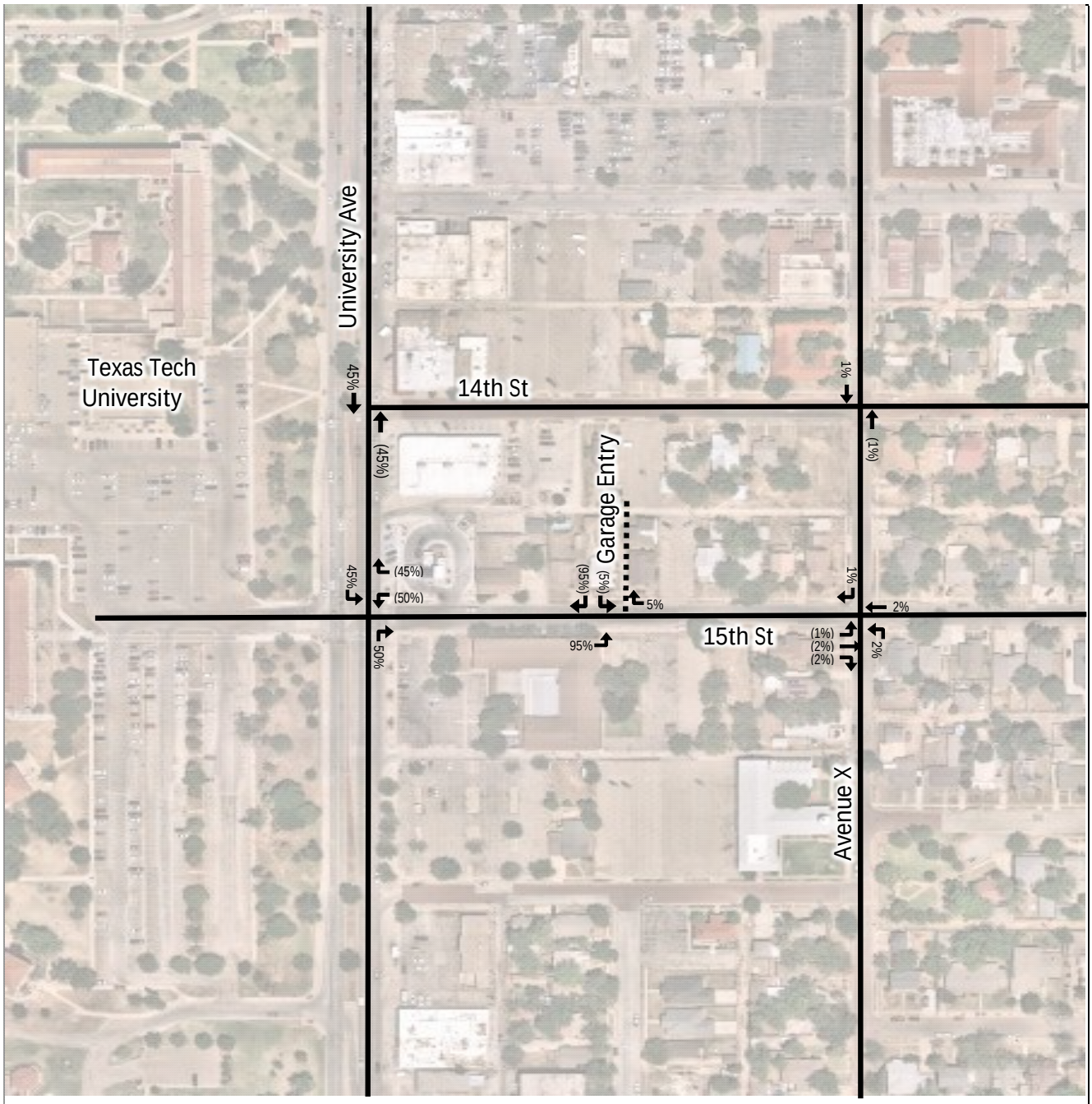


EXHIBIT A

Trip Distribution & Assignment

14th Street - Lubbock , Texas

Kimley»Horn

LEGEND:

X% (Y%)

X% = Percentage of Inbound Site-Generated Traffic

(Y%) = Percentage of Outbound Site-Generated Traffic

North

Not To Scale

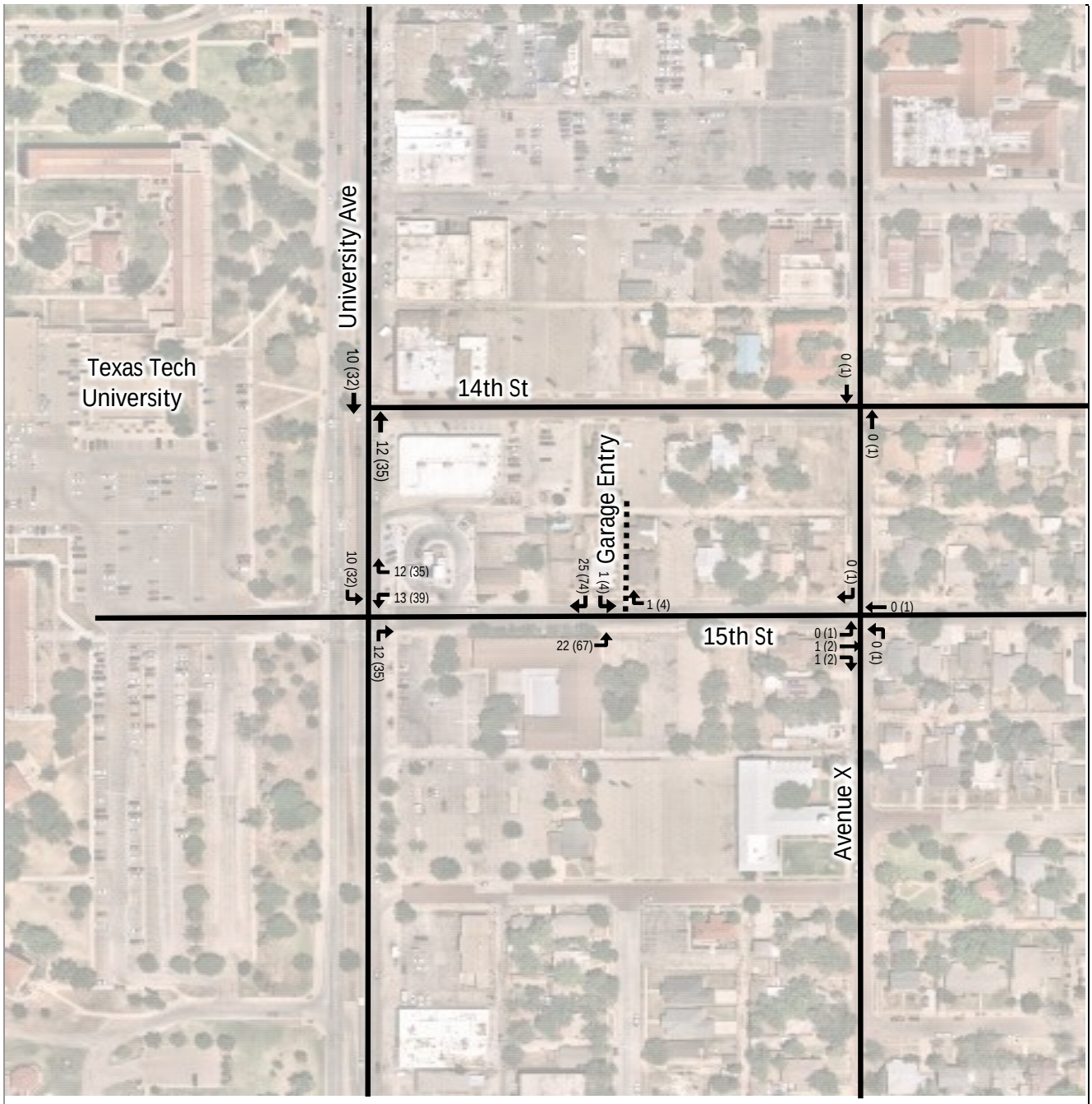


EXHIBIT B

Site-Generated Traffic Volumes

14th Street - Lubbock , Texas

Kimley»Horn

LEGEND:

X (Y)

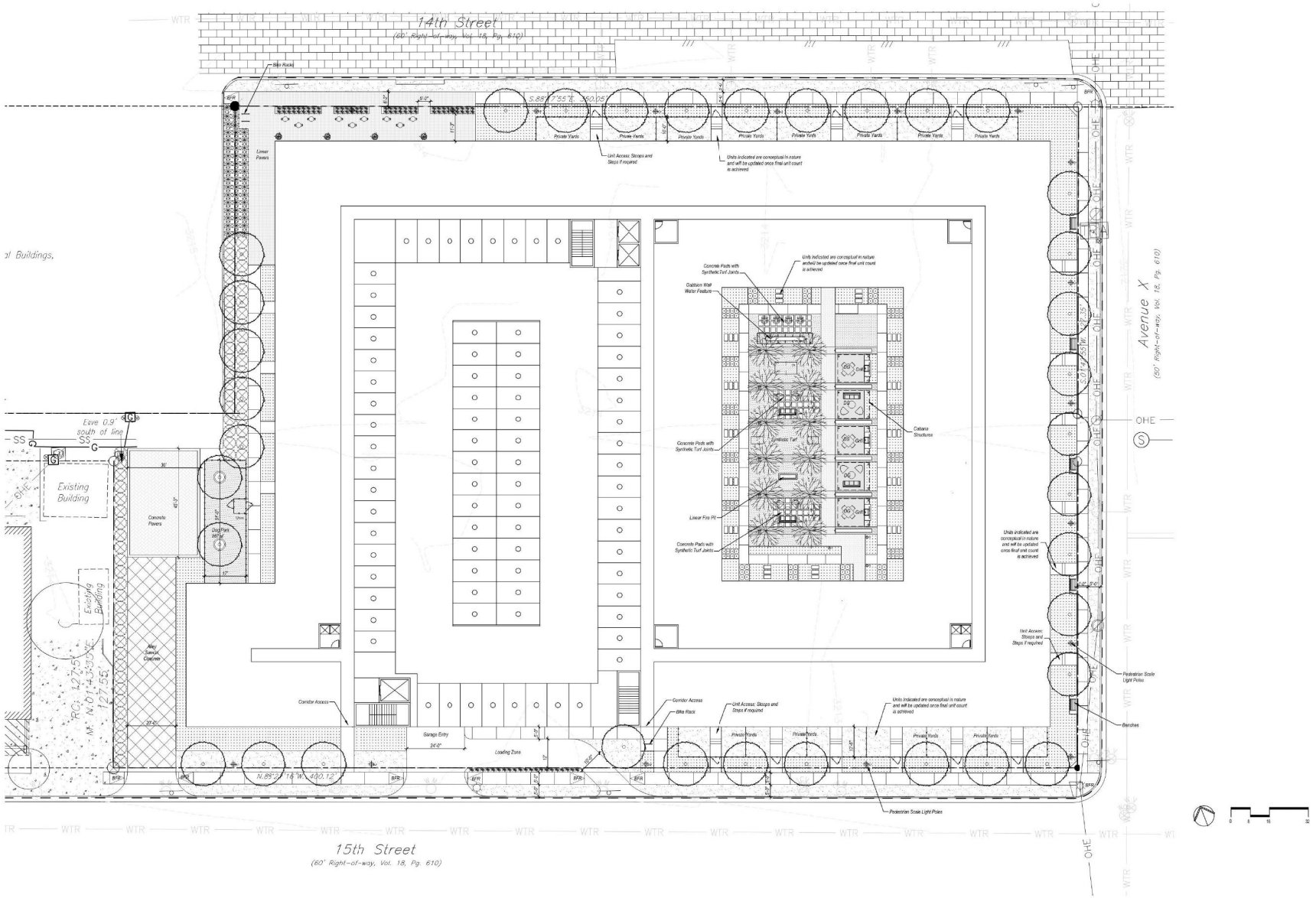
X = Weekday AM Peak Hour Turning Movements

Y = Weekday PM Peak Hour Turning Movements

Volumes may not sum from point to point due to rounding and presence of smaller driveways not included in analysis.

North

Not To Scale



LANDSCAPE PLAN

Historical Link Volumes and Growth Rates

University Avenue						
Record	Year	Link Start	Link End	Source	24-Hour Volume	Annual Growth Rate
1	2012	Broadway Street	13th Street	TxDOT	28,270	-
2	2017	Broadway Street	13th Street	TxDOT	27,703	-0.4%
3	2022	Broadway Street	13th Street	TxDOT	24,515	-2.4%
					Average Growth 2012- 2022	-1.4%

Avenue X						
Record	Year	Link Start	Link End	Source	24-Hour Volume	Annual Growth Rate
1	2012	13th Street	14th Street	TxDOT	2,460	-
2	2017	13th Street	14th Street	TxDOT	2,394	-0.5%
3	2022	13th Street	14th Street	TxDOT	1,639	-7.3%
					Average Growth 2012- 2022	-4.0%

14th Street						
Record	Year	Link Start	Link End	Source	24-Hour Volume	Annual Growth Rate
1	2012	Avenue W	Avenue V	TxDOT	290	-
2	2017	Avenue W	Avenue V	TxDOT	468	10.0%
3	2022	Avenue W	Avenue V	TxDOT	282	-9.6%
					Average Growth 2012- 2022	-0.3%

15th Street						
Record	Year	Link Start	Link End	Source	24-Hour Volume	Annual Growth Rate
1	2012	Avenue V	Avenue U	TxDOT	1,240	-
2	2017	Avenue V	Avenue U	TxDOT	943	-5.3%
3	2022	Avenue V	Avenue U	TxDOT	712	-5.5%
					Average Growth 2012- 2022	-5.4%

Average Annual Growth:	-2.8%

PARALLEL

COMPANY PROFILE

Who We Are

Parallel was founded by a proven team of experienced student housing, multifamily and urban infill development professionals who have been developing complex mixed-use developments for over 30 years.

Parallel is a full-service development company providing:

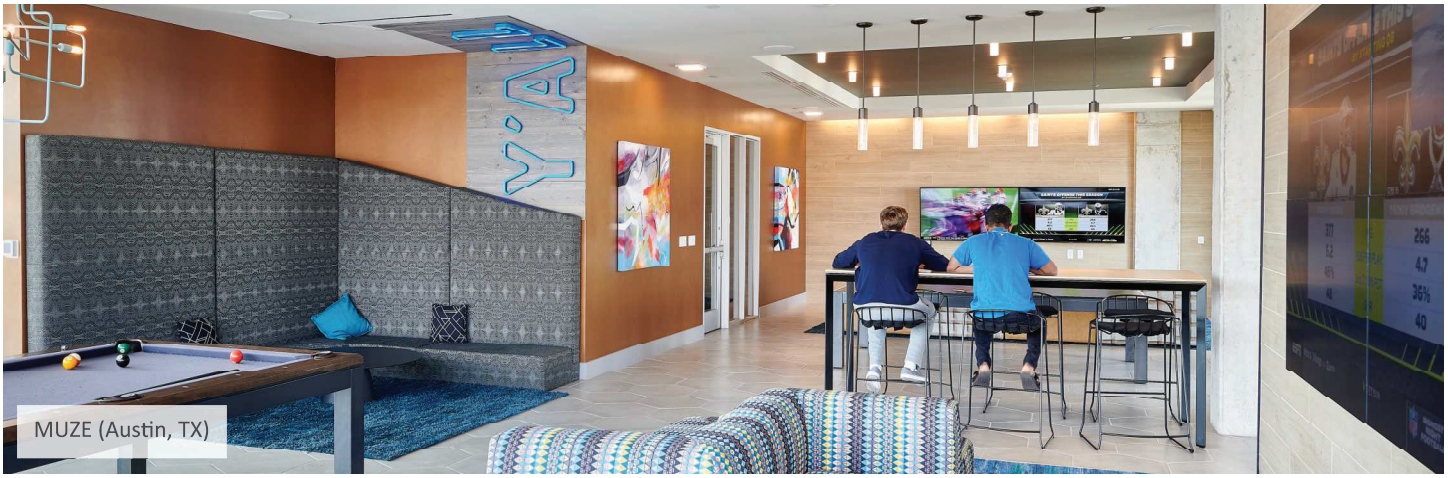
- **Site Selection and Due-Diligence**
- **Zoning and Entitlements**
- **Design Management and Budgeting**
- **Financing**
- **Construction Management**
- **Leasing and Asset Management**

DAVID M. PIERCE
PRINCIPAL

KRISTEN L. PENROD
PRINCIPAL

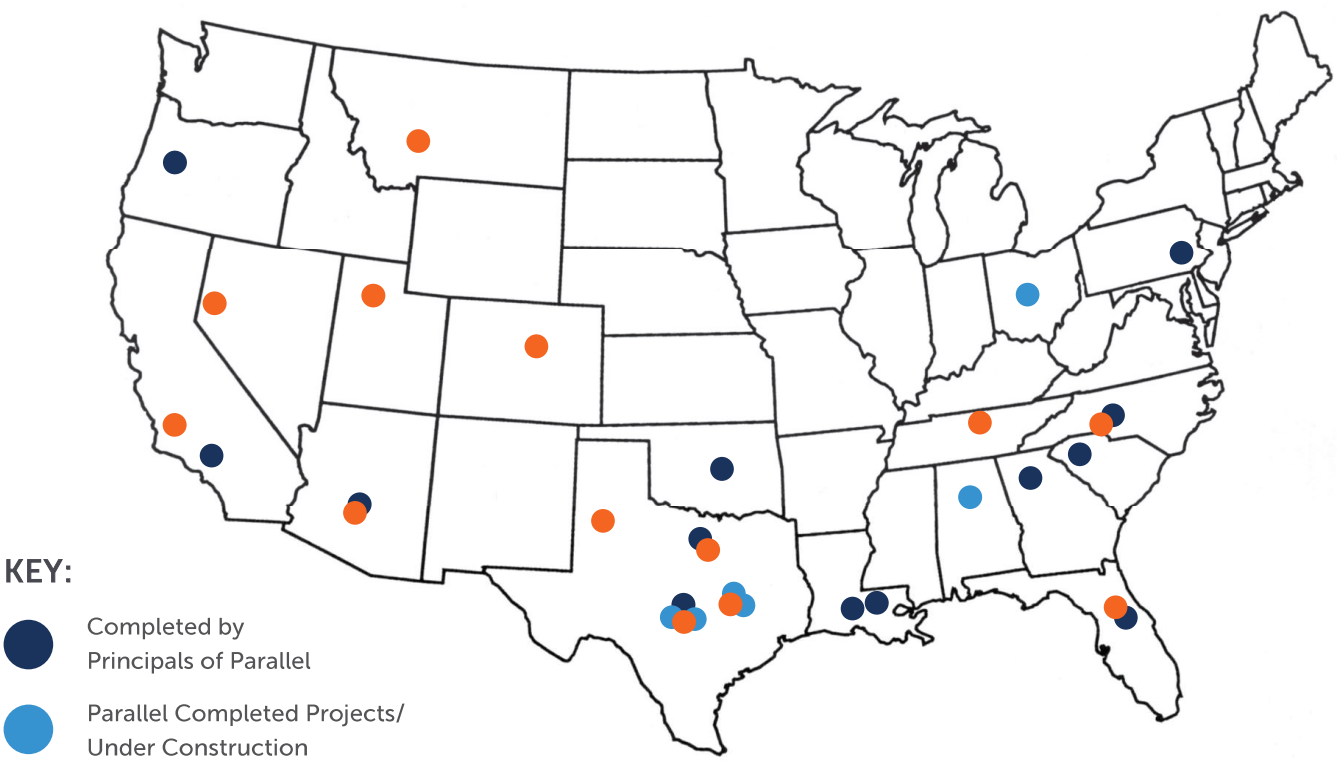
Parallel is a multi-disciplinary real estate firm that develops complex, mixed-use properties with student housing and multifamily anchors. Parallel operates under a hands-on, detail-oriented philosophy, designed to yield the highest value to all partners from the residents who live and thrive in our communities to the institutions and people who invest in them. While seeking growth, Parallel is very selective in its partnerships and pursuits, seeking only the highest quality opportunities and relationships.

Parallel's principals have been leading providers of high-quality, multifamily and student properties for over 18 years. The executive team consists of David Pierce and Kristen Penrod who, prior to forming Parallel, led the development team at Inland American Communities/ University House Communities ("IAC/ UHC"). There they developed over 11,000 beds of student housing and several thousand units of multifamily development ranging in size from garden-style apartments to urban infill high-rise. In 2016, the IAC/ UHC portfolio was sold to The Scion Group ("Scion") for $1.4B, a record student housing portfolio transaction at that time. Since then, Parallel has gone on to develop its own award-winning properties with some of the world's premier institutional investors and partners.


MUZE (Austin, TX)

Parallel Portfolio

The Parallel portfolio of completed and under construction projects include many iconic high-rise, Type I construction buildings with integrated structured parking. Parallel oversees the entire development process, including assembling the design and engineering team, leading the entitlement and permitting process, negotiating and managing the construction contracts, and managing all aspects of the construction and delivery of the project. Parallel also manages the procurement and installation of furniture, fixtures and equipment, monitors and oversees lease-up and post-project completion, asset management, and the selection and oversight of the property manager.



STRATEGIC PARTNERS

Torre (Austin, TX)

Lumen on Ninth (Columbus, OH)

Financial Partner

Kayne Anderson Capital Advisors

Parallel has a strategic partnership with Kayne Anderson Capital Advisors ("Kayne Anderson"). Kayne Anderson is a Los Angeles-based firm whose founder, John Anderson, is the namesake of the UCLA Anderson School of Management. The John E. Anderson Distinguished Alumni Award was created in his honor in 2002 and continues to be awarded on an annual basis. Ric Kayne, Founder & Co-Chair of Kayne Anderson, is a founding member of the board of the Fink Center for Finance at the Anderson School of Management, and founder of the UCLA Anderson Kayne Investment Management Fellowship, which was created in 2011 in collaboration with the Fink Center. This fellowship helps outstanding students committed to completing summer internships in investment management navigate the process.

Since graduating with an MBA from the UCLA Anderson School of Management in 1968, Ric Kayne has had the privilege of speaking at the school on multiple occasions, including most recently delivering a keynote speech at the Fink Investing Conference in 2019. Both Ric Kayne and Bob Sinnott have dedicated their time to serve on the Board of Visitors of the UCLA Anderson School of Management, as well as holding active roles on the board of the UCLA Foundation, including Ric Kayne's former position as the chairman of the foundation's investment committee. Bob Sinnott, Co-Chair of Kayne Anderson, like Ric Kayne, has had the honor of speaking at the school on multiple occasions, including delivering the 2013 keynote address at the Fink Private Equity Investing Roundtable.

Kayne Anderson Background

In 1984, Ric Kayne and John Anderson founded Kayne Anderson to manage the funds of its principals and select clients. Over the past 39 years, Kayne Anderson has emerged as a leader in the alternative investment management industry. The firm currently manages investments principally through private investment partnerships and public closed-end funds and, as of December 31, 2022, has over $32 billion in assets under management. Kayne Anderson is owned by its investment professionals and management.

Kayne Anderson pursues specialized investment niches where knowledge and sourcing advantages enable the firm to identify and structure investments that offer attractive risk-adjusted returns. Kayne Anderson's separately dedicated investment teams focus on generating consistent results across a variety of strategies, which include real estate equity and debt; private credit, including middle market direct lending and liquid credit; private investing in energy; public investing in energy infrastructure; and growth capital.

REV (College Station, TX)

Kayne Anderson Real Estate

Kayne Anderson Real Estate ("KA Real Estate") was founded in 2007 by Al Rabil. Since inception, KA Real Estate has focused on fragmented alternative sectors experiencing growth but lacking capital efficiencies and sophisticated operational and investment focus. Alternative "need-based" sectors with strong demand drivers have demonstrated resistance to economic downturns and have outperformed traditional asset classes over time. A vertically integrated team of over 80 seasoned professionals bring expertise in acquisitions, asset management, legal, accounting, construction management and marketing to each investment made. KA Real Estate has historically managed four primary strategies focused on alternative real estate sectors: Opportunistic Equity (KAREP), Core Equity (KACORE) Core-Plus Equity (KAMF), and Debt (KARED, KAROD and KCRED).

Kayne Anderson Real Estate Funds

Consistent with Kayne Anderson's approach of investing in underserved and inefficient markets where capital, expertise and sourcing intelligence enable it to add real value to investors, the opportunistic real estate equity Kayne Anderson Real Estate Partners ("KAREP") Fund series incepted in 2007 and was followed by subsequent funds in 2011, 2013, 2015, and 2017. The funds are opportunistic closed-end vehicles and focus on acquisition, development, and value-add investments producing solid, steady cashflow growth, with strong potential for upside value creation. KAREP VI held its final close during the fourth quarter of 2021 and raised $2.75 billion in total commitments, the firm's largest fund to date. It shares the same strategy of its more recent predecessor funds (KAREP III – V).

Leveraging the expertise of the equity team, in 2014 the KA Real Estate platform expanded to include a dedicated real estate debt investment team, and the debt platform was launched by anchor investors in 2015, who bought more than $357 million in five Freddie Mac B-pieces. This was followed by the launch of Kayne Anderson Real Estate Debt I ("KARED") in 2016, a $735 million fund, and KARED II (2016), a $1.175 billion fund, each of which invested exclusively in Freddie Mac B-pieces. In 2018, KARED III (2018), a $1.035 billion fund, continued investing in

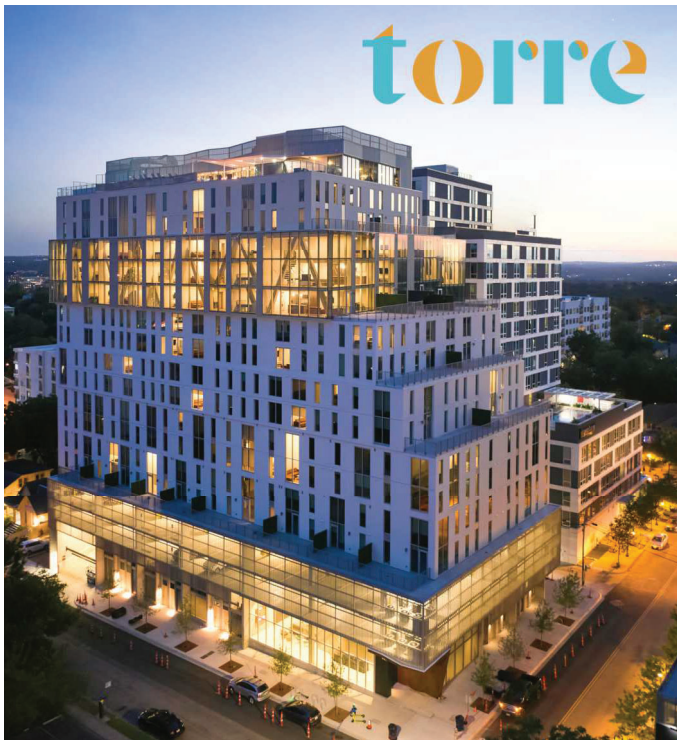
OTTO (College Station, TX)

structured Freddie Mac products and began making direct real estate loan originations, including first lien loans, preferred equity, and mezzanine debt. In 2020, KA Real Estate launched an opportunistic debt fund, Kayne Anderson Real Estate Opportunistic Debt, L.P. ("KAROD"), to take advantage of the historically attractive opportunities in commercial real estate debt and securities. KAROD raised $1.325 billion within two weeks and was fully committed within one year. KARED IV (2021), which continued to invest in Freddie Mac B-pieces and direct debt origination, held its final close in May 2022 with $1.875 billion in commitments. Finally, Kayne Commercial Real Estate Debt ("KCRED"), which launched in November 2022, is the debt platform's first open-ended fund and will pursue the market-leading investment strategy of KA Real Estate's prior closed-ended debt funds, targeting primarily Freddie Mac structured products and direct loan originations secured by assets in KA Real Estate's sectors of expertise (multifamily, student and seniors housing, medical office, and self-storage). Additionally, the partnership may take advantage of dislocations in the real estate related credit markets by acquiring attractive commercial real estate bonds secured by assets in other real estate sectors that we believe are mispriced by the market.

In August 2017, KA Real Estate launched Kayne Anderson Core Real Estate, L.P. ("KACORE"). KACORE is an open-end core fund focused on investments in alternative sectors including medical office, seniors housing, student housing, and self-storage in the top 50 MSAs and major metropolitan and student markets in the U.S. KACORE has approximately $4.4 billion in gross asset value as of December 31, 2022.

TEAM EXPERIENCE

MUZE (Austin, TX)



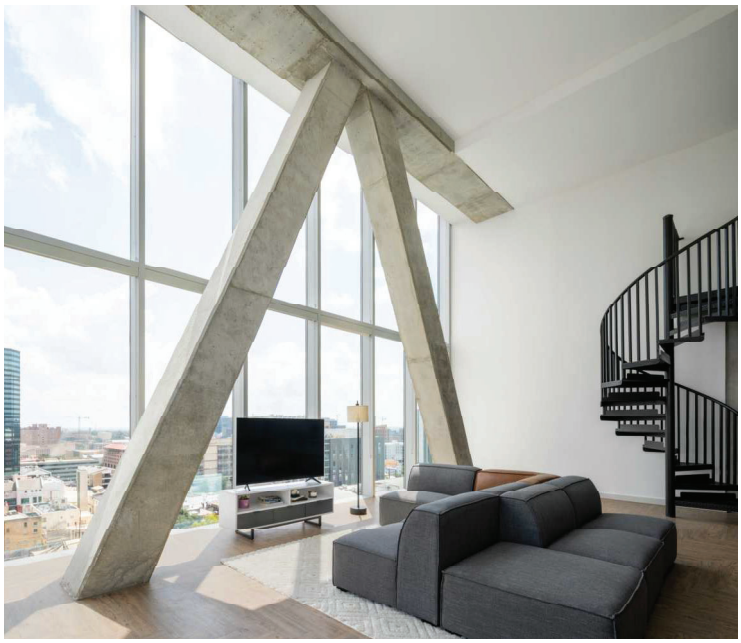
Development Description

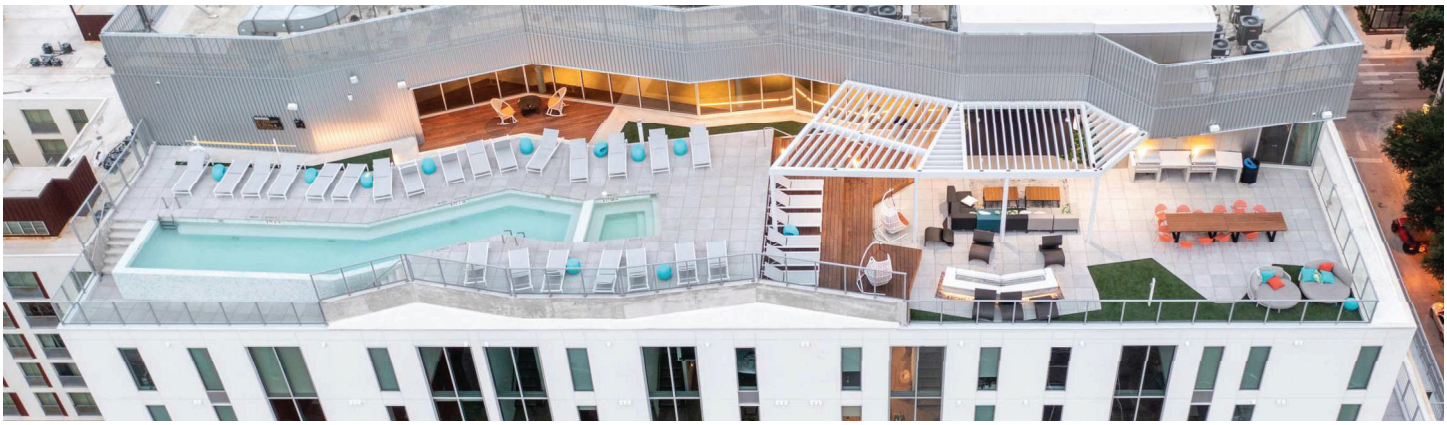
Torre is a luxury, 18-story high rise student housing development located within walking distance of University of Texas' main campus in Austin, Texas. It is an assemblage of three parcels under a fee simple land purchase.

The development was completed in August 2021 and offers a mix of studio through six-bedroom units. There are 64 townhouse units at the project, as well as purpose-built double-occupancy bedroom options and walk-out terraces for select units at various levels of the building. The property also provides "SMART" affordable units in the efficiency floorplan as required by city zoning.

The development is National Green Building Standard Silver and Austin Energy Green Building Certified. It was sold upon completion and closed in 2021.

Development Name:	Torre
Location:	The University of Texas (Austin, TX)
Use/ Type:	Student Housing
Completion Date:	August 2021
Disposition Date:	Fall 2021
Number of Beds:	504
Construction Type:	Type I - Concrete
Awards:	•2021 ABC Excellence in Construction Pyramid Award •2022 SHB Best New Development Over 400 Beds •2022 SHB Best Marketing & Lease -Up Program





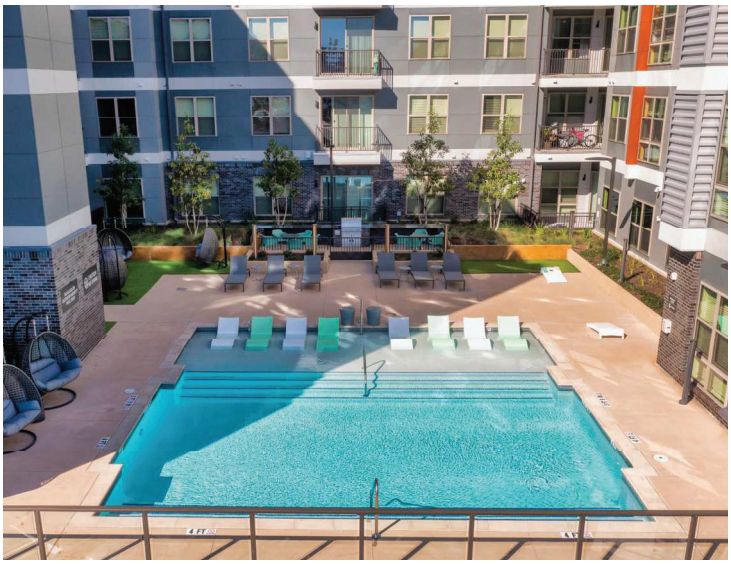
Development Description

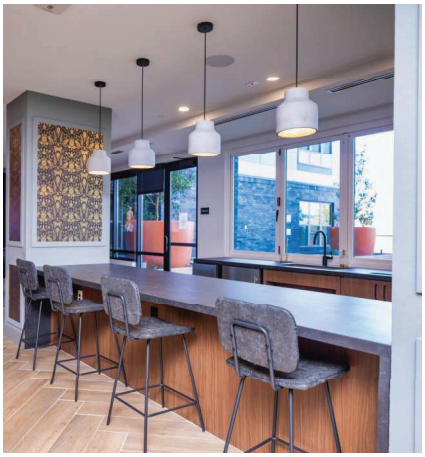
Lumen Above Railroad Park is a seven-story mid-rise student housing development in the North Campus area of Birmingham, Alabama, two blocks north of the University of Alabama at Birmingham's main campus.

The development delivered for the Fall 2021 semester. The site is conveniently one-quarter mile from the edge of campus, as well as within walking and biking distance to downtown Birmingham. Lumen Above Railroad Park is the first purpose-built student housing development to deliver near UAB since University House Birmingham delivered in 2005.

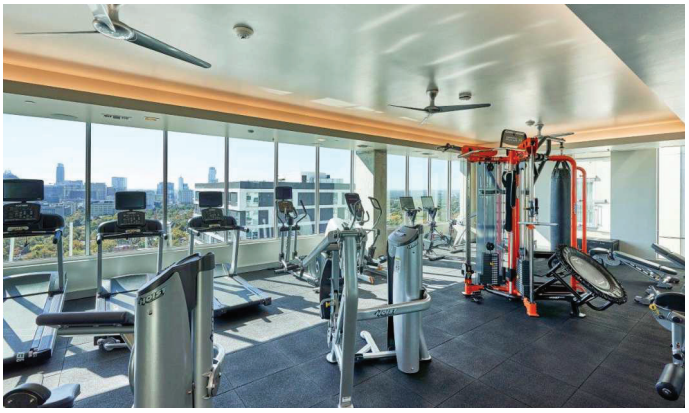
The development features the finest mix of student-focused amenities and unit finishes in the market and is located in an Opportunity Zone and tax abatement district.

Project Name:	Lumen Above Railroad Park
Location:	The University of Alabama (Birmingham, AL)
Project Use/ Type:	Mixed-Use; Student housing above retail
Completion Date:	August 2021
Number of Beds:	474
Construction Type:	Type III-A—Wood frame w/ podium garage
Management:	Asset Living
Awards/ Certifications:	National Green Building Standard Bronze





Development Name:	MUZE
Location:	The University of Texas (Austin, TX)
Use/ Type:	Student Housing
Completion Date:	August 2019
Disposition Date:	September 2019
Number of Beds:	502
Construction Type:	Type I - Concrete
Awards:	• National Green Building Standard Silver • Austin Energy Green Building • 2020 AGC Austin "Outstanding Building"



Development Description

MUZE is a student housing development located three blocks from the University of Texas at Austin's campus. The development was created under a ground lease, with a local investment group, and opened in Fall 2019.

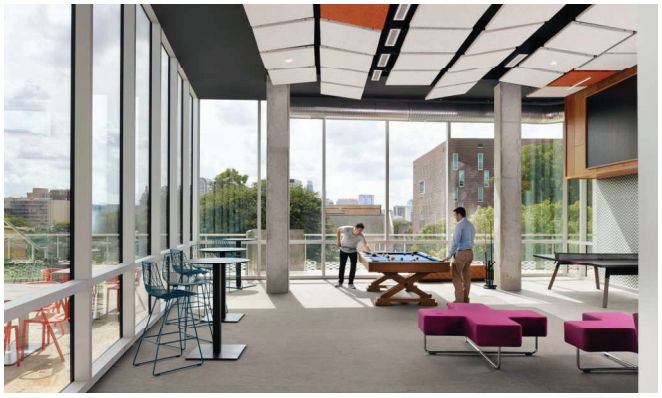
With 158 units and 502 beds, the project is a high-rise development consisting of an 18-story residential tower offering one- through four-bedroom units, a rooftop level with pool and amphitheater, as well as five stories of structured parking. Student amenities also include a clubroom, study lounge, 24-hour fitness center, concierge services, and on-site management. The development was sold upon completion in Fall 2019 to Scion Group.

Development Name:	University House Austin
Location:	The University of Texas (Austin, TX)
Use/ Type:	Mixed-Use; Student housing above Lutheran Church student center
Completion Date:	August 2016
Disposition Date:	September 2019
Number of Beds:	425
Construction Type:	Type I - Concrete
Awards:	•2017 SHB Best New Development Over 400 Beds •2017 AGC Austin Outstanding Building Award

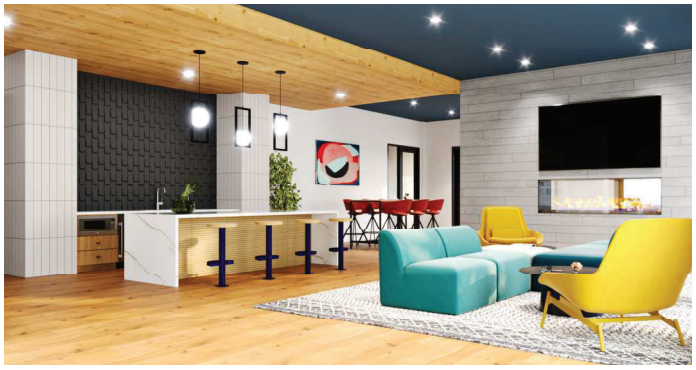
Development Description

University House Austin is a 19-story high-rise, LEED certified, mixed-use student housing development in the West Campus area of Austin, Texas, one block west of The University of Texas' main campus.

The development delivered on time and under budget for Fall 2016 occupancy. Its superior location and extensive luxury amenities provide an unparalleled option for UT students. This property was sold in a portfolio transaction during its final year of construction. Parallel was formed upon the sale of UHC to Scion and completed the development as an Owner's Rep for the buyer.



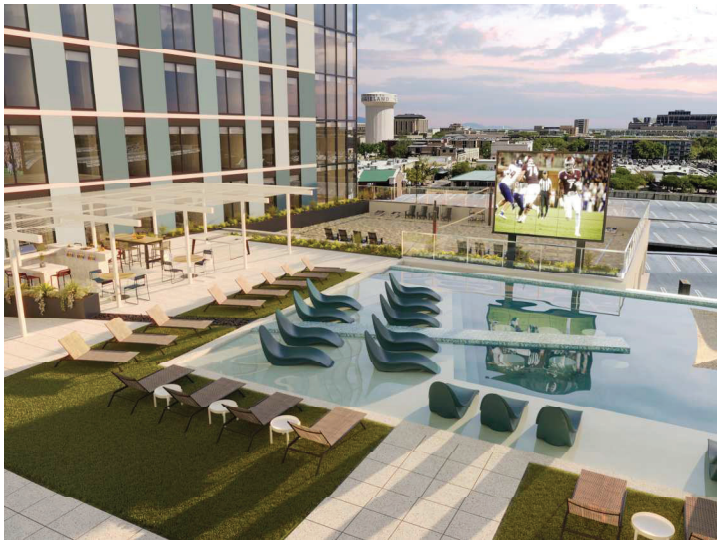
Development Name:	REV
Location:	Texas A&M University (College Station, TX)
Use/ Type:	Mixed-Use; Student housing above University Lutheran Center
Completion Date:	Exp: July 2023
Number of Beds:	802
Construction Type:	Type I - Concrete
Management:	Cardinal Group
Certifications:	• 2023 SHB Best Community Name • Exp: National Green Building Standard Silver



Development Description

REV is a 19-story high-rise development that will feature 13 levels of residential above a six-story podium parking deck, and a 6,000 SF ground floor commercial space that will be owned and occupied by the current owners the University Lutheran Church ("ULC"). The development is under a ground lease with the ULC. REV will consist of a resort-style pool, state-of-the-art fitness center and yoga studio, game room, and sky lounge.

REV is located within the Northgate neighborhood, positioned just 1.5 blocks from the north entrance to the Texas A&M University ("TAMU") campus. More specifically the site of REV, is extremely desirable because it lies just a four-minute walk to the main nightlife scene of College Station. The development is slated to open for the Fall 2023 school semester.



Development Description

Lumen on Ninth is a luxury, five-story, 143-unit (351 beds) student housing development located within walking distance of The Ohio State University in Columbus, Ohio. It was an assemblage of four landowners in a fee simple structure and has a tax abatement for 15 years.

The development will offer studio through five-bedroom units. Unique unit types include ground-level walk-up units and fifth floor penthouses with vaulted ceilings. Lumen will offer top-of-market amenities such as a lobby with coffee bar; interior courtyard with pool, hot tub, and games lawn; fitness center, club house, and study lounge.

Lumen on Ninth is currently under construction and is expected to deliver for Fall 2023.

Development Name:	Lumen on Ninth
Location:	The Ohio State University (Columbus, OH)
Use/ Type:	Student Housing
Completion Date:	Exp: July 2023
Number of Beds:	351
Construction Type:	Type III-A - Wood frame w/ concrete podium garage
Management:	Coastal Ridge
Certifications:	Exp: National Green Building Standard Silver

Development Description

OTTO is a luxury, ten-story, 341 unit (745 bed) student housing development. It is Parallel's second development in the Northgate neighborhood of College Station, serving Texas A&M University. The site was an assemblage of four landowners in a fee simple purchase.

The development will offer studio through six-bedroom units. OTTO will offer walk-up units as well as top-of-market amenities such as a lobby with coffee bar and market; interior courtyard with pool and games lawn; fitness center; club house; study lounge, and 10th story sky lounge.

OTTO broke ground in June 2022 and is expected to deliver for Fall 2024.

Development Name:	OTTO
Location:	Texas A&M University (College Station, TX)
Use/ Type:	Student Housing
Completion Date:	Exp: July 2024
Number of Beds:	745
Construction Type:	Type I - Concrete
Management:	TBD
Awards:	Exp: National Green Building Standard Silver

Development Description

2413 14th St (working title) will be a Class-A, student housing property located within the South Overton neighborhood in Lubbock, Texas. The site is highly desirable since it lies immediately adjacent to the campus core of Texas Tech University.

The seven-story mid-rise development will consist of approximately 293 units (707 beds) with units comprised of studio through five bedrooms with two-story townhome options. The development will feature top-of-market amenities such as ground-floor lobby/ leasing, courtyard, fitness center, study lounge, and rooftop amenity deck with a resort-style pool.

Development Name:	2413 14th Street
Location:	Texas Tech University (Lubbock, TX)
Use/ Type:	Student Housing
Completion Date:	Exp: July 2026
Number of Beds:	707
Construction Type:	Type III - Wood Frame on Podium & Pre-Cast Wrap Garage
Management:	TBD
Awards:	Exp: National Green Building Standard Silver

Development Description

2354 S State Street (working title) is a luxury, seven-story, 319-unit multifamily development located in the growing South Salt Lake City market. The site, which is located in an Opportunity Zone, is a fee simple purchase and is expected to close in Q4 2023.

The development will offer studio through three-bedroom units. 2354 S State Street will offer walk-up units as well as top-of-market amenities such as a lobby with coffee bar and market; interior courtyard with pool and spa; fitness center; club house; study lounge, and 7th story sky lounge and rooftop deck.

2354 S State St is currently in design and is expected to break ground in 2024.

Development Name:	2354 S State St
Location:	Salt Lake City, UT
Use/ Type:	Multifamily
Completion Date:	Exp: Q4 2026
Number of Units:	319
Construction Type:	Type III A – wood frame w/ podium garage
Management:	TBD
Certifications:	Exp: National Green Building Standard Silver

Experienced Multifamily Background

The principals of Parallel have over 30 years of experience successfully developing over 3,000 units across various markets including Dallas-Fort Worth, Austin, Phoenix, Denver, Birmingham, and Jacksonville, Florida.

Parallel's experience ranges across various construction types including:

- **Urban Infill, Mixed-Use, Mid-Rise, Wrap, and Podium Apartments**
- **Urban For Sale Large-Scale Townhome Units**
- **Affordable For Sale and For Rent Apartments**
- **Garden-Style Walk-Up Apartments**

The principals of Parallel are responsible for the successful completion of complicated mixed use, urban infill multifamily projects during their tenure at Inland and its predecessor company, FirstWorthing, from 2006 to 2015. Prior to 2006, David Pierce served as the architect of record from 1997 to 2005 at Pierce Goll Architecture and Pierce Architecture where he focused on suburban three-story open breezeway walk-ups. Pierce also designed multiple urban for sale townhome projects in Dallas and Phoenix for Post Properties in a joint venture with RTKL in complicated mixed use apartment developments. Pierce consulted with East Dallas Community Organization as the development, design and construction consultant for multi-block affordable units for sale and rent in Old East Dallas and was recognized as a Hero of East Dallas for his work by Preservation Dallas from 2002 to 2007.

Kristen Penrod successfully completed the MAA Katy Trail (fka Cityville Katy Trail) which was a complicated mixed use podium project with direct access to the Katy Trail in Dallas, Texas. This project required significant collaboration with the City of Dallas and the Friends of Katy Trail to provide improvements to connect the project to the trail system. Penrod was also responsible for coordinating and completing the Maddox Apartments (fka Cityville Cityplace) which included a pre-cast wrap garage, LA Fitness, and Kroger within a large master planned development east of I-75 on Haskell Avenue in Dallas, Texas. Kristen successfully secured TIF from the City of Dallas for the streetscape improvements and the complicated long term lease with LA Fitness and the sale of adjacent land to Kroger which required a cross parking access agreement with between the two owners under the planned unit development ("PUD") zoning.

Multifamily Project Experience

VENUE AT THE BALLPARK

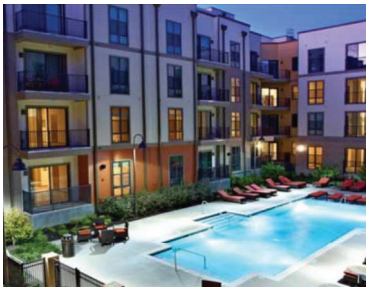
200 16TH ST, BIRMINGHAM, ALABAMA

Number of Units: 236
Construction Type: Type IIIA Mixed Use with Podium Garage
Total Project Costs: $58M
Date Completed: June 2015

MADDOX APARTMENTS (FKA CITYVILLE CITYPLACE)

2660 N HASKELL AVE, DALLAS, TEXAS

Number of Units: 356
Retail SF: On-site Kroger (land sale) / 53,000 GSF LA Fitness Club
Construction Type: Type VA Mixed Use with Pre-Cast Wrap Garage
Total Project Costs: $62M
Date Completed: June 2013



STATION 121 (FKA CITYVILLE BLOCK 121)

2000 2ND AVE S, BIRMINGHAM, ALABAMA

Number of Units: 255
Retail SF: 23,087 GSF
Construction Type: Type VA Mixed Use with Pre-Cast Wrap Garage
Total Project Costs: $56M
Date Completed: August 2010

THE ATLANTIC HIGHLAND PARK (FKA CITYVILLE OAK PARK)

3600 WHEELER ST, DALLAS, TEXAS

Number of Units: 372
Retail SF: 18,365 GSF
Construction Type: Type VA Mixed Use with Pre-Cast Wrap Garage
Total Project Costs: $50M
Date Completed: Spring 2009

The projects above are a representative set of prior experience of projects developed by the principals of Parallel.

Parallel Team

As a nationally recognized leader in student and multifamily housing, Parallel's team members are highly respected individuals in the industry who together possess the full spectrum of knowledge and skills required for the development of highly complex mixed-use student housing and multifamily anchored properties in diverse markets throughout the United States.

DAVID M. PIERCE

PRINCIPAL

David Pierce is responsible for all investment activities and the direction of the company. He also oversees all development and investment activities. David has over 30 years of design, development, and construction experience, of which, the first 14 years he practiced as an architect. Together with Kristen Penrod, he cofounded Parallel after the sale of the University House Communities ("UHC") portfolio in 2016. At UHC, David led all development activities and delivered over 11,000 beds of Class-A student housing and several thousand market-rate units. The student portfolio was key in the $1.4B platform transaction between UHC and The Scion Group in 2016. David earned a Bachelor of Architecture from Texas Tech University and a Master of Architecture with a Fellowship from Syracuse University. David is active in ULI, NMHC, the AIA, and is President of the Deans Advisory Board for the Huckabee College of Architecture at Texas Tech University.

KRISTEN L. PENROD

PRINCIPAL

Kristen Penrod manages development activities from site selection through construction completion. She also is focused on the financial performance and reporting of the company and its investments. Kristen brings over 15 years of development experience to Parallel's team. Kristen was the key executive team member on the UHC team with David Pierce at UHC. While at UHC, Kristen led the completion of 7,500 beds and over 1,000 units of market-rate multifamily with total development costs of $800M+ in 10 states. Kristen earned a Bachelor of Business Administration from The University of Texas at Austin and is a member of the ULI National Student Housing Council.

RYAN McCULLOCH

DIRECTOR OF DEVELOPMENT

Ryan McCulloch manages the full development process from market analysis through design, construction, and stabilization. Prior to Parallel, Ryan worked for a boutique hotel developer, Neighborhood Establishment, the preferred development partner for ARRIVE Hotels & Restaurants. Ryan began his career in real estate at Titan Development working in senior housing and multifamily development. In addition to being a project manager, he produced investment recommendation packages that resulted in the approval of $500M+ in multifamily projects throughout the U.S. Ryan holds a Bachelor of Architecture from the University of Texas at Austin and is a co-chair of the Austin Multifamily Local Member Council.

AUSTIN LEWIS

DIRECTOR OF DESIGN AND DEVELOPMENT

Austin Lewis has extensive operational background and has worked in the student housing sector in the management and delivery of multiple urban and infill high-rise properties in major university markets. Austin is responsible for market and product research, pro forma analysis, property management, marketing oversight, and construction coordination of Parallel's projects. Austin started his career in student housing as a Community Assistant and quickly advanced his career working as an Area General Manager of The Scion Group's University of Texas at Austin high-rise assets. Austin has held multiple leasing, marketing, and operations roles with Scion and other national student housing platforms.

Parallel Team

LAUREN LUNDQUIST

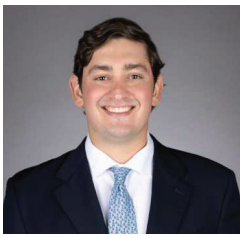
INVESTMENTS MANAGER

Lauren supports the company in managing all aspects of the investment lifecycle through all development phases from initial site inception, construction, and stabilization. Prior to Parallel, she started her career with American Campus Communities in 2014 as a Financial Analyst. During her tenure at ACC, she became an integral part of the Investments Analyst Pool underwriting and evaluating potential projects, eventually becoming Director of Investments in 2017. While at ACC, she was involved in closing more than 12,000 beds and $1.3 billion in acquisition and development transactions. Lauren received her Bachelor of Business Administration in Finance and Master of Real Estate from Texas A&M University.

TJ CHAMBERS

ASSET MANAGER

TJ Chambers is serving as Asset Manager for Parallel in addition to being the owner of Chambers Real Estate Advisors, a consulting firm specializing in advisory services, asset management, development, and new delivery consulting for the student housing industry. With over 20 years of experience in student housing, TJ has worked in connection with both institutional and third-party operators on portfolio's upwards of 100,000+ beds under management nationally. He has participated in and played pivotal roles in the start-up and launch phase of the student vertical at three separate companies. TJ earned his B.A. in Finance from Texas Tech University, with a minor in Real Estate and Marketing.



CARTER SNAPE

CONSTRUCTION MANAGER

As a Construction Manager for Parallel, Mr. Snape is responsible for facilitating multiple construction projects through management and coordination with the general contractors and design teams to ensure the project budgets and quality is maintained while meeting schedule needs. Before joining Parallel, Mr. Snape worked with a general contractor in Austin with a focus in mixed use, multifamily and student housing developments. He brings over five years of experience constructing in both the private and public sector. His project involvement includes high-rise multi-family, industrial manufacturing, interiors, and educational facilities with an excess of $300 million in total projects. Mr. Snape received his Bachelor of Science, Construction Science from Texas A&M University.

SUZANN ROBB

CONTROLLER

As the Controller for Parallel, Mrs. Robb oversees all accounting and financial reporting functions for the company including development, administration, and the coordination of project-based partnership accounting. Mrs. Robb brings over 25 years of Real Estate Development, Corporate and Project based accounting experience to Parallel's team. She serves as a founding member on the board of directors of the Caitlin Robb Foundation, which raises and gifts funds for pediatric cancer research and patient/family current needs.

Kayne Anderson Leadership Team

DAVID SELZNICK

KAYNE ANDERSON REAL ESTATE

CHIEF INVESTMENT OFFICER

Mr. Selznick joined KA Real Estate in 2012 and is currently the CIO and a partner. Selznick serves as a member of KA Real Estate's investment committee and sits on the board of Kayne Anderson Capital Advisors, L.P. David has played a leading role in all acquisitions, dispositions, and financings undertaken by KA Real Estate's equity funds and also co-founded KA Real Estate's recently launched real estate debt and core businesses. His relationships and investment acumen are primary factors in having established KA Real Estate as a major player and one of the largest owners of seniors housing and medical office properties in the country. David earned a B.A. in Business Administration and joint J.D./ M.S. in Real Estate Finance from the University of Florida.

KEN CARL

KAYNE ANDERSON REAL ESTATE

SENIOR MANAGING DIRECTOR – STUDENT HOUSING/ MULTIFAMILY

Mr. Carl leads the team in acquiring, developing and managing student housing and multifamily properties and is responsible for organization, analysis, underwriting, negotiation, deal structuring and execution of investment strategies for acquisitions and development, while working closely with property management to oversee performance of all assets within the portfolio. Prior to joining KA Real Estate, Carl spent over 20 years at PNC Real Estate. In his most recent role as Southeast regional executive for PNC Real Estate Banking, he was responsible for managing, goal setting and driving investment strategy for a 25-person team across the Southeast. While overseeing a $9B nationwide portfolio comprised of nearly all property types, he spearheaded PNC's effort to expand its multifamily and student housing platform across the business. In addition, Carl acted as executive sponsor for PNC's recruiting and development program while also acting as a founding member of PNC Real Estate's Diversity & Inclusion Council. Carl earned a B.A. in Government from Dartmouth College.

CARLOS LORENZO

KAYNE ANDERSON REAL ESTATE

SENIOR MANAGING DIRECTOR – DESIGN & CONSTRUCTION

Mr. Lorenzo is a senior managing director on the design and construction team at KA Real Estate. He leads the team and is responsible for project construction management, encompassing both cost and schedule review for active new constructions deals, capital expenditure work to recently acquired portfolios and working with the real estate team on schedule, construction cost and contract review for upcoming deals. Prior to joining Kayne Anderson in 2019, Lorenzo was a private sector construction executive at Kaufman Lynn Construction where he was responsible for sector strategies, project pursuit analysis, client acquisition and managing preconstruction services to final GMP. Prior thereto, Lorenzo worked at Balfour Beatty Construction U.S. as a senior project engineer for seven years on various real estate projects including medical and student housing. Carlos earned a B.S. in Construction Management from the University of Florida.

CONTACT

PARALLEL

David Pierce
214.760.0600
dpierce@parallel-co.com

Kristen Penrod
214.708.0027
kpenrod@parallel-co.com

(1)

NEIGHBOR TO NEIGHBOR

The Official Publication of the South Overton Residential and Commercial Association

SORCA, Inc. PO Box 1904 Lubbock, TX 79408

Pres.: Brad Clardy Secretary: Robert Brodkin Treas: Phillip Howard
Membership: Marge Parker

Thursday, April 7th, 2011 (8:30 AM)

Mr. Randy Henson
Planning Department, City of Lubbock
PO Box 2000
Lubbock, TX 79457

Re: Submission of amended map for SORCA's zoning case # 2243-B.

With fax copies to: Kenneth Abraham at 806-763-9148
Ted Rushing at 806-748-7375

Dear Mr. Henson:

Mr. Kenneth Abraham and Mr. Ted Rushing have had a very long-standing plan, in existence for perhaps ten years or more, to build student housing on land they own in the 2400 block of 13th and 14th Streets. In the map sketch I originally submitted with this zoning request by the South Overton Neighborhood Association, I had inadvertently included these lots in the proposed zoning ordinance. I am hereby submitting a revised map, with a dotted line running north-south along the center of Avenue "X", which will correct this error on my part.

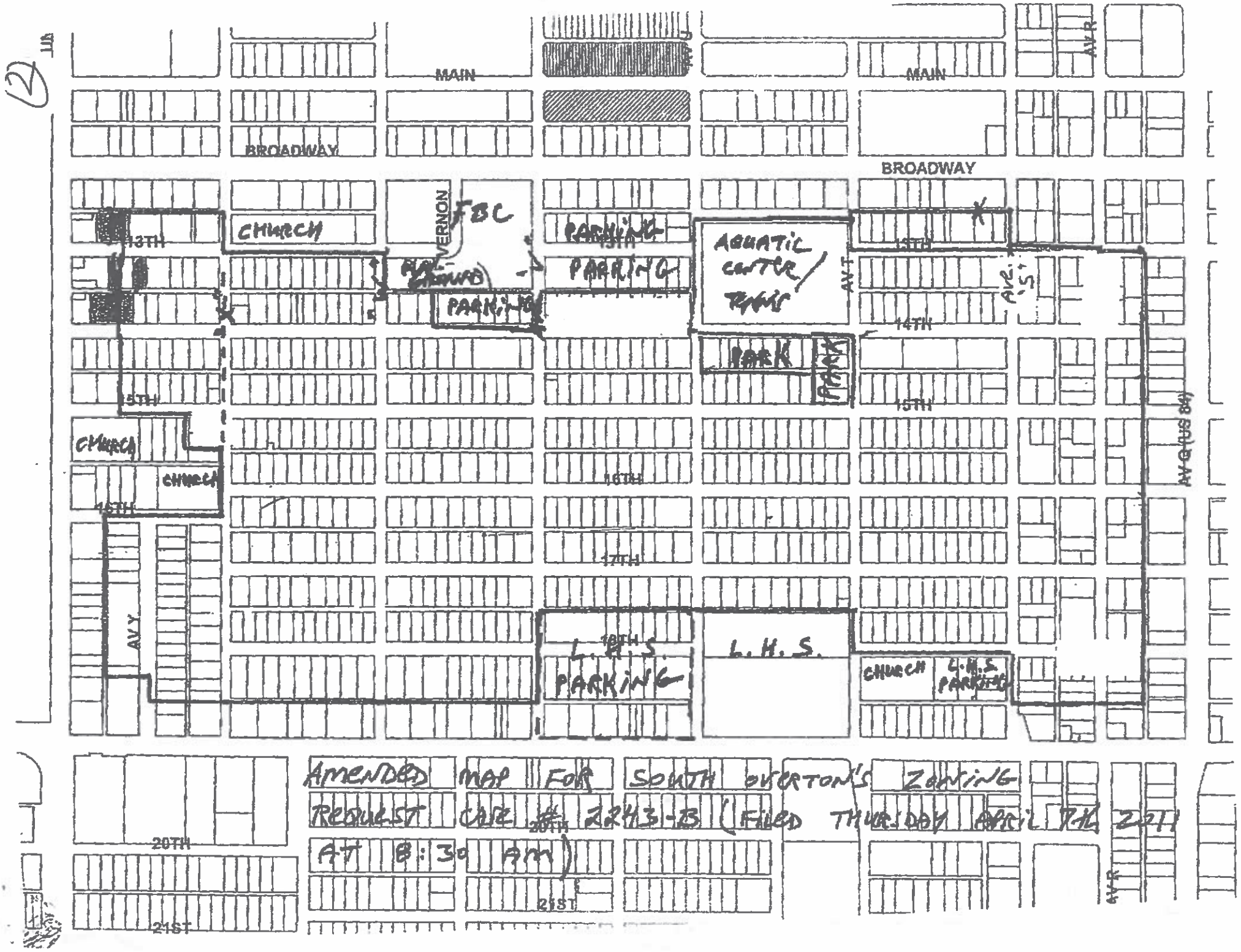
Kenneth Abraham owns three lots, 2323, 2321 and 2319 on 14th Street which are inside the revised boundaries of the zoning request. I understand these are to be utilized for additional parking for the planning student housing project. In addition, Ted Rushing owns a lot at 1629 Ave Y which is currently paved and used for additional parking for his building facing 19th Street which houses Radio Shack and a suntan place. Also, in his written submission to the city Mr. Rushing emphasized that he would object to any zoning changes which would affect parking for his commercial buildings.

I would like to stress that the current zoning proposal introduced by the neighborhood association refers strictly to new, residential construction, or to major exterior changes planned for existing residential structures. It will have no effect whatsoever on any land that is meant to be used, or that is currently utilized for parking.

I had a very cordial telephone discussion with Kenneth Abraham yesterday and I told him that I was going to submit this amended map to the city and fax a copy of same to him as well as to Ted Rushing.

Sincerely,

RM Brodkin, for SORCA, Inc.


MAIN
MAIN
BROADWAY
BROADWAY
AVR
VERNON
FBC
CHURCH
PARKING
PARKING
PARKING
AQUATIC CENTER / TENNIS
AVI
AVE. I
13TH
14TH
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CHURCH
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AVG (US 84)
L. H. S.
L. H. S.
PARKING
CHURCH
L.H.S. PARKING
AMENDED MAP FOR SOUTH OVERTON'S ZONING REQUEST CASE # 2243-B (FILED THURSDAY APRIL 7TH 2011 AT 8:30 AM)

city of lubbock TEXAS

May 28, 2010

Dear Overton South Property Owner:

Please find attached an original ordinance, one amendment, and the attachments in the original ordinance passed by the City Council for an area (map enclosed) that encompasses a majority of the residential area of the subdivision after being proposed by a joint effort by both neighborhood associations in Overton South. Plans for major rehabilitation and new construction are now reviewed by the Planning Department for compliance, and any amendment to the exterior of a building (needing a permit or not) should be discussed with Planning Department personnel in an informal manner so as to not cause an issue after the construction is started.

The primary objective of the ordinance is to begin the process of the structural and architectural stabilization of one of the most historic areas of Lubbock, an area already listed in the National Register – the Federal registry of historic places based on an application several years ago by the neighborhood. While the Federal Register has no "teeth", an ordinance that is an overlay of the current zoning by the City can provide better oversight of improvements or new construction to protect the historic fabric of the area.

With a neighborhood essentially 103 years old, the Planning staff expects some "bumps" in the road to stabilization. Many of the existing units in the subdivision are past their life expectancy and the lots are great candidates for new construction, many units are rental that are less tended than owner occupied, while a majority of the homes maintain a quality of construction and representation of historic architectural homes not generally available today. With a level of practicality mixed with the large number of named architectural styles in the ordinance, the City Council, neighbors and staff have the expressed desire for the area to begin an upward spiral in construction quality and provision of stabilized housing envisioned by the ordinance versus the downward spiral of maintenance and livability being experienced by some areas in the older parts of Lubbock.

Should you have questions, please direct questions to any member of the Planning Staff through the phone number of our Management Assistant, Kristen Sager, at 775 2108.

Sincerely yours,

Randy Henson

Randy Henson
Director of Planning

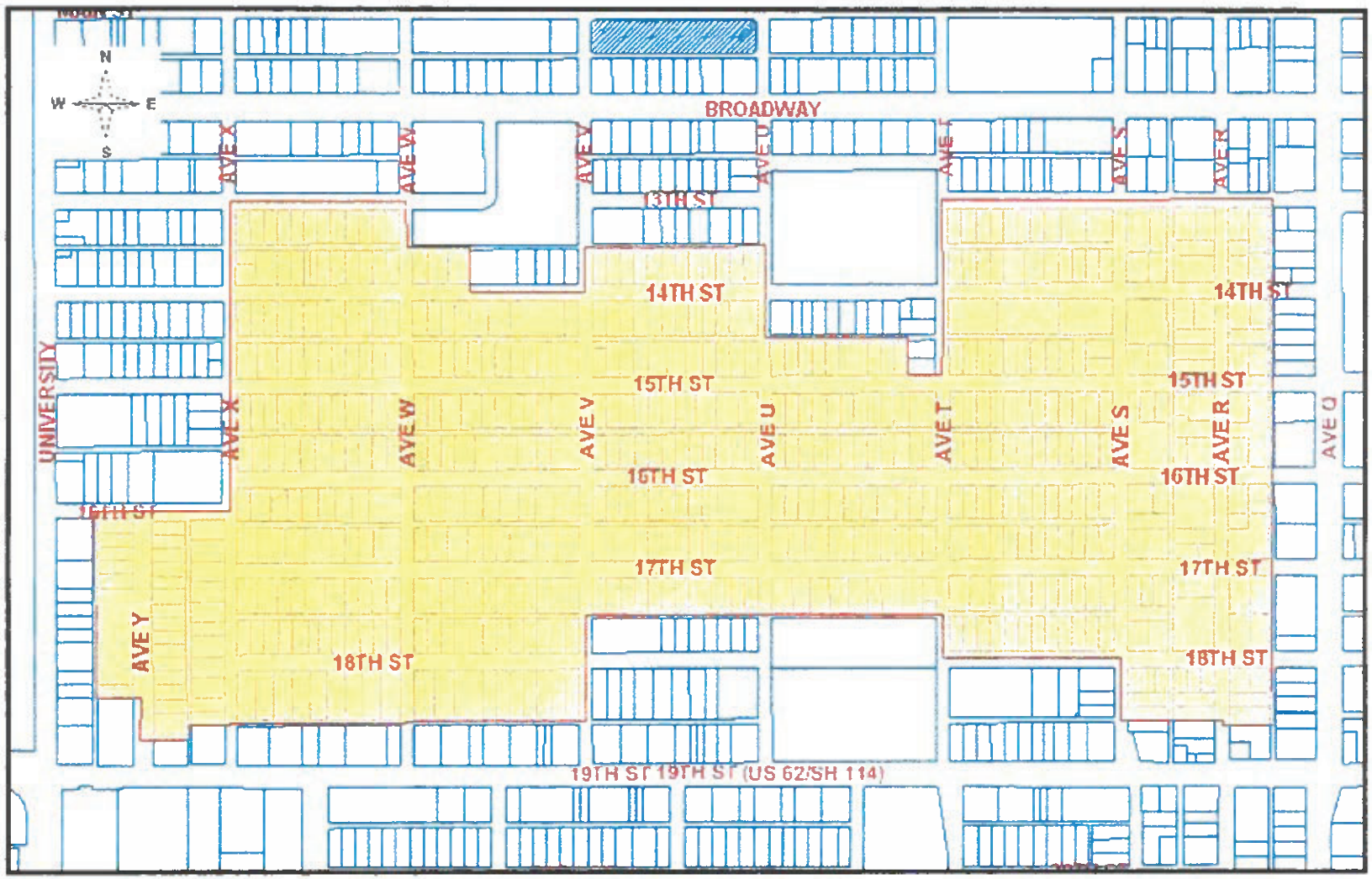

Exhibit C: Zone Case 2243-B Boundary

From: Kristen Sager
To: Gregory Hernandez
Cc: Victor Escamilla; Robert Wallace; Erik Rejino
Subject: FW: Opposition to Zone Change Request for South Overton
Date: Sunday, July 9, 2023 10:18:16 AM

From: Cathrine Prenot <cathrine.nicki@gmail.com>
Sent: Saturday, July 8, 2023 8:52 AM
To: Tray Payne <TrayPayne@mylubbock.us>; Kristen Sager <ksager@mylubbock.us>; zach.sawyer@umchealthsystem.com; Christy Martinez <ChristyMartinez@mylubbock.us>
Subject: Opposition to Zone Change Request for South Overton

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Good Morning,
My family and I live and own a home in Historic South Overston, and we are opposed to the request for a zone change to allow a large, seven story, seven hundred bed apartment complex to be built in our neighborhood. The zone change is not reasonable. I hope that this letter gives you a perspective on our daily life in the neighborhood and how this development would impact our lives.

We bought a home here on 17th street for many reasons. We love the older neighborhood and enjoy the mix of young families, established residents, and college students. Our house was built the same year TTU was founded; they are both celebrating their centennial this year! Many of the homes in the neighborhood are very special, ours included. A zone change that allows a huge residential complex would forever impact Lubbock's historic community.

We also selected the neighborhood because of the excellent elementary school. We have two daughters, and our younger one attends Ramirez IB Elementary. She is in the Spanish Immersion program there and is fluent in Spanish, even though my husband and I are not. Our neighborhood is zoned for small residences that attract other families whose children also attend Ramirez.

One of my younger daughter's summer goals was to be able to get good enough on her bike to be able to ride it to school as a third grader next year. We currently have little through traffic on our streets, and it is safe for her to ride, walk our dog at night, have a lemonade sale out front, and see other children in the community. A large residential building with seven hundred beds would dramatically impact the traffic in our neighborhood.

Admitably, some of the homes in Historic South Overton are in disrepair. However, these "fix-er-uppers" offer an affordable home ownership avenue for many people, and there have been many homes in our neighborhood that have been transformed in the eight years we have lived here.

I mentioned that our younger daughter is enrolled in Ramirez Elementary. Her second grade teacher held a class election for the mayor, and when she made her poster for the campaign, she said she wanted to take a picture "just like Tray Payne" so her classmates knew she was serious about leading them. She won her mayoral election. When I told her about the development, she told me to "write to the mayor, because they are supposed to listen to the people that they serve."

I'm not opposed to economic development, but I would like development that carefully considers the impact of zoning changes to our historic neighborhood. I hope that reaching out to all helps you understand why we chose this specific community to live in, and why this zone change request is unreasonable.

I included several of you on this email, but please feel free to share it with other important people I may have missed.

Sincerely,
Cathrine Prenot
2213 17th Street
Lubbock, TX 79401
--

From: Kristen Sager
To: Gregory Hernandez
Cc: Victor Escamilla
Subject: FW: proposed zoning change 0n 14th,15th in South Overton
Date: Monday, July 10, 2023 1:08:27 PM

From: craig rutherford <bcrutherford53@gmail.com>
Sent: Monday, July 10, 2023 9:10 AM
To: Christy Martinez <ChristyMartinez@mylubbock.us>; Shelia Patterson Harris <spattersonharris@mylubbock.us>; Mark McBrayer <MMcBrayer@mylubbock.us>; Steve Massengale <smassengale@mylubbock.us>; Jennifer Wilson <JenniferWilson@mylubbock.us>; Latrelle Joy <LJoy@mylubbock.us>; Tray Payne <TrayPayne@mylubbock.us>; Ashley Padilla <AshleyPadilla@mylubbock.us>; Kristen Sager <ksager@mylubbock.us>
Cc: Joshua Stueve <stueve.josh@gmail.com>
Subject: proposed zoning change 0n 14th,15th in South Overton

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

I am writing in vehement opposition to the proposed zoning change to allow construction of a huge apartment building on 14th and 15th from near University to Ave X.I am a longtime member of St.John's UMC at 15th& University and we,along with the entire area,would suffer major adverse affects from this.1.The plans do not include anywhere near enough parking for the residents,which would leave them parking all over the already crowded streets and likely in our parking lot.2.We already struggle to exit our lot since the very busy coffee shop opened across the street.I cannot imagine the congestion that would result if this is approved.3.It is already very congested on University on weekdays,especially at lunch,and this would make a difficult situation a nightmare.4.There is a major shortage of affordable housing in this city and this would remove even more of what there is and replace it with even more expensive housing-lots of people,including students,cannot afford such places.5.The noise,trash,beer cans ….I already often pick up beer cans and fast food litter as I arrive at church and this would make it ten times as bad.

Craig Rutherford,member at St.John's UMC.

Sent from Mail for Windows

From: Ashley Padilla
To: Gregory Hernandez
Subject: FW: Proposed Zoning Change
Date: Wednesday, July 12, 2023 8:20:21 AM

From: Mary Vines <mvines11@gmail.com>
Sent: Tuesday, July 11, 2023 8:42 PM
To: Kristen Sager <ksager@mylubbock.us>; Ashley Padilla <AshleyPadilla@mylubbock.us>
Subject: Re: Proposed Zoning Change

WARNING: This message was sent from outside the City of Lubbock's email system.

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Since not all Planning and Zoning Commissioners have email addresses available, this message is being sent to the Planning and Zoning staff members, trusting that they have the contact information necessary to see that the messages will be received in advance of the July 27 Planning and Zoning meeting and that the messages will also be included in the materials the commissioners are given for the meeting

Dear Lubbock Planning and Zoning Commissioners,

We are longtime friends of the folks who were organizing South Overton Neighborhood Association within a few months after we began in 1974 organizing UNIT Neighborhood Association, now known as Tech Terrace UNIT Neighborhood Association. Both they and we were seeing the increasing deterioration of North Overton and the mounting number of problems caused to neighborhoods as apartment zoning increasingly took the place of lower density residential zoned areas. Now almost 50 years later our neighborhoods have survived. We are happy that our City of Lubbock government has recognized the value of our downtown neighborhoods and has been supportive of the designation of South Overton's success in achieving National Historic Neighborhood Designation. The City Council approved the 2040Plan with its neighborhood emphasis; and with the establishment of the Neighborhood Planning Program, city government shows further support of our Lubbock neighborhoods.

Please give strength to the continuation of this support by voting not to recommend the Council approve the proposed zoning change to build a 700 bed 7 story high density apartment complex in South Overton between 14th and 15th Street near University Avenue. As members of St. John's United Methodist Church with property directly across 15th Street from the proposed project, we have for years had challenges getting back on 15th Street to have access to a light on University to travel north, south, or west. It has been compounded by the recent construction of a drive-in coffee shop on the corner. This narrow street, the other adjacent narrow streets and other low density infrastructure from the days of Lubbock's founding make this a totally inappropriate place for the proposed building.

A recommendation from the Planning and Zoning Commission that the City Council deny the zoning change is the right way to continue neighborhood support. It will help the City Council in the effort they have already shown to be supportive of neighborhood preservation. They will no doubt appreciate that support, and so will we.

With appreciation for your challenging work,

Darrell and Mary Vines

From: Kristen Sager
To: Gregory Hernandez
Cc: Victor Escamilla
Subject: FW: South Overton Zone change
Date: Monday, July 17, 2023 1:07:32 PM

From: Tonja Hagy-Valdine <thvaldine@gmail.com>
Sent: Monday, July 17, 2023 1:06 PM
To: Kristen Sager <ksager@mylubbock.us>
Subject: South Overton Zone change

WARNING: This message was sent from outside the City of Lubbock's email system.

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My family and I live and own a home in the Historic South Overton neighborhood and are strongly opposed to the zone change that would allow a 7 story, 700 bed apartment complex to be built in the blocks of 14th and 15th from Ave. X to the CVS parking lot.

We purchased our property at 1704 Avenue X because we love old homes with character but also because we are the full time caregivers for my adult son, who suffers from schizophrenia. It was imperative that we found a property where my son could have his own residence, but also some place where we could be close by to monitor his medication and assist him on the days that he struggles. South Overton gave us the opportunity for just such a situation and has given our family an opportunity to thrive. We have completely remodeled and updated his 99 year old back house into a space where he can live independently. Because he is unable to drive, we also moved here because he can easily access to food and shopping on foot.

We are also blessed to have a second back house (the long ago converted garage) where our daughter currently lives with her two small children while she navigates a difficult divorce. Our grandsons are five and three years old and love playing with supervision in our front yard and the park at 16th Street and Avenue X. Our older grandson is looking forward to starting Kindergarten at Ramirez Elementary in the fall.

The construction of a huge apartment complex and the influx of 700 more bodies into this already densely-populated neighborhood is not appropriate or sustainable for the reasons bullet-pointed below:
- **A threat to the historic charm and preservation of South Overton**; while the properties to be torn down lie just outside of the historical overlay, the effect of this structure will forever scar the historic charm and appeal of our neighborhood.

- Increased traffic on Ave. X which is an already problematic and busy street that is far too narrow to handle the increase of residents and cars that is being proposed.
- Property values; as a resident of Ave. X, a huge commercial property, such as the proposed build, will have a devastating adverse affect on our property values. It will also hamper any efforts we have to entice more owner/occupants to move their young families here.
- Increased trash and noise; we already deal with an overabundance of drunk and rowdy TTU students who use Ave. X as their main thoroughfare between the bars on Broadway and late night food on 19th Street. The amount of discarded/broken beer cans and bottles that we pick up each weekend is already too much.
- Increased vandalism; Tech kids are not known for their reverence for the properties of others; a few months ago a drunk Tech kid ripped our storm door off its hinges in a drunken rage. We have also dealt with students urinating, defecating and vomiting in our yards. While I know that some of this is to be expected, living so close to a major university, it is entirely unreasonable to invite more of this type of activity into our neighborhood.

I hope that you will seriously consider the effect this development will have on our historic neighborhood and vote against allowing this to be built.

Thank you for your time and your service to the citizens of Lubbock,
Tonja Hagy-Valdine
1704 Ave. X

ReplyForward

From: Ashley Padilla
To: Gregory Hernandez
Subject: FW: Zoning change on Ave X in Overton South
Date: Wednesday, July 12, 2023 11:08:01 AM

From: Gretchen Scott <gretchen@wmrsco.com>
Sent: Wednesday, July 12, 2023 11:03 AM
To: Ashley Padilla <AshleyPadilla@mylubbock.us>
Subject: FW: Zoning change on Ave X in Overton South

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

I am writing in regards to the proposed zoning change from A1 to A3 on 14th street and Ave X in South Overton. This huge proposed student housing project is entirely out of character for this neighborhood. This is an already at risk neighborhood that residents are desperately trying to save. This building will infringe on the South Overton Historic District, a National Trust for Historic Preservation designation. This national honor is exactly the same as the one bestowed on Colonial Williamsburg, a nationally known and revered tourist destination.

Texas Tech is building two new dorms on 19th street. The enrollment at Tech has leveled off and the need for student housing is being met. This proposed student housing has more beds than parking spaces. I am sure that an argument by the developers would be that not all of the students would have cars. This is not a valid statement as all of the on campus dorm lots are full and so is the parking garage. Students will have visitors which would only increase the parking demands. This small historic neighborhood cannot handle this influx of cars.

I am totally against this zoning change as I believe it will negatively impact this historic neighborhood. Please do not vote for this zoning change. The needs and desires of the neighborhood and citizens of Lubbock need to come before

developers in our city.

Gretchen Scott
4012 69th Street 79413
gretchen@wmrsco.com

From: Ashley Padilla
To: Gregory Hernandez
Subject: FW: Zoning Change Proposal on 14th & Ave. X
Date: Tuesday, July 11, 2023 8:15:44 AM

From: Joshua Stueve <stueve.josh@gmail.com>
Sent: Monday, July 10, 2023 2:03 PM
To: Christy Martinez <ChristyMartinez@mylubbock.us>; Shelia Patterson Harris <spattersonharris@mylubbock.us>; Mark McBrayer <MMcBrayer@mylubbock.us>; Steve Massengale <smassengale@mylubbock.us>; Jennifer Wilson <JenniferWilson@mylubbock.us>; Latrelle Joy <LJoy@mylubbock.us>; Tray Payne <TrayPayne@mylubbock.us>
Cc: Ashley Padilla <AshleyPadilla@mylubbock.us>; Kristen Sager <ksager@mylubbock.us>
Subject: Zoning Change Proposal on 14th & Ave. X

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Hello Council Members & Planning Department,

I am writing to express opposition to the zoning change proposal for the large scale development on 15th & Ave. X. Many of us are deeply concerned about this proposal.

My wife, children & I live on the 2300 block of 17th St. in South Overton. This is a small, historic neighborhood with urban charm. It is the only neighborhood in the city that is walkable & accessible to both Tech & downtown. We enjoy walking to work, being outside in the neighborhood with our children & having access to the best parts of Lubbock. This project will harm this way of life that many residents enjoy today.

This development is clearly about gentrification & the financial benefit for a few. It will harm the neighborhood. It is already overpopulated (illegally, I might add) & far too dense. I see daily road dangers on these small streets. According to an open records request, city employees cite concerns about sewage, roads, & traffic.

Additionally, it is unnecessary development. It is common knowledge the city overbuilt on student housing & housing near Tech. If any student housing is lacking, it is affordable housing.

Tech currently send buses & other means of transportation to various pockets around the city. There are far better locations outside the city center for a project like this.

The South Overton neighborhood & others are coordinating alongside neighbors, engineers, attorneys & marketers to oppose this development.

Josh Stueve

From: Ashley Padilla
To: Gregory Hernandez
Subject: FW: no apartment complex in Overton South, please!
Date: Thursday, July 13, 2023 8:00:38 AM

From: Ken Hargesheimer <minifarms@gmail.com>
Sent: Wednesday, July 12, 2023 12:32 PM
Subject: no apartment complex in Overton South, please!

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We moved into OSN on July 1, 1978 and it should continue as a historical residential district.

Ken Hargesheimer

June 26, 2023

Council Woman Sheila Patterson-Harris

My husband and I purchased our home at 1410 Avenue X in 1993 because we wanted to live in an established old neighborhood. My neighborhood is now being threatened by a possible zoning change to allow a seven story modern apartment complex to be built on Avenue X here in South Overton. If this zoning change is allowed this will impact our historic neighborhood adversely with 800 additional vehicles, along with excessive usage of the water and sewage lines which are impacted by age.

Is this apartment complex appropriate for my historic neighborhood? No it is Not! Please do not allow this zoning change.

Sincerely,

Mary L. Downey

From: Kristen Sager
Sent: Tuesday, July 11, 2023 7:53 AM
To: Gregory Hernandez
Cc: Victor Escamilla
Subject: FW: Zone Change on Avenue X

Follow Up Flag: Follow up
Flag Status: Flagged

From: Ron Findley <ronaldfindley@yahoo.com>
Sent: Monday, July 10, 2023 9:46 PM
To: Ashley Gerillo <AGerillo@mail.ci.lubbock.tx.us>; Kristen Sager <ksager@mylubbock.us>
Subject: Fwd: Zone Change on Avenue X

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Trying this again. Was given wrong email addresses.

Sent from my iPhone

Begin forwarded message:

> **From:** ron findley <ronaldfindley@yahoo.com>
> **Date:** July 10, 2023 at 3:23:34 PM CDT
> **To:** ashleypadilla@mylubbock.com, ksager@mylubbock.com
> **Cc:** Linda Hogan <lkgh@swbell.net>
> **Subject: Zone Change on Avenue X**
>
> Good afternoon. I am contacting you to express my opposition to the zone changes requested in my neighborhood on Ave X. I thought the adoption of the Historic South Overton Design in 2012 was designed and adopted to prevent this exact action from taking place. The houses listed in the zone change are not the old track housing built for temporary workers in the 30 and 40's. The house at 2402-15th was built the same year that Lubbock High was built. We as neighbors could understand tearing down the non-profit, "for profit", Carpenters Church. It has no value to our Historic area. The area that is under consideration has structures that can be restored and vacant land that can be developed. There is nothing Historic in the pictures that have been circulated about the proposed design. At the minimum it should be held to Architectural Design and Details of the college. A detailed exhibit at the Tech Museum is on display now:
> **Texas Tech University Centennial**

and additional information in this reference book: Opus in Brick and Stone: The Architectural and Planning Heritage of Texas Tech University explores the campus architecture of the Texas Tech University System, which was inspired by the sixteenth-century Plateresque Spanish Renaissance architectural style. This book details the parallels between the buildings of Texas Tech and those of their forebears from this relatively short period in Spanish architectural history, while exploring the remarkable stories behind the construction itself. A crucial element of Opus in Brick and Stone is to provide a visual chronicle of the campus's unique architectural style. In addition to historic and contemporary photography, the book also includes a comparative drawing section that, through original common scale drawings of physical structures, explores in detail historic design sources alongside their campus counterparts. Opus in Brick and Stone also tells a fascinating history: included is biographic information on figures such as Houston architect William Ward Watkin, who was convinced that this Spanish architectural style aligned well with the South Plains of Texas, and later College Architect Nolan Barrick, a Watkin protégé. Through the stories of these and other key figures, readers come to understand how it was only through the vision of specific individuals that this fascinating architectural heritage came to be situated upon the plains of West Texas. The architectural history of Texas Tech University, then, is a carefully crafted, purposeful history. Opus in Brick and Stone celebrates and elevates this little-known history into a tradition that can be appreciated by all Red Raiders, past and present.

Thanks Ron Findley

From: Kristen Sager
To: Gregory Hernandez
Cc: Victor Escamilla
Subject: FW: Opposition to South Overton High Rise proposal
Date: Tuesday, July 18, 2023 11:08:49 AM

From: Sam Lanham <swtlanham@gmail.com>
Sent: Tuesday, July 18, 2023 10:51 AM
To: Kristen Sager <ksager@mylubbock.us>
Subject: Opposition to South Overton High Rise proposal

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July 18, 2023

I am writing in OPPOSITION to the 700 bed high rise student housing development project proposed for the South Overton Historic District. The developer of this project is requesting a zoning variance to allow the project to move forward. His attitude seems to be that the project will not damage the South Overton Neighborhood too badly, therefore the development should be allowed. This is not the way a decision of this great importance should be made.

The Planning and Zoning Commission (P&Z) has a greater responsibility than merely to decide whether the project is okay. The City Council in its wisdom intentionally created zoning regulations to protect the South Overton Neighborhood. The question is: Is there a value so compelling in this project that the zoning should be set aside? Therefore, part of the task of P&Z must be to determine whether there is a benefit to the neighborhood for this project to proceed. This project provides NO benefits to the neighborhood. Nothing in this project supports the purposes of the South Overton Historical District. The only benefits accrue to the developer.

The main benefit to the developer is not having to compete against other developers in North Overton. North Overton is replete with student housing development and hotel projects. That is the proper location for a project such as this. I know there are added costs for the developer in competing with similar projects in North Overton, but that is not a reason to allow this development to continue in Historic South Overton.

Additionally, a project of this sort is made to be built and sold to another agency. It is a legitimate assumption that will be the arc of this project. The developer, therefore, has no long term interest in what happens in our neighborhood. The developer is not making a long term investment in the vision of the Historic South Overton Neighborhood. And if the developer ever sells this building, the purchaser will have even less concern for the history of our neighborhood and our city. This is NOT the type of neighbor we need in South Overton.

The potential of tragedy for our neighborhood is so great that it is time to STOP this development NOW.

Thank you.

Sam Lanham
2009 16th St.
Lubbock TX 79401

From: Kristen Sager
To: Gregory Hernandez
Cc: Victor Escamilla
Subject: FW: South Overton Proposal
Date: Tuesday, July 18, 2023 10:34:03 AM

From: Catherine Lanham <lanham.catherine@yahoo.com>
Sent: Tuesday, July 18, 2023 10:23 AM
To: Kristen Sager <ksager@mylubbock.us>
Subject: South Overton Proposal

WARNING: This message was sent from outside the City of Lubbock's email system.

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July 18, 2023

To: Members of the Lubbock City Council
Members of the Planning and Zoning Committee

My name is Dr. Catherine Lanham. I'm a clinical psychologist, 35 year resident of Lubbock, and 12 year resident of South Overton neighborhood. When my husband and I purchased our house in South Overton 12 years ago, we knew that students would be a part of the diverse mix that we enjoy and we have valued them. They are, however, only a part of the mix which includes families, retirees, Tech faculty, and a variety of folks with racial, cultural differences. We love to sit on our front porch in the evening and interact with the broad range of people who pass by on our sidewalk. The beauty of this neighborhood is that it is comprised of single-family dwellings or small apartment complexes and so retains the peaceful nature of its historic designation. I can see no benefit to allowing a mega apartment complex to be built on the border of our neighborhood and fear that Lubbock will lose an oasis of gracious history in the center of town. The building of this project would add no value to the neighborhood for the people who actually live here.

The infrastructure of our neighborhood is 100 years old—plumbing and electrical issues are common and serious. We understand that this inconvenience comes with living in an historic area. But adding the burden of 700 housing units to our sewers, roads, etc., is unsustainable. Adding this much traffic to the already congested 19th and University area is overwhelming to consider. We already have a great deal of student housing, but it is dispersed and absorbed through the neighborhood, not concentrated in a single location.

I know that many of my neighbors will be offering articulate arguments as to why this development should NOT be approved. Please consider all of their input. Please listen to the residents of the neighborhood and preserve South Overton without adding the burden of a high-rise apartment building.

Thank you for your consideration.

Sincerely,

Dr. Catherine Matthews Lanham
2009 16th Street
Lubbock, TX. 79401

Sent from my iPad

July 20, 2023

Kristen Sager
Director of Planning
Citizen Tower
1314 Avenue K
Lubbock, Texas 79401

Re: 2413 14th Street Student Housing
Planning and Zoning Commission
7/27/2023 Agenda Item 4.1.1
and Zoning Case 2016-D

Ms. Sager,

As an Overton Property Owner (2022 Broadway) and a Partner with MWM Architects, Inc., I am vehemently opposed to approving the plat for 2413 14th Street Student Housing Project, and likewise, I'm vehemently against the requested Zoning Change for the 2413 14th Street Student Housing Project.

Why do you ask?

First, South Overton has few tracks of property of comparable size to what's proposed for 2413 14th Street. The only properties of that size are the LISD property, where the Pete Ragus Aquatic Center and Lubbock H.S. Tennis Courts are located, and the sites of First Baptist Church and Broadway Church of Christ. Notice that none are housing-related buildings.

Lubbock Zoning Code Sec. 29-2. Purpose, outlines besides the "intent and purpose" to "protect the health, safety, comfort, convenience, prosperity, and general welfare of Lubbock." This Sec 29-2. Purpose, "Further declared that" among others

"TO PROTECT AND ENHANCE AREAS OF SCENIC, HISTORICAL OR CULTURAL IMPORTANCE;"

South Overton is a historic district that is on the National Register of Historic Places. South Overton is mostly composed of single-family, one and two-story homes. To come along and insert a 79 ft. high structure does not seem to me to protect nor does it enhance the historic character and cultural importance of the South Overton Historic Neighborhood! Just a reminder several months ago, City Council rejected a 60 ft high student housing project proposed for 19th Street, and P&Z is looking at a 79ft tall structure for this Case.

"TO PROVIDE ADEQUATE LIGHT AND AIR;"

This 2413 14th Street Student Housing Project is proposing a 79 ft tall structure. The current Lubbock Zoning Code defines building heights to a variety of measuring points. But in this case that 79 ft point is measured to the proposed building's flat roof. But above that 79 ft point, the applicable IBC Building Code requires at least a 3 ft. – 6 in. tall guardrail. So, in reality, the perceived height of this 2413 14th Street Project is at the least "82 ft – 6 in." tall. That height will cast enormously long shadows in the afternoon/evening on South Overton properties to the east and will impact Texas Tech's Weeks Hall with morning shadows. In other words, "Not Adequate Light".

Further, even though Lubbock endures the breezes and wind that characterize our weather, tall buildings tend to increase wind velocities, wind shear and roll eddies. In this case the West Texas winds and Breezes will be significantly amplified.

"TO PROMOTE PROPER POPULATION DENSITIES AND PREVENT THE OVERCROWDING OF STRUCTURES"
and
"TO PROMOTE A SAFE, EFFECTIVE TRAFFIC CIRCULATION SYSTEM
and
"TO PROMOTE SAFETY FOR FIRE AND OTHER DANGERS;"

When taking these three declarations together and you apply them to the 2413 14th Street Student Housing Project which constitutes some 700 beds and not enough on-site parking for those 700 students, I believe there will many concerns and problems to deal with. First is density. Eleven houses occupy this proposed site. Assume 5 occupants per house yields 55 occupants. In other words, and increase in density of some 645 residents or an over 1,100% increase – WOW!

Then, this 2413 14th Street Project proposes to build 529 parking spaces. Assuming those 55 existing occupants each have a car so the current site houses some 55 cars. This project will increase the traffic flow by some 474 +/- cars going to and from, in and out on the streets not designed for that level of increase. But wait a minute - what about the other 171+/- 2413 14th Street occupants. Where will they park their cars? On 14th Street or 15th Street or Avenue X? Oh, look - there's a nice parking lot across 15th Street to the South that serves St. John's United Methodist Church. I'm sure that St. John's won't be too happy when their parking lot is invaded by some 171 2413 14th Street residents cars.

Lastly, adequate fire apparatus, police or ambulance access along 14th or 15th Streets or Avenue X will be greatly impacted when those extra 171+/- cars populate the streets that bound around the 2413 14th Street Student Housing Project. I don't care how many traffic studies are conducted those 2413 14th Street Student Housing perimeter streets will be lined with their overflow parking that will hinder and impact Lubbock's First Responders!

This 2413 14th Street Student Housing Project is TOO BIG, TOO TALL, TOO DENSE, and requires TOO MANY cars to be housed on adjacent Lubbock Streets.

I respectfully request that you, the Planning and Zoning Commission, DENY the Petitioner's Request.

Thanks,

Stephen L. Faulk, AIA
Architect
2827 23rd Street
Lubbock, Texas 79410

Re Zoning Case 2016-D
Date July 20, 2023

Dear Planning and Zoning Commissioners:

My comments deal with a request to change the zoning from A-1 (family apartment) to A-3 (high-rise apartment) for the area between 14th and 15th Str, East of University Ave. I oppose this change for the following reasons.

The South Overton neighborhood consists of single-family homes, some of which have historical markers, and churches. There are no high-rises, no fast-food places, no commercial buildings. Many houses are rented to TTU students. Some of them are slowly falling apart: They need to be upgraded or replaced. But other old houses have been well-maintained and are in perfect shape. They add considerable character to a beautiful neighborhood that has a deep historic significance. Upgrading can be done in a way that preserves the unique historic character of South Overton.

One approach would involve incentives (or ordinances) to replace old and poorly-maintained houses by high-quality single-family homes. They are expensive to build, but they could fetch high prices and then provide substantial property taxes. This is a prime real-estate area, very near TTU. As the old and decrepit structures disappear one by one, a high-end neighborhood would emerge in a way that preserves the old, precious, and historic houses that date back to the early days of Texas Tech. Such a development would benefit the city, preserve a historic neighborhood, and add a precious quality seal to this important area.

On the other hand, a single high-rise apartment building will completely change the character of South Overton. No high-end family house would ever be built nearby. The only future developments would be other high-rise apartments to replace cheap structures, with yet another Chick-fil-A here and there. This would benefit a few developers but destroy the historic value of South Overton. Yes, there is money to be made quickly, but that first high-rise building is an *irreversible* step. The local residents will be pushed out one by one, the historical markers will disappear, and Texas Tech will be surrounded by cheap student housing. Within a few short years, South Overton will only exist in our memories. Someone will say “oh Darn!”, but it will be too late.

I believe that now is a good time to do some strategic thinking. Enough apartment complexes have been built near TTU over the past decade.

With best regards,

Stefan K. Estreicher, PhD
P. W. Horn Distinguished Professor Emeritus
1504 Ave X, **Lubbock TX 79401**
stefan.estreicher@ttu.edu

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

If for any reason you will be unable to attend the public hearing advertised by this notice, and wish to present your comments regarding the case, please complete this form and return it to the Secretary of the Planning and Zoning Commission, c/o Planning Department, P.O. Box 2000, Lubbock, TX 79457 or email to CityPlanning@mylubbock.us.

If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use FOR Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave,

Address of Property Owned: 2319 14th Street, Lubbock, Tx

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

3

Zone Case Number: **2016-D** R56387 Recipient 49 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2319 14th St, Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: ~~2321 14th Street~~ 1317 University Ave, Lubbock, TX 79401

Address of Property Owned: 2321 - 14th Street

Phone Number: 806-787-3633

Email: kenepaddletramps.com

4

Zone Case Number: **2016-D** R56412 Recipient 28 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2321 14th St.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock

Address of Property Owned: 2323 14th Street, Lubbock

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

5

Zone Case Number: **2016-D** R56459 2323 14th Street, Lubbock Recipient 33 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave

Address of Property Owned: 2405 13th Street, Lubbock

Phone Number: 806-787-3633

Email: kenepaddletramps.com

6

Zone Case Number: **2016-D** R60480 2405 13th Street, Lubbock Recipient 20 of 54
ABRAHAM, KENNETH
% TOMKEN INVESTMENTS 1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock,

Address of Property Owned: 2424 14th Street, Lubbock, Tx

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

7

Zone Case Number: **2016-D** R60745 2424 14th Street, Lubbock Recipient 13 of 54
ABRAHAM, KENNETH
% TOMKEN INVESTMENTS 1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock, Tx

Address of Property Owned: 2416 14th Street

Phone Number: 806-787-3633

Email: Kena@paddletramps.com

8

Zone Case Number: **2016-D** R60844 Recipient 19 of 54

ABRAHAM, KEN
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2416 14th Street

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave.

Address of Property Owned: 2412 14th Street

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

9

Zone Case Number: **2016-D** R60919 2412 14th Street Recipient 9 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock, Tx

Address of Property Owned: 2406 14th St. Lubbock, Tx

Phone Number: 806-787-3633

Email: kenc@paddletramps.com

10

Zone Case Number: **2016-D** R60972 2406 14th St. Lubbock Recipient 21 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

If for any reason you will be unable to attend the public hearing advertised by this notice, and wish to present your comments regarding the case, please complete this form and return it to the Secretary of the Planning and Zoning Commission, c/o Planning Department, P.O. Box 2000, Lubbock, TX 79457 or email to CityPlanning@mylubbock.us.

If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock

Address of Property Owned: 2404 14th Street Lubbock, TX

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

11

Zone Case Number: **2016-D** R60997 Recipient 12 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2404 14th

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock TX

Address of Property Owned: 2401 14th Street

Phone Number: 806-787-3633

Email: kenpaddletramps.com

12

Zone Case Number: **2016-D** R61023 Recipient 50 of 54

ABRAHAM, THOMAS K

1317 UNIVERSITY AVE

LUBBOCK TX 79401-3609

2401 14th St. Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock, Tx

Address of Property Owned: 2405 14th Street

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

13

Zone Case Number: **2016-D** R61049 Recipient 15 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2405 14th

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent use for Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock

Address of Property Owned: 2407 14th St. Lubbock, Tx

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

14

Zone Case Number: **2016-D** R61077 Recipient 22 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2407 14th St., Lubbock, Tx

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock, Tx

Address of Property Owned: 2409 14th Street

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

15

Zone Case Number: **2016-D** R61134 Recipient 40 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2409 14th St, Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use for Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave.

Address of Property Owned: 2411 14th Street, Lubbock

Phone Number: 806-787-3633

Email: KenAbraham@mac.com

16

Zone Case Number: **2016-D** R61158 Recipient 17 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2411 14th Street, Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Keri Abraham

Signature: [signature]

Address: 1317 University Ave. Lubbock, Tx 79401

Address of Property Owned: 2413 14th St. Lubbock, Tx

Phone Number: 806-787-3633

Email: Ker@paddletramps.com

17

Zone Case Number: **2016-D** R61178 Recipient 24 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2413 14th St.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock

Address of Property Owned: 2416 15th Street, Lubbock

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

18

Zone Case Number: **2016-D** R61390 Recipient 8 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2416 15th St.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock TX

Address of Property Owned: 2408 15th Street

Phone Number: 806-787-3633

Email: kena@paddletramps.com

19

Zone Case Number: **2016-D** R61472 Recipient 7 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2408 15th St, Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave

Address of Property Owned: 2406 15th St. Lubbock Tx

Phone Number: 806-787-3633

Email: KenC@paddletrampsi.com

10

Zone Case Number: **2016-D** R61497 Recipient 18 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2406 15th St. Lubbock, Tx

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For @ Student @ Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock, Tx 79401

Address of Property Owned: 2404 15th Street, Lubbock, TX 79401

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

21

Zone Case Number: **2016-D** R61525 Recipient 25 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2404 15th St.
Lubbock, Tx.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave Lubbock, Tx 79401

2 Address of Property Owned: 2402-15th St.

Phone Number: 806-787-3633

Email: Ken@paddletramps.com

22

Zone Case Number: **2016-D** R61554 2402-15th St. Lubbock, Tx Recipient 26 of 54
ABRAHAM, KENNETH
% TOMKEN INVESTMENTS 1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave. Lubbock, TX 79401

Address of Property Owned: 2410 - 15th Street Lubbock, TX

Phone Number: 806-787-3633

Email: ken@paddletramps.com

23

Zone Case Number: **2016-D** R61620 Recipient 27 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2410-15th St.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave, Lubbock, Tx

Address of Property Owned: 1502 Ave. X, Lubbock

Phone Number: 806-787-3633

Email: KenEpaddletramps.com

24

Zone Case Number: **2016-D** R61669 Recipient 39 of 54
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

1502 Ave X, Lubbock, Tx

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Avenue

Address of Property Owned: 2412 15th Street, Lubbock

Phone Number: 806-787-3633

Email: Kenepaddletramps.com

26

Zone Case Number: **2016-D** R61442 Recipient 1 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2412 15th Street, Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Excellent Use For Student Housing

Print Name Ken Abraham

Signature: Ken Abraham

Address: 1317 University Ave

Address of Property Owned: 2414 15th Street, Lubbock

Phone Number: 806-787-3633

Email: kenrodd@etex.net

27

Zone Case Number: **2016-D** R61415 Recipient 6 of 54

ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

2414 15th St. Lubbock, Tx

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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In Favor ✓

Opposed ____

Reasons and/or Comments:

I lived and have continuously owned property in the 21 and 24 hundred blocks of 14th street for 18 years. Ken's Properties have always been eyesores. I am thrilled he is finally allowing the highest and best use. This new zoning will allow for a nice addition to the neighborhood and significant property taxes for our schools.

Print Name Jonathan Krebbs

Signature: [signature]

Address: 6026 Vanderbilt Dallas, Tx 75206

Address of Property Owned: 2410 14th street Lubbock Tx 79401

Phone Number: 806-786-9515

Email: jon.krebbs@multifamilygrp.com

Zone Case Number: **2016-D** R60945 Recipient 4 of 54
KREBBS, JONATHAN LEE
4228 N CENTRAL EXPY STE 110
DALLAS TX 75206

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

Council members and P&Z members,

My name is David Driskell. I am a retired Professor of Architecture and Urban Design of the Huckabee College of Architecture. I have spent my life and career advocating for sound urban principles in design in Lubbock. I was the Humphreys Chair Professor and Director of Urban Tech in downtown Lubbock and have been involved in the long-term vison for Lubbock for many years.

I wanted to take a moment to express my support for the proposed zoning change that would permit the development of the student housing project between 14th and 15th and University and Avenue X. As you know, our community is home to over forty-thousand students who contribute to the vibrancy and diversity of our city and its neighborhoods. These students are an important part of our community, and the proposed housing project will provide them with a safe and affordable place to live and study and will provide a needed influx of residents in a block that is outside of any neighborhood designation. Further, this development will help anchor a stretch of University that has been in decline in recent years. The new life here along with the added tax revenues this will bring to Lubbock are compelling. Additionally, the presence of this housing project will provide more job opportunities and boost the local economy.

I understand there may be concerns over a project of this size, including potential traffic and noise issues. However, I believe these concerns will be addressed and mitigated by the quality and careful planning that has already been observed with this project. In fact, I believe it will benefit the entire community by creating a more vibrant, diverse, and economically prosperous addition to the area. Furthermore, there is long term precedent for a student housing project of this size in South Overton, only a few hundred yards away at the U Lofts Apartments at 1001 University Ave.

Thank you for your time and consideration. I urge you to support the proposed zoning change and help us create a more welcoming and thriving community for all.

Best Regards,

David A Driskill

Name DAVID A DRISKILL

3106 21ST STREET

Address LUBBOCK, TX 79410

June 19, 2023

Date

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

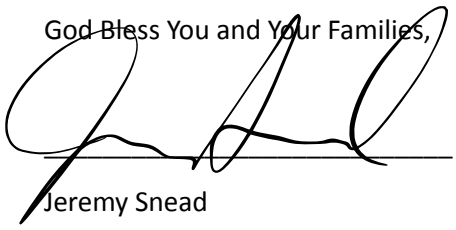
Council members and P&Z members,

My name is Jeremy Snead. I own the home at **2311 15th** Street. My property is one block from the proposed student housing project at **2413 14th** Street. I strongly support the zoning change request reflected in this case, number 2016-D, submitted by long time Lubbock resident, Texas Tech supporter, and local businessman Kenneth Abraham. In addition to the obvious economic benefits, this project will fill a need that is long overdue for the Texas Tech student population by providing affordable and safe housing for students to live and pursue their dreams.

As a property owner in South Overton, I believe the advantages this development will bring to our neighborhood VASTLY outweigh any concerns that may arise. In fact, I had concerns of my own until I had a chance to personally visit with the people pursuing this effort. Once I heard the facts addressing my concerns over parking, congestion, infrastructure, and size, I was 100% in support.

Lubbock is fortunate to have leaders like you who will do the right thing and keep this community viable, vibrate, and growing. I believe this project is the right thing for Lubbock. I strongly urge you to also support this endeavor with your vote in favor of the requested zoning change.

God Bless You and Your Families,



Jeremy Snead

Kristen Sager

Outside Notification Boundary

From: Tanner Noble <tannernoble@gmail.com>
Sent: Thursday, July 20, 2023 4:42 PM
To: Kristen Sager
Subject: Student Housing Case in South Overton

<p style="margin:0in;margin-bottom:.0001pt;font-size:16px;font-family:"Times New Roman",serif;text-align:center;">WARNING: This message was sent from outside the City of Lubbock's email system. <p style="margin:0in;margin-bottom:.0001pt;font-size:16px;font-family:"Times New Roman",serif;text-align:center;">It could contain harmful attachments or links to harmful web pages.

Kristen and fellow Commissioners,

I will not be at the meeting on the 27th, but I would like to write in support of the student housing property on 14th.

I am an owner of a 3 story, 101 unit apartment housing complex at 1612 Ave Y. According to the map we received, it is in the SO Historic Overlay, and was built in the '60's. 80-90% of our current tenants are students. Historically it has been higher. I would guess the same ratio is true for all of South Overton.

Even though this potential property would be a competitor of mine, I am still in favor of this zoning request.

Thank you,
Tanner Noble

Sent from my iPhone, please excuse my brevity and typos.

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ___

Reasons and/or Comments:

Texas Tech is so important to Lubbock. We constantly need to improve opportunity for our students. The new building is an improvement for the area.

Print Name Judy Stalcup

Signature Judy V Stalcup

Address: 4803 18th ST LBB, Tx 79416

Address of Property Owned: ___

Phone Nunber: 806-535-1388

Email: JVStalcup@Gmail.Com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Ollie Stalcup

Signature Ollie Stalcup, MA

Address: 4803 18th St

Address of Property Owned: 4803 18th St

Phone Nunber: 806-535-6221

Email: ostalcup@msn.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name LaMicha Hogan LaMicha Hogan
Signature LaMicha Hogan
Address: 5522 96th D 79423
Address of Property Owned: ____
Phone Nunber: 806 281-0550
Email: lamichahogancphd@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Beverly Stirman

Signature Beverly Stirman

Address: 5202 48th P7

Address of Property Owned: _____

Phone Nunber: _____

Email: bevstirman@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Joy Buchok

Signature Joy Buchok

Address: 6819 Saratoga Ave, Lubbock, TX 79429

Address of Property Owned: Same

Phone Nunber: (806)928-6274

Email: joybuchok@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Joy Hamrick Lawson
Signature Joy Hamrick Lawson
Address: 7030 95th St.
Address of Property Owned: 7030 95th St.
Phone Nunber: (806) 543-0432
Email: joyhlawson@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Joyce Purkeypile

Signature _____

Address: 2328 60th St

Address of Property Owned: 2328 60th St

Phone Nunber: 806 773 4516

Email: jjpurk8@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Carolyn Cole
Signature Carolyn Cole
Address: _____
Address of Property Owned: _____
Phone Nunber: _____
Email: ccole79424@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Susie White
Signature Susie White
Address: 9905 Savannah Ave. (24)
Address of Property Owned: Same
Phone Nunber: 806-786-5611
Email: LS.White@hotmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name James Johnson
Signature
Address: 4410 103rd St Lubbock, TX 79424
Address of Property Owned: Same
Phone Nunber: 806-781-0331
Email: TeamJohnsondc@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Mindy Hutchison
Signature Mindy Hutchison
Address: 6024 101st Street Lubbock, Tx 79424
Address of Property Owned: ____
Phone Nunber: 806-559-1212
Email: Mindy.hutchison@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Taylor Davis
Signature Taylor Davis
Address: 2080 23rd St
Address of Property Owned: ____
Phone Nunber: 602-229-5327
Email: taylordavis057@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Melissa Rogers
Signature Melissa Rogers
Address: 7528 87th St.
Address of Property Owned: ____
Phone Nunber: 806-928-9434
Email: Daffy0284@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Charlee Whitfield

Signature Charlee Whitfield

Address: 5502 74th Lubbock, TX 79424

Address of Property Owned: ____

Phone Nunber: (806) 543-1512

Email: charlee.whitfield@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Catherine Spears

Signature CatherineSpears 3105 Oakridge Ave, Apt. 2121

Address: ~~1317 University Ave Lubbock TX 79401~~ Lubbock TX 79407

Address of Property Owned: ~~Employee~~

Phone Nunber: 940-257-9559

Email: katiespears816@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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Planning and Zoning Commission
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name LISA FELDMAN

Signature Lisa Feldman 801 Ellington, Ropesville, TX 79358

Address: ~~1317 University employee~~

Address of Property Owned: ~~EMPLOYEE~~

Phone Nunber: 806-535-5385

Email: lisa@PANDETRAMPS.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Isabel Amell

Signature isabel amell 3719-26th LBB TX 79410

Address: ~~1317 University Ave Lbbock, TX 79401~~

Address of Property Owned: Employee

Phone Nunber: 972-979-0070

Email: isabelmayamell@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Madison Roy
Signature MROY
Address: 1104 N Granby Ave
Address of Property Owned: 6218 110th St
Phone Nunber: (210)912-0042
Email: madroy@ttu.edu

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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Planning and Zoning Commission
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name JoAnn Longoria
Signature JoAnn Longoria
Address: 4604 36th
Address of Property Owned: ____
Phone Nunber: 806-778-1359
Email: joeylongoria1977@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Jimmy Greathouse
Signature Jimmy Greathouse
Address: 2809 amherst
Address of Property Owned: ____
Phone Nunber: 806-451-2668
Email: J.Greathouse3@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

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In Favor X

Opposed ___

Reasons and/or Comments:

Print Name Lynn Gable

Signature Lynn Gable

Address: 2305 134th

Address of Property Owned: Gable family

Phone Nunber: 806-777-6110

Email: ___

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Jeannefer Liu

Signature Jeannefer Liu

Address: 1819 Glenna Goodacre Blvd

Address of Property Owned: ____

Phone Nunber: 806-319-3432

Email: liujeannefer103103@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Bryan Liu

Signature Bryan Liu

Address: 1221 University Avenue, Lubbock TX, 79401

Address of Property Owned: _____

Phone Nunber: 806-319-0207

Email: bryanliu2112@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Qionghin Zhu
Signature Qionghin Zhu
Address: 1221 University Ave Lubbock T.X 79401
Address of Property Owned: ____
Phone Nunber: 806-722-0888
Email: ____

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor X

Opposed ___

Reasons and/or Comments:

Print Name Mirsha Sanders
Signature [signature]
Address: 2204 49th
Address of Property Owned: ___
Phone Nunber: 2107755412
Email: Xanae@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Emma Hutchinson
Signature Emma Hutchinson
Address: 3218 1st PL, Lubbock Tx
Address of Property Owned: 1309 University Ave, Lubbock Tx
Phone Nunber: (817)933-4578
Email: emma33mclaughlin@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Casey Mckinney

Signature Casey Mckinney

Address: 3210 Oakridge Ave, Lubbock, TX, 79407, Apt. 3208

Address of Property Owned: ____

Phone Nunber: 678-519-7711

Email: Mckinney.casey01@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Melva Samuels
Signature Melva Samuels
Address: 7209 70th St Lubbock TX 79424
Address of Property Owned: 7209 70th St. Lubbock TX 79424
Phone Nunber: 806-438-5532
Email: melva.samuels@me.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Michael Perez

Signature Michael Perez

Address: 2414-A 14th Street

Address of Property Owned: _____

Phone Nunber: 806-544-2954

Email: mike@paddletramps.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Justin L. Chapa

Signature Justin L. Chapa

Address: 2010 86th St.

Address of Property Owned: _____

Phone Nunber: 806-441-1284

Email: jus20lee@verizonfiber.net

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
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In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Eddie Trevino

Signature [signature]

Address: 5605 Ave. D

Address of Property Owned: 5605 Ave D.

Phone Nunber: (806) 789-9857

Email: bigdaddy1534@att.net

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
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In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Luis Fuentes Jr.
Signature [signature]
Address: 1910 74th St.
Address of Property Owned: 1910 74th St.
Phone Nunber: 806-252-7490
Email: mister55jr@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Kim Williams
Signature Kim Williams
Address: 4511 86th Street
Address of Property Owned: ____
Phone Nunber: 806-638-0799
Email: rkraw illiams@sbcglobal.net

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ___

Reasons and/or Comments:

Print Name Jaclyn Ratliff
Signature Jaclyn Ratliff
Address: 5812 79th St
Address of Property Owned: 5812 79th St
Phone Nunber: 806-928-8232
Email: jaclyndratliff@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Ashlyn Caddell
Signature [signature]
Address: 10308 Kline ave
Address of Property Owned: _____
Phone Nunber: 806-549-0909
Email: ashlyncaddell@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
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Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor X

Opposed ____

Reasons and/or Comments:

I believe this would improve the neighborhood and campus experience.

Print Name Reesa Qualia

Signature Reesa Qualia

Address: 4808 120th Place

Address of Property Owned: 4808 120th Place

Phone Nunber: 806-786-5721

Email: reesaqualia@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Kelly Beasley

Signature Kelly Beasley

Address: 4903 104th, 79424

Address of Property Owned: _____

Phone Nunber: 806-252-2935

Email: nanabee2@att.net

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Matthew Cairns

Signature [signature]

Address: 2323 14th unit A lubbock TX 79401

Address of Property Owned: [redacted]

Phone Nunber: 806-698-2185

Email: Moonbeast3334206@gmail.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ✓

Opposed ____

Reasons and/or Comments:

Print Name Shayla Boaz
Signature Shayla Boaz
Address: 2323 14th Unit A Lubbock TX 79401
Address of Property Owned: [redacted]
Phone Nunber: (806) 535-0012
Email: boazshayla@yahoo.com

Zone Case Number: **2016-D**
ABRAHAM, THOMAS K
1317 UNIVERSITY AVE
LUBBOCK TX 79401-3609

Outside Notification Boundary

July 21, 20223

Kristen Sager
Planning Department Director
Lubbock, TX

We are writing to express our strong opposition to the proposed rezoning between Avenue X and University in the Historic South Overton Neighborhood. The approval of the rezoning for a 7-story, 700 bed apartment complex is not in the best interest of the residents living in South Overton.

The development does not meet the historic guidelines.

The development will increase the already heavy traffic on Avenue X. The council should not approve multi-family dwellings that creates or exacerbates this situation.

The development does not respect the historical architecture and nature of South Overton. The development removes structures in the neighborhood that also reflects South Overton's history.

As a recent homeowner in South Overton in 2019, we take great pride in trying to preserve and enhance our neighborhood. We appreciate and embrace what this neighborhood has to offer Lubbock.

We urge you to disapprove the proposed rezoning,

Thank you for your continued service and support of our communities.

Best regards,

Mike & Jena Banta
2111 17th Street
Lubbock, TX 79401

972-467-5270
Jena.shepherd@gmail.com

Kristen Sager

From: Ann Howe <annhansonhowe@gmail.com>
Sent: Tuesday, July 25, 2023 8:22 AM
To: Kristen Sager
Subject: Zone Case #2016-D

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

This message is regarding zone case is #2016-D. I live at 3109 25th Street, Lubbock. I strongly oppose the building of a 720 bed dormitory in south Overton. The plan proposes to put too many people and pets in too small a space, it will probably negatively impact traffic and parking in the area, and the shadow the building casts will change the environment of the neighborhood. I am concerned that the utilities, especially plumbing, in the neighborhood and in my adjoining neighborhood are some of the oldest in the city. They may not be able to withstand the addition of 720 new residents in such a small area. A failure of such important utilities would cause extreme problems for our neighborhoods and neighbors. I request that you do not approve the building of the proposed structure.
Respectfully,
Ann Hanson Howe

Ann Hanson Howe
Sent from my iPad

Kristen Sager

From: Charles Yancey <y4at@hotmail.com>
Sent: Monday, July 24, 2023 3:47 PM
To: Kristen Sager
Subject: Zoning Proposition

**WARNING: This message was sent from outside the City of Lubbock's email system.
It could contain harmful attachments or links to harmful web pages.**

Dear Lubbock Planning and Zoning Commissioners,

Through the 30+ years that we have lived in Lubbock, we have watched as the neighborhoods around Tech have battled against the increasing deterioration and the mounting number of problems caused to neighborhoods as apartment zoning increasingly took the place of lower density residential zoned areas. Our neighborhoods have survived because our City of Lubbock government has recognized the value of our downtown neighborhoods and has been supportive of the neighborhoods like South Overton's achievement of National Historic Neighborhood Designation. The City Council approved the 2040Plan with its neighborhood emphasis; and with the establishment of the Neighborhood Planning Program, city government shows further support of our Lubbock neighborhoods.

Please give strength to the continuation of this support by voting **not** to recommend the Council approve the proposed zoning change to build a 700 bed 7 story high density apartment complex in South Overton between 14th and 15th Street near University Avenue. As members of St. John's United Methodist Church with property directly across 15th Street from the proposed project, we have for years had challenges getting back on 15th Street to have access to a light on University to travel north, south, or west. It has been compounded by the recent construction of a drive-in coffee shop on the corner. This narrow street, the other adjacent narrow streets and other low-density infrastructure from the days of Lubbock's founding make this a totally inappropriate place for the proposed building.

A recommendation from the Planning and Zoning Commission that the City Council deny the zoning change is the right way to continue neighborhood support. It will help the City Council in the effort they have already shown to be supportive of neighborhood preservation. They will no doubt appreciate that support, and so will we.

With appreciation for your challenging work,

Charles and Sara Yancey

Kristen Sager

From: Cyndi Pratas <cpratas1@gmail.com>
Sent: Saturday, July 22, 2023 3:09 PM
To: Kristen Sager
Cc: Tonja Hagy-Valdine; Linda Hogan (lkgh@swbell.net); Ted Hogan
Subject: Zone change request for South Overton area

WARNING: This message was sent from outside the City of Lubbock's email system.

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To the Planning & Zoning Commissioners:
I oppose the zone change request being made by Ken Abraham for properties in the South Overton area.

I believe consideration should be given to specific elements concerning neighborhoods as detailed in PlanLubbock 2040.

Thank you for your time and thoughtful consideration for this zone change request.
Cyndi Pratas
3118 20th St

Please see below for news release and excerpts.

December 2018, KCBD reports - In a sometimes contentious hearing the Lubbock City Council has approved the city's comprehensive plan that will lay the groundwork of what Lubbock will look like into the mid-21st century.

The public hearing and vote, part of Monday night's regularly-scheduled city council meeting, adopted a revised comprehensive plan that took shape over multiple public meetings. The plan, the first enacted by the city in nearly 30 years, identifies a number of needs the city will likely face as it continues to grow.

For more details see:
https://www.kcbd.com/2018/12/18/city-approves-final-reading-plan-lubbock/

Two Excerpts from this adopted PlanLubbock 2040

OUR VISION FOR LUBBOCK IS...

VIBRANT NEIGHBORHOODS AND HOUSING VARIETY • Protect and strengthen existing neighborhoods and promote a range of housing choices • Develop neighborhood maintenance strategies specific to each neighborhood • Design guidelines for infill development specific to each neighborhood

Neighborhood Preservation The existing neighborhoods in Lubbock are a vital part of the community. It is important that these existing residential areas are protected as the City grows. The housing stock in Lubbock is in good condition overall. As development occurs in or near existing neighborhoods, it is important that the products built fit in with the fabric of the existing neighborhoods to protect their identity and character.

For more details see:
https://ci.lubbock.tx.us/storage/images/qLXKeIyOZxc7Ke4ByQxiYk8ropy5RPZOoTvyEqC2.pdf

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

Council members and P&Z members,

I am reaching out to you to highlight the importance and benefits of student housing for both the university and the community.

As you may already know, student housing is an integral part of the Texas Tech campus environment. It provides a safe and secure living space for students to thrive in their academic pursuits. But the benefits of student housing go beyond just providing a place to live. It fosters a sense of community among students and promotes collaboration and peer-to-peer learning.

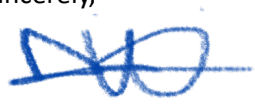
Moreover, student housing has a significant impact on the local community, particularly the economy. The construction and maintenance of this project will create jobs and generate revenue for local businesses. Additionally, having a stable student population in the vicinity encourages businesses to thrive and cater to the student demographic and property owners.

Furthermore, this student housing project will reduce traffic congestion and carbon footprint by providing students with a convenient living option close to Tech and with more than adequate parking. It also promotes public safety as it reduces the need for students to commute long distances and eliminates the need to even drive to class, especially during high traffic or even late hours.

In summary, the benefits of this student housing project will have a positive ripple effect on Texas Tech, the local economy, the South Overton Neighborhood, and the community as a whole.

Thank you for considering the significance of this project and its impact toward the good and growth of our community.

Sincerely,



Dan Williams
Name

918 Ave J Lubbock, Tx
Address

7/20/23
Date

Kristen Sager

From: Dawn King <dawndkings@gmail.com>
Sent: Monday, July 24, 2023 10:06 PM
To: Kristen Sager
Subject: P&Z 2016-D

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

We are opposed the the high density student housing development in South Overton.

The possibility of 720 bed, 7 story complex located within a National Historic District is shocking. Not to mention that with the planned building setbacks it would almost be on top of two churches (St John's Methodist and St Paul Episcopal). The plans do not include enough parking spaces for the students, which would also impact the two church parking lots.

There is almost no "green space" in the plans. The South Overton neighborhood needs positive improvements and we do not believe this project would be an improvement to the neighborhood or our city.

Sincerely,
Dawn & Ted Kingsbery
3111 21st St
Lubbock

Hershel & Jamie Womack
2323 18 th Street
Lubbock TX 79401
(806) 441-0602
The Miller/Loter Historical Home
hershel.womack@ttu.edu
July 23, 2023

To Those Concerned: This is in regard to a change in zonings to allow a 700 bed complex between 14 and 15 on Ave X. There are 3 obvious, and simple reasons why this should not be allowed. We hope all those involved in making this decision as well as the developer will take heed. The Neighborhood objections boil down to THREE SIMPLE problems with the placement of such a large structure and high density complex at the proposed location. They are 1.TRAFFIC & parking. 2.TRASH which is often a result of end of year student discards such furniture etc. sometimes left for weeks. 3. HIGH POPULATION DENSITY in an area designed to have modest structures and normal populations.

In regard to traffic; have the developers offered their solutions to the current problems of heavy traffic, especially during peak hours due to dismissal times of TTU classes and the release of LHS students and faculty? Ave. X at 19th is a NO LEFT TURN and I'm sure you can quickly see the upcoming problems if these apartments with this volume of people is built at this location. Drivers seeking to go East on University using an Ave. X access will back up to the Airport and those using the Light at 15 & University will encounter traffic all the way to Idalou.

We live at the corner of 18th and X and the Westside of our porch has been hit twice recently, once almost knocking out the entire wall. Several cars have done landscape and property damage to our front yard. Of human interest to you, had it not been for a normally well behaved dog forcing my neighbor's girls to come back over to our front yard they would have been hit by the car that drove onto the side of my front porch. Lastly I have photographed many of Mr. Abraham's rental properties and would be happy to present them to you. You can easily guess why. Decent maintenance of both structure and appearance seem to show a lack of concern and respect for his properties and the neighborhood. Even if his building design is a beautiful one I fail to see how those living underneath its afternoon shadow will benefit the neighborhood. TTU games present traffic issues but I think most of us accept the inconvenience with a smile, after all ONE day a week during the fall during football season for "Go Red Raiders" is tolerable. Lastly, imagine your reaction to such a structure adjoining your neighborhood and image this with all its problems being so close to your homes.

Thank You for your reflections on the future of our Community and Historic South Overton
Hershel and Jamie Womack

Kristen Sager

From: CityPlanning
Sent: Monday, July 24, 2023 3:07 PM
To: Kristen Sager
Subject: FW: South Overton Proposed Apartment Complex

From: LaFreniere, Jenna <Jenna.LaFreniere@ttu.edu>
Sent: Monday, July 24, 2023 1:54 PM
To: CityPlanning <cityplanning@mylubbock.us>
Subject: South Overton Proposed Apartment Complex

**WARNING: This message was sent from outside the City of Lubbock's email system.
It could contain harmful attachments or links to harmful web pages.**

Hello,

I will be unable to attend this week's meeting regarding the proposed zoning change for the 700-bed apartment in South Overton but wanted to email my thoughts in advance of the meeting. As a professor at Texas Tech, I have a heart for this neighborhood and its connection to the school, however, I fear this proposed change is not in the best interest of our residents.

My husband and I own a home on Avenue X, a few blocks down from the proposed apartment building. I don't believe such a building will be in the spirit of what this neighborhood was designed for and what its residents moved here for. What should be a peaceful neighborhood of historic homes and beautiful bricked streets is already under-cared for by our city. It takes multiple phone calls by multiple residents to have anything fixed in the neighborhood, homeless people roaming, sidewalks that are far from ADA accessible, and a routine, nighttime barrage of college students leaving the bars on Broadway.

Drivers constantly race down Avenue X, and in my five years (and my husband's ten years) of living here, there have been numerous counts of cars running off Avenue X into people's homes or fences as well as cars being hit if parked on the street. I don't believe the solution here is to put an additional 700 people on this road. Those of us who have put roots down in Historic South Overton chose this location because of its charm, its history, and a passion to see our neighborhood restored to its original beauty. I firmly believe that introducing a high-rise apartment complex, hundreds upon hundreds of college students, and that much more traffic on an already congested street will be taking our neighborhood in exactly the opposite direction.

I appreciate your time and wish you the best in your meeting and decision making.

Thank you,

Jenna R. LaFreniere, Ph.D.
Associate Professor & Graduate Director
Department of Communication Studies
Texas Tech University

Mailstop 3082 Lubbock, TX 79409
Phone: (806) 834-2808
Email: jenna.lafreniere@ttu.edu

Kristen Sager

From: Larry Tanner <larry.tanner@tannerconsulting.org>
Sent: Monday, July 24, 2023 11:49 AM
To: zachsawyer@umchealthsystem.com
Cc: aviraj@pn3t.com; ahernandez@jdmatexas.com; jordan@jwlubbock.com; brandonhardaway@kimley-horn.com; Christy Martinez; Shelia Patterson Harris; Mark McBrayer; Steve Massengale; Jennifer Wilson; Latrelle Joy; Tray Payne; Ashley Padilla; Kristen Sager
Subject: Zoning Change Request for South Overton

WARNING: This message was sent from outside the City of Lubbock's email system.

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This zoning request will destroy one of the historical districts in our city. North Overton became blighted as a result of the May 11 tornado and is now an apartment haven. South Overton is not blighted and is being maintained and renewed by owners and longtime residents. Many of the properties are historically significant. This is a neighborhood where students and families can affordably live and raise families. There are numerous architecturally significant churches in this neighborhood. Streets are quiet and safe. This proposed property will produce a 700 person density that neither the street system nor the neighborhood can sustain. WE ALL KNOW THAT THIS IS JUST THE FIRST OF MANY COMPLEXES TO BE BUILT. The destruction of South Overton is inevitable, and what is next? TECH TERRACE? My suggestion is to put this money and effort into Downtown Housing. The College of Architecture at Texas Tech has studied this challenge for over 50 years. Now is the time for energetic developers with money to invest in revitalizing our City, not destroying our communities.

Larry J. Tanner, P.E., R.A.
M.ASCE, M.AAWE, M.ICC, M. NSSA

Tanner Consulting
3205 55th St.
Lubbock, TX 79413
806-543-4957 cell
806-687-9682 fax
larry.tanner@tannerconsulting.org
tannerconsulting.org

Linda Hogan
2301 18th Street
Lubbock, TX 79401
(806) 765-7182
lkgh@swbell.net
July 21. 2023

Kristen Sagar, Planning Department Director
City of Lubbock
ksager@mylubbock.us

RE: Letter & Attachment to P & Z and Council
Zone Case #2016-D (14th & 15th, Facing Ave. X)

Dear Ms. Sagar:

I would like to start out by apologizing for the length of this letter, but I believe some background is needed on the history of the South Overton National Historic District, as well as why it is on the National Register and its importance to Lubbock and Texas Tech. In providing this background I hope to shed some light on the devasting effect this zone change will have on the neighborhood and the surrounding area.

The Overton Addition was one of Lubbock's first neighborhoods, developed in 1907 by Dr. M. C. Overton. Broadway, and the area south of Broadway (now South Overton) was home to many of Lubbock's first doctors, lawyers, Tech professors, business leaders, politicians, as well schoolteachers, tradesmen, policemen, and firemen. This mix is why there is such a diversity of houses, large and small. It is the area that the whole community of Lubbock started from, now becoming a city of over 250,000. As Texas Tech is celebrating its 100-year anniversary, most of these homes are now turning 100 years and some are older.

In 1996, the South Overton Neighborhood was put on the National Register of Historic Places, not only because of the impact the residents had on the development of Lubbock and beautiful architecture, but because it was almost intact as it was in its beginning.

My husband and I moved into what had been his childhood home at 2301 18th Street in July of 1964....59 years ago. At that time many of the original owners of these homes were still living, and we knew them well.

1n 1975, a developer filed a zone change with the city to rezone a large tract of houses in the 2200 block of 18th Street for an apartment complex. Several of the neighborhood's residents contacted one another and we all met at St. Paul's Episcopal Church to form a plan to try and defeat not only this development, bur further apartment developments in our beloved neighborhood. We had seen what had happened in the area North of Broadway, which was much younger for the most part as many of those houses were built in the 1940's after WWII. North Overton had degraded into a slum full of apartment houses and the area became untenable for homes.

As a result of that meeting and our protests, the stage was set for the preservation and revitalization of our neighborhood. Jim Bertram was the Planning Director at the time and under his guidance changes began to take place with the help of Sally Abbe, Mayor Roy Bass and following him Mayor Dirk West, as well as some very forward-looking members of the Planning & Zoning Commission and the City Council.

- 23 lots in South Overton which had been zoned for apartments were rezoned back to R-2
- The one-way streets (15th, 16th, Ave. S, & Ave T) were removed and two-way streets were put back, helping to alleviate through traffic.
- Duplicates of our original old-fashioned streetlights were returned to our neighborhood.
- In 1996, this beautiful early-day Lubbock neighborhood was put on the National Register of Historic Places, and we felt it would finally be protected.
- In 2012, after several duplexes which were not in keeping with the neighborhood were built, the city overlaid design guidelines to help ensure that new construction and renovations were in keeping with the historic nature of the neighborhood.

In recent years, younger families have discovered the neighborhood. Many have been drawn by the charm and quality of these historic homes. There is a special character to this eclectic neighborhood not found in many areas both in Lubbock and across the country. We're a proud and diverse mix of residents including families, older homeowners, Tech students, professors, and other renters.

I respectfully urge you to consider all of the progress that has been made over the past fifty years. Please continue to look forward, by looking back to where Lubbock began and remember the contribution this Historic District makes to Lubbock and Texas Tech. It is the link between the University and the Downtown Redevelopment Area. **Please deny this request. A seven-story complex does not belong on the west end of this National Historic District.**

Thank you for your service to Lubbock and for your time and consideration.

Sincerely Yours,

Linda Hogan

Linda Hogan

Attached from The Museum Journal: "A Kind of Camelot?" A History of the Overton Neighborhood by Sally Still Abbe

"A Kind of Camelot?" A History of the Overton Neighborhood

by Sally Still Abbe

On August 2, 1907, a large advertisement in the Lubbock *Avalanche* caught the attention of citizens of the small West Texas town.

> Homes in Lubbock for Everybody. I have bought the section just west of town and will divide the entire section into lots and blocks and put it on the market at once. If you want a home in Lubbock do not buy till this is ready . . . . Get a home in what will be the prettiest part of Lubbock . . . . [signed] M. C. Overton.[1]

The Overton Addition, on the square mile directly west of the townsite, was "the first major real estate operation in town."[2] Dr. Overton's investment in an addition to the unincorporated town with only the promise of a railroad was either a sign of confidence in the region's agricultural and commercial potential or a risky plunge. His faith in the budding South Plains proved to be sound and the history of the Overton neighborhood mirrors the development of the city.[3] The early wealth of the area, represented by substantial homes, as well as the later blight caused by the movement of "status" housing to the south and southwest, reflect the growth of Lubbock and the South Plains.

The canyon that skirts Lubbock to the north and east proscribed concentric growth, forcing expansion to the west and south. Thus the Overton Addition, which sat immediately west of the original townsite, became the first "development" as the process of urban growth rolled across Lubbock acreage. The cost of land in the Overton Addition reflected the expansive trends of Lubbock. Overton had to pay $36,040.90 for 524.87 acres ($68.67 an acre) in 1907, though the same land had sold for only $2 an acre in 1891 (totaling $1,049.74).[4] Over a 16-year span the price for unimproved land had increased over $65 an acre. The growth of population in the original townsite to the east enhanced the land's value, as did the probability of the Santa Fe Railroad reaching Lubbock.

Overton offered anything from a 50-foot lot to a 10-acre block, with or without improvements.[5] Publicity appealed to the prospective owner's thrift ("Lots 50 feet wide and prices less than asked for 25 foot lots in the old part of town"), his civic pride ("Lubbock is on the map and she will enjoy the prefix city before some of her neighbor

towns know it if they don't look out"), and the traditional American confidence in land ("Invest your money in real estate. It is the safest place to put your money. It will not burn up and is bound to increase in value. Buy lots in the Overton Addition.")[6]

Lots sold at a steady pace, but a good portion of the land was sold in large tracts, indicating the speculative nature of early trading.[7] W. H. Bledsoe, eventually state senator and responsible for Texas Tech coming to Lubbock, and his partner, T. T. Price, bought over 200 lots in 1909.[8] This development featured two cottages as prizes to induce prospective buyers to look at the property.[9] Apparently this was not the key to successful sales. By 1912 Price had become a door-to-door salesman in Tennessee and corresponded regularly with Bledsoe about the sorry state of land speculation in Lubbock.[10] Dillard-Powell Land Company ("We sell the Earth") and Lubbock Land Company ("Advertising in fifty papers in the Northern and Eastern States") were other real estate operations which sold land in the addition.[11] How much Overton profited from this development remains uncertain. Land was sold, but Overton was lenient about payments, and went deeply into debt shortly after the addition opened. He paid off this indebtedness, however, and avoided bankruptcy.[12]

The first houses built in the addition appeared in the fall of 1907, when the *Avalanche* spoke of "new Houses poping [sic] up right lively in the Overton Addition."[13] Earliest settlement was in the area closest to town, particularly in the southeast section.[14] The main street of the addition was 100 feet wide and dubbed Broadway after a street in Overton's home town of Louisville, Kentucky. Eventually South First Street, which adjoined Broadway east of Avenue Q, assumed this name by common usage.[15] Broadway became a fashionable street on which many prominent Lubbock residents built homes. Dr. Overton lived there, as did James L. Dow, editor of the Lubbock *Avalanche* and a strong supporter of Overton's real estate venture. Other residents included businessmen J. A. Rix and W. A. Bacon, State Senator W. H. Bledsoe, banker C. E. Maedgen, and physician J. T. Krueger.[16]

Dr. Overton made every effort to promote settlement in the addition. His commitment to civic expansion caused him to abandon his medical practice temporarily in 1909. He served one year as president of the First National Bank, but unenthusiastic about a banking career, he returned to his medical practice.[17] He also at one time operated a concrete block business to supply needed building materials for the town.[18] As a member of the first city council, he sponsored Lubbock's first sewage system and water treatment plant. He declared later "I was not in politics, I only wanted to make the town

sanitary."[19] But there seems little doubt that the improvements enhanced the value of property in the Overton Addition.

Overton set aside two blocks, number 36 north of Broadway and number 46 south, to be parks. According to an advertisement placed in the *Avalanche*, these areas would be fenced and landscaped at Dr. Overton's expense, a move applauded editorially by James L. Dow.[20] But there is no evidence that the land was ever improved to the extent that the advertisement implied. In the early 1930s, block 36 became Pioneer Park as part of the city's first park project.[21] No park ever developed in South Overton, and block 46 is now a residential block bounded by 16th and 17th streets between avenues U and T.

One improvement particularly fitting to Dr. Overton's profession was his donation of lots to build the Lubbock Sanitarium and Hospital at Main and Avenue W. Run by Dr. J. N. Stoops and Dr. G. S. Murphy, the hospital failed and had to be closed by 1912. Eventually the building was moved downtown and became part of the old West Texas Hospital.[22]

Apparently the only early threat to the Overton Addition's residential character was the Santa Fe Railroad. Information on the right-of-way controversy is virtually nonexistent, but the *Avalanche* does mention a possible route west of town through the Overton area. In spite of the sparse settlement of 1909, the *Avalanche* opposed this route because of the potential destruction of a residential neighborhood.[23] One old settler contended that the Santa Fe was paid $5,000 not to traverse Overton's land.[24] His statement cannot be corroborated and it seems doubtful that Overton's financial condition would allow such a payment in 1909. Regardless of the circumstances, the tracks were routed to the east. This move not only preserved the residential integrity of the Overton Addition, but also strongly determined the southwestern movement of population in Lubbock. This action made it clear that the Overton Addition would be the premier housing district for many years.

In the 1920s, the Overton Addition became an integrated part of Lubbock through paving projects and the annexation of all its land to the city.[25] This development was enhanced by the establishment of Texas Technological College along the western boundary of the neighborhood in 1925. With westward movement restricted and a new student population to serve, a secondary neighborhood developed in Overton near the campus. Boarding houses dotted the area, particularly in the blocks immediately adjacent to campus. A variety of businesses catering to the college trade, including dry cleaners, laundries, restaurants, and florists appeared along College Avenue.[26]

Texas Technological College exerted a strong influence on all facets of the city's economy in the 1920s, increasing the demand for goods and services and adding to both its permanent and transient populations.[27] Lubbock expanded rapidly throughout the 1920s with the agricultural boom and the development of the city as a regional trade center for the Southern High Plains. By 1924, the yearly rate of building permits exceeded one million dollars, and reached $3,337,041 by 1930. Approximately half of these permits were for residential units, and many were constructed in Overton.[28]

This rapid expansion continued until the early 1930s, when the brunt of the Great Depression struck Lubbock. Building permits hit their lowest point in 1932 when only $122,204 in new construction began.[29] The rate fluctuated until the end of the decade when Lubbock's growth pattern stabilized. Overton residents suffered through the depression, but devastating poverty was not widespread. Though memories may be sketchy, it appears that conditions generally were better than in the rest of the nation. Depressed prices are evident in tales of low monthly rents and the availability of maids for $1 a day. One resident lost his grocery store, but became a night watchman because "people didn't go on welfare, they found something they could do."[30]

The neighborhood by the late 1920s and early 1930s was generally middle-class, Protestant, and family-oriented. Home owners predominated in what one woman called this "working kind of neighborhood."[31] Most of the families had immigrated from East Texas, and the men were involved in a full range of trades and professions necessary to the agricultural and service-oriented economy of Lubbock.[32]

The majority of Overton homes still standing in 1970 were built in the 20-year period prior to 1940. The tight money of the late 1930s and materials shortage of World War II slowed construction, but post-war growth affected the Overton Addition. From 1940 to 1949, almost 1,000 of the 3,794 residences standing in 1970 were erected.[33] Many of these were F.H.A. homes in North Overton, while South Overton retained its 1920s and 1930s architecture.

The post-war attendance boom at Texas Tech created a shortage of student housing. Although nonconforming apartments were not legal under the city zoning ordinances, there was a tacit agreement between homeowners and the city that allowed the conversion and leasing of apartments without permits or conformity to city building codes. This decision created many of the substandard units which plague the Overton neighborhood today.[34] Rental property became an important part of the Overton scene as an increasing number of families moved to south and southwest Lubbock. Owners converted

garages into apartments, subdivided houses, and the population density of the neighborhood began to rise.

Migration trends out of Overton substantiate the view that "status" housing in Lubbock moved southwest from the original townsite and the Overton neighborhood. By 1950 this trend began to be evident. Forty-six percent of the families living in the neighborhood in 1926 remained in Lubbock in 1950, with 21 percent still in Overton. By 1976 a more definite outward migration can be seen. Ten percent of the 1950 residents were still in the neighborhood in 1976, while 19 percent had moved somewhere else in Lubbock. This migration was almost entirely into an area bounded by 4th Street on the north and Avenue Q to the east, stretching south and west from Overton past Loop 289.[35]

The racial composition of the Overton neighborhood is, and always has been, predominately white. However, Mexican-Americans are increasingly evident in North Overton and the eastern part of South Overton. This small influx is a relatively new occurrence as Lubbock has always had segregated housing for Blacks. A 1923 city ordinance prohibited the sale or rental of property to Blacks anywhere in the city except south of 16th Street and east of Avenue C.[36] The validity of this ordinance is disputed, but its intent is clear. Even when segregation became illegal, Blacks did not leave a confined area east of Avenue A and south of 19th Street. In 1960, Blacks comprised only 0.008 percent of the Overton population while in 1970 the ratio had decreased further to 0.004 percent. This meant that there were only 35 nonwhite persons in a population of over 7,000.[37]

The Mexican-American population of the city lived in the Guadalupe Barrio of north Lubbock. This neighborhood evolved from a group of shacks and labor camps into a congested and substandard residential area bounded by Avenue H, Avenue U, Yellowhouse Canyon to the north, and the Santa Fe Railroad tracks to the south. Discrimination, both overt and covert, kept the barrio north of 4th Street for many years.[38] But by 1960 it could no longer be contained. North Overton with its proximity to Guadalupe and its abundance of older housing became an outlet for the population pressures in Guadalupe. The Mexican-American population of Overton increased dramatically between 1960 and 1970. By April 1970 the section of Overton east of Avenue U had more than the 400 Mexican-American residents required for separate tabulation of population and housing statistics.[39] Migration increased even more when the May 1970 tornado destroyed much of the Guadalupe Barrio. In the aftermath of the storm, the Chicano population dispersed throughout the city, with a substantial number settling in Overton.[40]

Quality education with attractive facilities in a safe, convenient location have become important factors in housing decisions and neighborhood stability. Many American middle-class families consider the education of their children as the prime focus of their lives.[41] One of the selling points for land in the Overton Addition through the 1920s and 1930s was its proximity to the most modern, up-to-date schools.[42] Advertisements extolled the virtue of buying or renting homes near the schools.[43] Families often moved to Lubbock from surrounding farms and ranches specifically for its educational facilities.

For many years, Overton's residential desirability was enhanced by the fact that children could walk to school from the first grade through high school. K. Carter Elementary in North Overton and Dupre Elementary at 22nd and Avenue T served the needs of young students along with an elementary school open intermittently at Carroll Thompson Junior High. There has been no elementary school in Overton since the closing of K. Carter in 1970. Dupre Elementary, though close to Overton, requires a walk crossing 19th Street, now one of the busiest streets in town, and involving hazardous traffic around Lubbock High. The danger and inconvenience of this journey has had a negative influence on young families who would like to live in Overton.

Older students attended Lubbock High, first in what is now Carroll Thompson Junior High, and then at its present location on 19th Street. This facility was opened in 1931. Of Spanish Renaissance Revival architectural style, it was voted one of the five most beautiful high schools in the nation upon its completion.[44] Until Monterey High School was built in the late 1950s, Lubbock High was the only white secondary school in the rapidly expanding city.

A college education was also within walking distance. Texas Tech has played an important part in the lives of Overton residents, not only as a physical and economic presence, but as an educational institution. Many Overton residents and their children attended Texas Tech, while faculty members and their families became an important part of the neighborhood. Dean of Agriculture A. H. Leidigh, Professor F. Kleinschmidt, and Professor J. H. Murdough were among the early residents who were associated with Texas Tech.[45]

Although a comprehensive zoning ordinance was not enacted until 1941, land use in the Overton neighborhood had been planned from its inception. Restrictive clauses for quality housing were attached to the original deeds for certain lots on Broadway and in the blocks facing the planned parks. Residential dwellings had to cost $1,500 to be built on these lots.[46] The deeds stated that if these terms

were not met, ownership of the property would revert to Dr. Overton, with no compensation to the purchaser. These terms bound all future buyers.[47] The deed restrictions proved to be hard to enforce, and two cases reached the Texas State Court of Civil Appeals, one in 1929 and one in 1932.

The 1929 case, *Jackson et al. v. Overton*,[48] evolved from Overton's efforts to block construction of a business facing Broadway at Avenue Q. These particular lots had been transferred to G. A. Rush the same day that Overton purchased the strip of land that Rush had reserved when the majority of the section had been purchased. Lubbock District Court issued an injunction barring construction of the structure after Overton testified that all lots on Broadway were restricted to residences. The appeals court overturned this ruling, citing as precedent cases which stated that two sales transacted on the same day should be considered one and the same transaction. Therefore, Overton had never held clear title to the land, and any restrictions which he might have imposed were invalid.

The case of *Ragland et al. v. Overton*[49] had more general impact on land use in the neighborhood. The Raglands sued to have the "residence only restriction" lifted from two lots at Broadway and College. They argued that the existence of Texas Technological College to the west and the changed traffic patterns at Broadway and College made the lots undesirable for residences. As residential property the lots were worth only $3,000, but as commercial property could be valued at $15,000. Within a two-block radius there were at least 20 businesses, including a Dr. Pepper bottling works, laundries, dormitories, and restaurants. Continuing east on Broadway, there was a grocery store on a restricted lot and a miniature golf course across the street from Overton's home. The appeals court remanded the case to a lower court for a jury trial because Overton was unable to prove a uniform land use scheme for Broadway.[50] Upon appeal, the jury trial was upheld because there had been no intervention in Overton's support from residents, and the record showed that he had conveyed 33 lots on Broadway without the restrictive clause.[51]

The first move for city-wide zoning came in 1928, but "depression paralysis" set in when the proposition seemed on the verge of adoption.[52] In 1939, the first Zoning Commission was appointed by the City Commission and the firm of Koch and Fowler of Dallas was hired to prepare a city plan and zoning ordinance. Preliminary zoning recommendations were presented to the council on January 9, 1940, and a public hearing was held on May 17. About one hundred people crowded commission chambers to overflowing, and the meeting moved to the American Legion Hall next door. The majority

of protests came from residents of the Overton Addition. The original proposal included duplex zoning for all of Overton except Avenue Q, 4th Street, Broadway, 19th Street, and College Avenue. Only minor opposition arose to the zoning of these interior areas. State Senator G. H. Nelson, 2120 17th Street, and George W. Dupree, 2314 17th Street, requested class "A" residential, rather than duplex, zoning for 17th Street from Avenue T to Avenue X. Yates Stockton wanted business zoning for his lots at 13th Street and Avenue R, as did B. F. Stephens for Main Street east of Avenue R. There was no opposition to business zoning for Avenue Q and College. The Santa Fe Railroad asked that 4th Street between Avenue T and College be designated industrial rather than retail business so they could extend their switch line. The main complaints were lodged against the proposals for 19th Street and Broadway.[53]

The 19th Street controversy pitted those wanting total retail business zoning against those desiring a mixed residential-business plan. Some citizens used this case as an opportunity to oppose the entire zoning scheme, but the controversy was settled in favor of strictly retail zoning for the section of 19th Street east of College Avenue.[54]

The original proposal for Broadway provided the most varied zoning of any street in town. Broadway to the Q-R alley was to be zoned for limited business, from the Q-R alley to the R-S alley as neighborhood retail, from Avenue X to within one-half block of College for unlimited height apartments, with the last half block zoned local retail. The remainder of the street was slated for residences and apartments of limited height.[55] By the time of the first hearing, some opposition to this plan formed, mainly among those desiring more business zoning.[56] A petition was circulated among property owners in favor of total commercial zoning for Broadway, but it was not presented at the public zoning hearings. But at the commission meeting in February 1941, which passed the final ordinance, a committee of citizens requested that Broadway be placed in the "H" zone or central business district. The committee consisted of Broadway property owners, including George Wolffarth, J. H. Kimmel, W. W. Rix, A. V. Weaver, Jr., Mrs. A. B. Conley, Mrs. J. S. Johnson, Mrs. Drew Phillips, Professor F. Kleinschmidt, and others. The commission accepted the committee's request and approved it unanimously.[57] Broadway's character as a business street was firmly established. This, along with the commercial zoning of 4th Street, Avenue Q, 19th Street, and College, assured the division of the Overton neighborhood into two isolated areas, breaking whatever unity the community might have enjoyed.[58]

In the post-war period, South Overton began to be seen as a definite residential area, with outstanding, though aging, homes oc-

cupying a large portion of the area.[59] Its architecture differed considerably from the smaller tract homes of much of North Overton. The proliferation of apartments north of Broadway further differentiated the two neighborhoods. There were only 23 apartment units in the entire Overton Addition in 1926.[60] By 1950, this had increased to 258 with 167 of them in North Overton. The increasing enrollment at Texas Tech encouraged a rash of apartment building by 1960. Of the 388 apartment units in Overton in 1960, 279 were north of Broadway. By 1970, 802 of the 1,189 units were in this area, and in 1976, North Overton contained the overwhelming majority, 1,473, of the neighborhood's almost 2,000 units. Fifth Street in North Overton had as many apartments as all of Overton South.[61] This influx of rental housing eliminated much single-family housing, caused traffic congestion, and introduced a transient population which destroyed the stability of the area. Speculation became an important part of the real estate market, especially in North Overton, where whole blocks of houses were bought up in anticipation of massive profits from apartment complexes. Overton South began to be plagued by these problems, though most apartments through the sixties were built on the extreme west and east ends of the neighborhood.

Overton South appeared to be heading toward the same end as North Overton. A persistent shift away from the downtown area encouraged people to move toward the south and southwest. Older housing lost its appeal to single families during the 1960s building boom. Spot zoning in Overton began to destroy the stability of the neighborhood as the threat of encroaching high-density apartments frightened older Overton residents into selling out. The general attitude both in the neighborhood and in the city at large was that Overton South was on the decline.

A prime example of this feeling was the implementation in the late 1950s of an Urban Transportation Plan calling for 15th and 16th streets to become one-way arteries connecting downtown with University Avenue. Studies have shown that this sort of traffic pattern in a residential area has a definite destabilizing effect. Heavy traffic leads to lower rates of owner occupancy, "less social interaction and street activity," and is "associated with a withdrawal from the physical environment."[62] In endorsing this scheme, planners were tampering with one of the most handsome streets in Overton, 16th Street. But they did not see Overton South as a stable neighborhood worthy of preservation. Instead they felt that "the die was kind of cast that South Overton was going to go the same way as North Overton . . . an area that eventually would be high-density apartments."[63] So the plan was implemented and Overton South was one step closer to losing its identity.

By 1975, Overton South teetered on the brink of disaster. Its tree-lined streets and stately old homes had once seemed a "kind of Camelot,"[64] protected from the rapid growth and frantic pace of the rest of Lubbock. But in mid-1975, residents faced a harsh reality. A group of developers sought radical zoning changes that could have set Overton South irreversibly on the same course that its neighbor to the north had followed. Faced with the prospect of large-scale apartment development, even more Overton residents sold out. Other, more determined, residents refused to accept the situation as inevitable and organized for the protection of their neighborhood. The area became suddenly "self-conscious"[65] and the Overton South Neighborhood Association was born.

The immediate challenge was the defeat of the proposed zoning changes. Overton South residents went in busloads to meetings of the Planning and Zoning Commission to prove that there were people in the neighborhood who cared to preserve its residential integrity. With the assistance of the City Planning Department, the association presented an alternative plan which would reassert the duplex zoning in effect since the 1940s. By removing the possibility of random apartment zoning and reducing the commercial zoning of the area, the proposal removed "the speculative air from Overton South by serving notice to speculators that high density zoning would not be allowed."[66] The zoning has been apparently successful as there have been no requests for South Overton apartment zoning since its implementation and speculative buying seems to have slowed.[67]

The victory over the zoning changes only began the association's efforts.[68] With its residential character stabilized, Overton South sought action. Some activities were simple neighborhood projects such as a 4th of July picnic to encourage resident participation in the organization, and a clean-up, paint-up drive, but in a more direct fashion, the association became a lobby for city assistance. A setback came when the city refused to accept responsibility for spraying elm trees in the neighborhood. The association members, undaunted, instead arranged neighborhood-wide spraying by a private contractor. Members have been vigilant in watching for abuses of building and zoning codes. When the First Baptist Church announced plans to destroy an entire block of houses for parking, the neighborhood association vigorously protested. The fact that one of the church's most vocal opponents was also a member of its congregation signifies the amount of neighborhood identity that the association has fostered.[69] The association hopes that a sense of identity will come from the installation of old-style street lighting, resembling that originally installed in Lubbock. The request for lighting has been

granted, test lights installed along 16th Street, and plans made for completion of the project.

Partly because of the interest in the area generated by the Overton South Neighborhood Association, the city council has approved $156,000 in no-interest, deferred payment loans for the area. Development of a Historic District designation for the area is under consideration, as is a larger rehabilitation plan involving preservation of the area.[70]

Contiguous to Overton, businesses along University and Broadway, which catered to the student population, began a renovation and improvement program. Bars and nightclubs joined these University-oriented businesses when Lubbock approved a liquor by the drink ordinance in 1972. By the mid-1970s the generally affluent student population had become more mobile and businesses began to drift to the southwest, following the major residential migration trend. In 1972, South Plains Mall was built in far southwest Lubbock. This large, centralized shopping facility attracted even more student shoppers away from the university neighborhood. By the spring of 1977, area businessmen organized to combat this trend. The University Area Business Association began to improve the appearance of their shops and to promote business from the university area, as well as to attract customers from all over the city.[71]

Owner-occupancy rates are up and property values in Overton South are again on the rise.[72] Problems are still abundant, and that "kind of Camelot" has not been achieved, but the trend is such that "the Overton South neighborhood is no longer for sale—except to new families who wish to share in its dream of keeping a sector of early Lubbock intact."[73]

The authors wish to thank the Academic Excellence Fund of the Texas Tech University Faculty Senate for their support in this research.

Footnotes

[1]Lubbock *Avalanche*, August 2, 1907.

[2]Seymour V. Connor, "The New Century," in Lawrence L. Graves, ed., *A History of Lubbock* (Lubbock, Museum Association, 1962), 99.

[3]Russell A. Wimberly, "Dr. M. C. Overton, Pioneer Physician of the South Plains" (M.A. thesis, Texas Technological College, 1939), 76, 89; Will P. Florence, *Hopeful Visions on Higher Ground* (Slaton, by the author, 1936), 57.

[4]Two contracts between G. A. Rush and M. C. Overton, July 30, 1907, August 1, 1908, G. A. Rush file, Southwest Collection, Texas Tech University, Lubbock, Texas.

[5]Lubbock *Avalanche*, August 2, 1907.

[6]*Ibid.*, August 23, 1907, September 4, 1908; January 24, 1908.

[7]Abstract books, W. D. Benson Papers, Southwest Collection.

Kristen Sager

From: tanner.lois@suddenlink.net
Sent: Monday, July 24, 2023 1:47 PM
To: zach.sawyer@umchealthsystem.com
Cc: aviraj@pn3t.com; ahernandez@jdmatexas.com; jordan@jwlubbock.com; brandon.hardaway@kimley-horn.com; Christy Martinez; Shelia Patterson Harris; Mark McBrayer; Steve Massengale; Jennifer Wilson; Latrelle Joy; Tray Payne; Ashley Padilla; Kristen Sager
Subject: South Overton Zoning Change Request

Importance: High

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Lubbock already has so, so many apartments near Texas Tech, both outside and inside Loop 289, why put an enormous apartment complex in historical South Overton? I travel through that area almost daily on the neighborhood streets. The traffic chaos and congestion this project will bring will be horrible. Both University Avenue, 19th Street, as well as Broadway cannot handle the traffic and congestion this apartment complex will bring. This complex will totally ruin this historical area with all the original and historical homes and churches that were built back in the early to middle 1900s. Preserve the history of this area as the home owners have been doing for years.

Instead of destroying historical South Overton, why not spend the money in the downtown area of Lubbock and lift up the downtown area. By doing so, many of the buildings that are now vacant can be turned into stores, shops, restaurants, etc. and bring lift back into downtown Lubbock. Please, please deny the zoning for this project. Take care of our downtown instead and save South Overton!!

Thank you, Lois Tanner

24 July 2023

City of Lubbock Planning and Zoning Commission
Lubbock, TX

RE: Planning and Zoning Commission Zone case #2016-D

Dear Planning and Zoning Commissioners,

First let me thank you for being on the P&Z Commission.
That said, I am writing in **strong opposition** to the Overton Student Housing zone case #2016-D. I am a long-time member of St. John's United Methodist Church, a property directly south of this proposed development. As a practicing architect I have concerns about this development's impact on the surrounding neighborhood. I also have serious reservations about the application's mis-use of the Planned Development zone. Let me elaborate.

1. **The size/density of this project on such a small tract of land is detrimental to my church.**
    a. Insufficient parking means more cars parking on the street or parking illegally in the church parking lot.
    b. Only one entry/exit to garage directly opposite the church parking lot drive will lead to increased number of accidents, many likely with our church members.
    c. There is grossly insufficient space for dogs to relieve themselves, leading to our grounds being used for that purpose. Our grounds shouldn't be smelly bathrooms for dogs.
2. **Adverse impacts to this historic residential neighborhood include:**
    a. The seven-story height coming almost to the property line on 14th, 15th and Ave X will be visually overwhelming to the adjacent one and two-story houses that are appropriately set back from the street. The scale is inappropriate. Would you want to live in your one-story house with a seven-story building down the street?
    b. The seven-story height will cast long shadows onto the houses/yards (for several blocks) to the east, negatively impacting their ability to enjoy our nice fall weather.
    c. Overton South is a National Register of Historic Places (NR) historic district, the only NR residential historic district in the entire city. In fact, this development sits within the NR district. It certainly adversely impacts the historic district as it is in no way compatible.
    d. Many cars in Overton South already park on the street because of the single lane driveways and one-car garages typical of this era neighborhood. With a deficit of parking at this development, adding more cars looking for a place to park will be a problem.
3. **The rendering of the complex that shows surface parking is misleading.**
    a. The parking shown actually belongs to CVS. The rendering misrepresents whose parking this is. Where will visitors park when looking for apartments?
4. **Instead of requesting a straight zone change from A-1 to A-3, this zone change request uses "Planned Development (PD.)" but this case appears to have a negative result on virtually every concept the PD Zone exists to benefit.**
    a. It appears this development attempts to use PD to circumvent A-3 requirements, which is specifically forbidden in PD. For Redevelopment PD states *"…intended….especially*

where re-use is restricted because of existing nonconformities, physical development or the constraints of conventional zoning standards." There are no constraints on this flat rectangular tract of land that would preclude using a straightforward A-2 or A-3 zoning. Insufficient size of land for the desired number of beds is not a zoning problem but a land acquisition problem.

b. This project does not meet the parking requirements stated in the ordinance. And even that ratio is probably low. In fact, the new UDC requires 1 parking space per bed for dormitories and "student housing" is just that, a dormitory.
c. PD does is silent on Lot Coverage, but A-3 does and limits developments to 40% of the lot area. This development at 70-80% clearly significantly exceeds that. Limiting lot coverage allows for needed "Open Space" and in fact, the PD requires open space beyond required yards. There is very little open space on the ground level besides the "dog park" by the alley that is woefully undersized and an interior courtyard that will rarely see daylight given its small size and surrounding seven-story height. More open space is imperative.
d. Throughout the PD ordinance there are multiple references/statements requiring compatibility and being harmonious to adjacent area. PD states in segment *"2) It is further intended that development permitted pursuant to this article be laid out so that proposed uses, buildings and site improvements relate to each other and to adjoining existing uses and to the public realm in such a way they will be compatible, with no material adverse impact of one use on the other."* The adjacent area immediately to the east is Lubbock's only National Register of Historic Places Residential Historic District. A 79 foot plus tall building across the street from one and two-story houses is not in any way compatible.
e. In addition, the PD says problem compatibility issues should be mitigated by means of site design such as buffer yards and building design such as massing and form. That is not done here.
f. The PD Ordinance requires a minimum building setback of 30 feet along streets which is not met. Smaller setbacks are not compatible to the Overton South neighborhood.

5. **I am not opposed to developing this tract of land for student housing.** However, this proposed development is too dense (i.e. too many beds) and too tall resulting in too many problems. I would suggest the Owner explore a less dense, less tall development with sufficient parking (1 bed to 1 parking space ratio), deeper yard setbacks, a much larger dog park, lower lot coverage, more than one entry/exit to the garage, and "step-backs" of the building face to make sure that more open space and adequate light (less shade/shadow) and air is provided for the adjoining impacted properties.

Respectfully submitted,
Mary Crites, AIA (and St John UMC member)

CC: Kristen Sager, Planning and Zoning Director

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

Council members and P&Z members,

I am reaching out to you to highlight the importance and benefits of student housing for both the university and the community.

As you may already know, student housing is an integral part of the Texas Tech campus environment. It provides a safe and secure living space for students to thrive in their academic pursuits. But the benefits of student housing go beyond just providing a place to live. It fosters a sense of community among students and promotes collaboration and peer-to-peer learning.

Moreover, student housing has a significant impact on the local community, particularly the economy. The construction and maintenance of this project will create jobs and generate revenue for local businesses. Additionally, having a stable student population in the vicinity encourages businesses to thrive and cater to the student demographic and property owners.

Furthermore, this student housing project will reduce traffic congestion and carbon footprint by providing students with a convenient living option close to Tech and with more than adequate parking. It also promotes public safety as it reduces the need for students to commute long distances and eliminates the need to even drive to class, especially during high traffic or even late hours.

In summary, the benefits of this student housing project will have a positive ripple effect on Texas Tech, the local economy, the South Overton Neighborhood, and the community as a whole.

Thank you for considering the significance of this project and its impact toward the good and growth of our community.

Sincerely,

Ross Rushing
Name

2737 82nd St.
Address

7/25/23
Date

Kristen Sager

From: Sarah Nuckolls <snuckolls88@yahoo.com>
Sent: Saturday, July 22, 2023 5:28 PM
To: Kristen Sager; Christy Martinez; Shelia Patterson Harris; Mark McBrayer; Steve Massengale; Jennifer Wilson; Latrelle Joy; Tray Payne
Subject: Overton Student Housing Zone Case

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Dear Mayor, City Council and Planning and Zoning Commission,

My name is Sarah Nuckolls and I am a long-time member of St. John's United Methodist Church which is located at the corner of University and 15th Street. I joined St. John's in 1997 and during my time there I have held many positions of leadership. I have been the Children's Council Chair, Worship Committee Chair, sat on the Trustees Committee and am currently on the Church Council holding the position of Lay Leader. My children were raised in our church, and I call St. John's HOME.

I am writing to you all in opposition to the Overton Student Housing Zone Case #2016-D and its related plat. This property is directly to the north of our church building. The oversized development that is proposed will adversely impact not only the church, but the surrounding neighborhood.

As I am sure you have been made aware, parking will immediately be an issue. There are a proposed 720 beds, yet there are only 529 parking spaces. The overflow parking will end up in the street and in our private parking lot. We will be forced to tow cars.

Construction of such a building will have a negative impact on access to our building, the condition of the streets around the church, and add congestion to the area.

There is only one entrance and exit to the parking lot of the high-rise complex which will line up directly with our back church parking lot adding to traffic congestion now that there is a coffee shop on the corner as well. St. John's rents our spots to Tech faculty and students and we do not have spots to spare nor a person to enforce parking permits. This is just one way we take in money for our church and cannot afford to lose spots taken without permission by students who do not have parking in a building where they live.

We see the increase in pets in the area as a problem. Pet noise and waste is a real problem in all off-campus housing and not an issue that our members want to deal with on a regular basis. This student complex has a suggested pet park, but will the kids pick up after their pets? Adults don't pick up after their pets in my Lake Ridge neighborhood.

I am very concerned about the mention of roof top amenities. I can't imagine sitting in my private backyard and having someone looking down from 7 stories above. Worse, throwing things from the roof into my yard or onto my house! Our church has a clay tile roof and cannot bear the destruction of things being tossed from that height. The building is simply too tall for the plot of land.

Seven stories in that space with no set back will cast a shadow over the streets surrounding the building. I can foresee in the winter the possibility of snow and ice buildup because the sun will not have the opportunity to warn the streets.

I am not completely opposed to developing the tract of land for student housing, but a straight up, 7 story, limited parking complex is too much for this small space. It simply does not fit with the South

Overton Historic District. In my opinion, this case is exactly like the Tech Terrace Case of a few months ago and should be denied for the same reasons. Perhaps a compromise with the owner could be made that would better fit the community that surrounds St. John's and fits the lovely qualities that make South Overton special.

Sincerely,
Sarah E. Nuckolls
4501 103rd Street
Lubbock
79424
806-470-7097

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

Council members and Planning and Zoning Commission:

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Thank you for considering the significance of this project and its impact toward the good and growth of our community.

Sincerely,

Kevin Mattson
Kevin Mattson (Jul 21, 2023 10:07 MDT)

Kevin Mattson, Manager
RS 15th, LLC
2560 King Arthur Blvd., Suite 124-104
Lewisville, TX 75056

Support Letter 5

Final Audit Report 2023-07-21

Created:	2023-07-21
By:	Bradley Perry (bperry@redskyholdings.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAACeX9zrFkdFxjz00QPF-O7Wy-PoCv6mlh

"Support Letter 5" History

Document created by Bradley Perry (bperry@redskyholdings.com)
2023-07-21 - 4:04:34 PM GMT

Document emailed to kmattson@redskyholdings.com for signature
2023-07-21 - 4:04:50 PM GMT

Email viewed by kmattson@redskyholdings.com
2023-07-21 - 4:06:37 PM GMT

Signer kmattson@redskyholdings.com entered name at signing as Kevin Mattson
2023-07-21 - 4:07:30 PM GMT

Document e-signed by Kevin Mattson (kmattson@redskyholdings.com)
Signature Date: 2023-07-21 - 4:07:32 PM GMT - Time Source: server

Agreement completed.
2023-07-21 - 4:07:32 PM GMT

Kristen Sager

From: John LaFreniere <John.LaFreniere@albertsons.com>
Sent: Tuesday, July 25, 2023 11:15 AM
To: christmartinez@mylubbock.us; Shelia Patterson Harris; mmcbrayer@myubbock.us; Steve Massengale; Jennifer Wilson; Latrelle Joy; Tray Payne; Ashley Padilla; Kristen Sager; zach.sawyer@umchealthsystem.com; ahernandez@jdmatexas.com; jordan@jwlubbock.com; brandon.hardaway@kimley-horn.com; aviraj@pn3t.com
Subject: Historic South Overton Proposed Re-zoning

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Hi All,

My name is John LaFreniere, a 17-year resident of Lubbock and a 10-year homeowner of 1712 Avenue X in Historic South Overton. My home, constructed in 1917 is one of the oldest buildings in the city of Lubbock, and even older than Texas Tech University. No doubt, this house has seen more change than we can imagine. Change is inevitable, and often needed. Anyone that has spent much time in South Overton understands that there are some things that need to change. The charming brick homes in the neighborhood, its historical status, the best high school in the city, and its proximity to the university and downtown, ought to present one of the premier living spaces in the city. When I think of peer cities in Texas, such as Dallas and Fort Worth, similar neighborhoods bordering beautiful campuses like Texas Tech have historic homes that sell at premiums, while Overton sells at a discount. The reasons are many for the gap in perception: homeless concerns, underserved infrastructure from the city, and a neighborhood that grows further and further away from the newest SW Lubbock neighborhood with each passing year, isolating the neighborhood with the most potential to create an urban destination in Lubbock.

With Lubbock's renewed focus on creating a Downtown, an area that will attract young professionals like me and my wife to stay in Lubbock after college, it is more important than ever to have a vision for the South Overton. I ask for the city to help create an identity for south Overton. A neighborhood bridging between the shining star of Lubbock – Texas Tech, and a future destination in Lubbock, the downtown. Creating a neighborhood that attracts young professionals, young families, alongside long-term residents and students is the best outcome for the city and its vision for a bustling downtown. However, the proposed rezoning to build a large student renter apartment will cement the neighborhood as a rental spot. By increasing the number of student rental units in the neighborhood overnight by 700, adding 700 cars worth of increased traffic on an already unsafe road like Avenue X, will not attract owners to the neighborhood, just more renters. There will remain no long-term identity for South Overton, just 4 years in Lubbock and gone.

I am writing to you today, not only asking that the city not re-zone Historical blocks for student housing, I am also writing to call upon the city to invest in South Overton – make the repairs that need to be made to roads and to streetlights, while we are at it, add lighting to the neighborhood to increase visibility making it safer to walk, create a bike route so that cyclists can make the short connection between downtown and Tech without a car, rebuild parks, and protect them, so that families feel comfortable bringing their kids to them, add roundabouts and traffic calming devices on Avenue X and similarly trafficked streets so that college students don't speed down them while leaving Broadway, endangering cars, homes, and people. Cement this historically designated neighborhood as a place **to live**. A premier, 21st century, walkable/bikeable urban community like Gen Z and millennials (the future of Lubbock) desire, with access to restaurants, shops, bars, churches, and coffee shops, not just another neighborhood to rent 4 years in Lubbock and leave it.

Thanks for taking the time to consider my letter, I hope that it stirs in you the same desires that I have to enrich our city.

Sincerely,

John LaFreniere
National Category Director
Albertsons Companies
806-445-2545

Warning: All e-mail sent to this address will be received by the corporate e-mail system, and is subject to archival and review by someone other than the recipient. This e-mail may contain proprietary information and is intended only for the use of the intended recipient(s). If the reader of this message is not the intended recipient(s), you are notified that you have received this message in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please notify the sender immediately.

Neighborhood Survey

Subject: PNZ Case Number 2016-D

I (please circle one) **SUPPORT/ DO NOT SUPPORT a** zoning change at 2413 14th for development of student housing to build between 14th and 15th streets, and West of Ave X.

Name One guy

Address 1101 university ave.

(Signature) [signature]

7/26

All responses will be recorded with The City of Lubbock

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

If for any reason you will be unable to attend the public hearing advertised by this notice, and wish to present your comments regarding the case, please complete this form and return it to the Secretary of the Planning and Zoning Commission, c/o Planning Department, P.O. Box 2000, Lubbock, TX 79457 or email to CityPlanning@mylubbock.us.

If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ____

Opposed ✓

Diagonally adjacent Block (650 to 700 Feet)..... I cannot possibly imagine how members of the Planning and Zoning Commission and our elected City Officials could possibly approve Zoning Changes to allow construction and operation of a High-Rise 7-Story, 700 Bed Apartment Complex on Avenue X, 14th and 15th Streets; when a similar project on 19th Street, a major 6-lane thoroughfare and State Highway, was just recently rejected.

This project appears to be even much more intrusive and detrimental to the South Overton Residential Neighborhood than the Godbold / Café J replacement project appeared to be to their surrounding Residential Neighborhood. Why should the South Overton Residential neighborhood be subjected to something with much worse consequences than what was refused to be built on 19th Street?

A-3 High-Rise Apartment Zoning designation and density should be built and operated in Downtown Lubbock near other High-Rise structures like the Pioneer, NTS, Wells Fargo, Citizens Tower, Lubbock National and similar High-Rise structures where development and population density are needed, encouraged, incentivized, and strategically important to the Lubbock Community and NOT in South Overton Residential Neighborhood.

Print Name HAND, RHETT KELLY

Signature: Rhett Kelly Hand

Address: 4625 94TH STREET

Address of Property Owned: OVERTON BLK 83 L1 2301 13TH STREET

Phone Number: 806 794 7999

Email: XHANDX@GMAIL.COM

Zone Case Number: **2016-D** R56360 Recipient 44 of 54
HAND, RHETT KELLY
4625 94TH ST
LUBBOCK TX 79424

PLEASE REVIEW ACCOMPANYING COVER LETTER

City of Lubbock Planning and Zoning Commission Members,

Thank you for your consideration of adjacent property owners as you deliberate and exercise wisdom and discernment in deciding Zone Case 2016-D.

Introduction

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Who We Are / Why We Care

It may be hard to find many properties more-impacted by your decision than our residential homes in the adjacent Block 82 of South Overton Addition, just East immediately across Avenue X, adjacent to the properties of this Change of Zoning Case request.

The first three lots from Avenue X on the South side facing 14th Street belong to the proposed Seller / Developer, Ken Abraham.

The next home, only four lots from the requested Zoning Change and development, 2317 14th Street belongs to us. Two more houses down, 2313 14th Street belongs to us. Two more houses down, 2309 14th Street also belongs to us. These homes would literally be in the afternoon shadow of this proposed project.

We also own the Home at 2301 13th Street (Diagonally one Block from the Project). We have lived in these homes during three separate time periods of our lives. We often found ourselves purchasing an adjacent home while living next door. We have never sold an Overton Neighborhood property.

I lived here first as an upperclassman student. Then this was the first home we ever purchased and lived here during our early years of marriage. We lived here again and raised our three children in one of these homes for a period of time. We do not live here now. We have poured much of our lives into these 4 homes. We have owned these homes for 34, 34, 45, and 49 years, respectively.

We are not speculators, developers, or house-flippers, obviously. We made a commitment to this Residential Neighborhood many decades ago, when not many others were willing to do so. Each of

these homes are original to the neighborhood and still honor the original R-2 Residential South Overton Zoning designation.

Grant Them Substantial Concessions: Then, They Just Want More!

The existing homes in the Subject 2400 Block of 14th Street and 2400 Block of 15th Street to be demolished, were built and for half century or so also historically maintained the R-2 Residential Zoning designation. These existing homes architecturally and construction-wise very much resemble our homes and all the homes in the adjacent 2300 Block of 14th Street. This R-2 designation was consistent and compatible with the rest of the South Overton Residential Neighborhood. Why may some arbitrary authority, retroactively, determine that certain similarly constructed homes originally on R-2 Zoned lots be demolished and replaced with High-Rise Apartments; while the same type of home 4 lots away must remain almost exactly as it was built 92 years ago?? This seems to obviously be **"Picking Winners and Losers"** and is extremely detrimental to the neighboring property owners forced to be frozen in time.

I suppose the historical R-2 to A-1 Zoning could have been granted during the historical planning activities. Now of course, they can't be satisfied with this substantial A-1 Zoning deviation from the norm of the adjacent Zoning; but now they ask for even more-extreme A-3 High-Rise density, even more-detrimental to the surrounding neighbors.

A further Change in Zoning from A-1 to A-3 seems completely inappropriate, inconsistent, and incompatible with the adjacent R-2 Zoning throughout the South Overton Residential Neighborhood.

Inadequate City Infrastructure / Sewer / Water Pressure / Streets

Having owned these Overton Block 82 properties for an extended period of time, we are keenly aware of multiple occurrences of City of Lubbock **sewer** drainage and blockage problems with the main drainage line on Avenue X between 14th and 15th Streets. The entire alley sewage system for 2300 Block of 14th and 15th streets has nowhere to go and backs up into residences.

The point is that the City's sewage system can already easily be overwhelmed with existing population density in the neighborhood and was not designed and constructed to handle an additional 700 residents crammed into such a small area of land where **they were never intended to reside.**

There has been no demonstration of ability to support up to 700 additional residents crowded into this small allotment of space utilizing the critical city infrastructure and services for sewer, water, electricity, drainage, police and fire resources.

Adding 700 residents through this proposed Zoning Change would be the equivalent of putting the current residents of more than 7 South Overton Residential Blocks into this 2/3 of a Block.

On street parking is already very challenging for residents, particularly on the Western end of the South Overton Residential Neighborhood. Block 82 facing 14th Street is basically 12 narrow Lots 50 feet in width. They typically have a narrow single driveway, if they have anything at all. Lots are generally zoned R-2 with some Legal, non-conforming registered garage apartments, with up to approximately 4 residents per Lot or less (48 residents for this side of the street and Block 82). Extending this same math for this Zoning Case 2016-D, where not so long ago, the subject lots and currently existing homes were also Zoned R-2 Residential; 7 lots on 14th street would yield about 28 residents and 8 lots on 15th Street would yield about 32 residents, for a total of about 60 residents normally residing in this allotted space.

Congestion /Traffic /Parking

Moving from possibly 60 residents to 700 residents in this very confined space could present horrific congestion, traffic, and parking problems to already extremely challenging issues for several Blocks East of University Avenue, particularly during Fall and Spring Texas Tech Semesters and University Events.

Even if Every resident is given an off-street parking space; just visitors / family, move-in / move-out and University Events can be unworkable in and all around this very confined space.

Pets

Pets too are already a problem with residents not abiding by the City Leash Ordinance and residents not cleaning up after their pet. Even with 'No Pet Policies' Fair Housing now forces ESA animals upon all property owners. 700 more residents, many with ESA animals, with nowhere to go but down 14th and 15th streets will be yet another unwanted and unnecessary nightmare for neighbors.

If the owner / seller / developer is so displeased with A-1 Zoning granted to him; he might go back to the original R-2 Zoning on these subject Lots like the rest of us in the South Overton Residential Neighborhood and restore his properties accordingly.

Again, how can anyone possibly believe that a High-Rise Apartment complex such as this; recently determined to be unworkable and rejected on 19th Street, a 6-lane major thoroughfare and State Highway, even be considered a viable, acceptable, compatible development on Avenue X, 14th and 15th Streets in the Overton South Residential Neighborhood?

As homeowners just 4, 6 and 8 Lots across Avenue X from the Subject Properties making this Zoning Change request, we urge and plead for your disapproval of the Zoning change from A-1 to A3 and closing of the City Alley.

Respectfully submitted,

Rhett Kelly Hand

Rhett Kelly Hand

Mary Helen Hand

Mary Hand

4 Enclosed Planning and Zoning Reply Forms

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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In Favor ____

Opposed ✓

Reasons and/or Comments:

8th Lot East of Zoning Case (400 to 450 Feet)

We have owned this home and the home next door for 45 and 49 years, respectively. We have lived in these homes on 3 separate occasions. We poured much of our lives into this neighborhood. We believed in this Neighborhood when many others did not. We are not speculators or house flippers, obviously. We believe in Lubbock, Texas Tech, Students, and Private Property Rights - unless and until they infringe upon the rights of others. Changing this zoning from A-1 to A-3 and blocking the City Alley to allow for construction and operation of a 7 story High-Rise Apartment Complex with 700 + residents, guests, and visitors would severely adversely affect this home and each of our homes within a Block of this development. (Please review the accompanying cover letter.)

Print Name HAND, KELLY R Mary Hand

Signature: Mary Hand

Address: 4625 94TH

Address of Property Owned: OVERTON BLK 82 L5 2309 14TH STREET

Phone Number: 806 794-7999

Email: mhand823@gmail.com

Zone Case Number: **2016-D** R56360 Recipient 44 of 54

HAND, RHETT KELLY
4625 94TH ST
LUBBOCK TX 79424

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If the owner / seller / developer is so displeased with A-1 Zoning granted to him; he might go back to the original R-2 Zoning on these subject Lots like the rest of us in the South Overton Residential Neighborhood and restore his properties accordingly.

Again, how can anyone possibly believe that a High-Rise Apartment complex such as this; recently determined to be unworkable and rejected on 19th Street, a 6-lane major thoroughfare and State Highway, even be considered a viable, acceptable, compatible development on Avenue X, 14th and 15th Streets in the Overton South Residential Neighborhood?

As homeowners just 4, 6 and 8 Lots across Avenue X from the Subject Properties making this Zoning Change request, we urge and plead for your disapproval of the Zoning change from A-1 to A3 and closing of the City Alley.

Respectfully submitted,

Rhett Kelly Hand

Rhett Kelly Hand

Mary Helen Hand

Mary Hand

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City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

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Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ____

Opposed ✓

Reasons and/or Comments:

6th Lot East of Zoning Case (200 to 250 feet).... It seems that at some point (relatively recently) these Subject Lots were granted a Zoning Change from R-2 to A-1, already a significant variance from the rest of us just 4 to 8 lots (200 feet) further East. Please do NOT vote for even more Zoning Changes from A-1 to A-3 to allow a High-Rise Apartment Complex and unprecedented population density in our South Overton Neighborhood which was never planned for and is not built to withstand such an onslaught. Our adjacent properties would be overwhelmed with traffic, parking, compounded sewer issues, degradation in City Services, and adverse market values.

If the present Owner / Seller of the Subject Zoning Change request isn't satisfied with the tremendous benefit he received of the A-1 designation, they should revert back to R-2 Zoning like the rest of us in the South Overton Residential Neighborhood and restore his properties accordingly. (Please review accompanying cover letter.)

Print Name HAND, KELLY R Mary Hand

Signature: Mary Hand

Address: 4625 94th

Address of Property Owned: OVERTON BLK 82 L 7 2313 14TH STREET

Phone Number: 806 794-7999

Email: mhand823@gmail.com

Zone Case Number: **2016-D** R56360 Recipient 44 of 54

HAND, RHETT KELLY
4625 94TH ST
LUBBOCK TX 79424

City of Lubbock Planning and Zoning Commission Members,

Thank you for your consideration of adjacent property owners as you deliberate and exercise wisdom and discernment in deciding Zone Case 2016-D.

Introduction

I cannot possibly imagine how members of the Planning and Zoning Commission and our elected City Officials could possibly approve Zoning Changes to allow construction and operation of a High-Rise 7-Story, 700 Bed Apartment Complex on Avenue X, 14th and 15th Streets; when a similar project on 19th Street, a major 6-lane thoroughfare and State Highway, was just recently rejected.

This project appears to be even much more intrusive and detrimental to the South Overton Residential Neighborhood than the Godbold / Café J replacement project appeared to be to their surrounding Residential Neighborhood.

Why should the South Overton Residential neighborhood be subjected to something with much worse consequences than what was refused to be built on 19th Street?

A-3 High-Rise Apartment Zoning designation and density should be built and operated in Downtown Lubbock near other High-Rise structures like the Pioneer, Great Plains Life / NTS, First National /Wells Fargo, Texas Commerce / Citizens Tower, Lubbock National and similar High-Rise structures where development and population density are needed, encouraged, incentivized, and strategically important to the Lubbock Community and NOT in South Overton Residential Neighborhood.

Who We Are / Why We Care

It may be hard to find many properties more-impacted by your decision than our residential homes in the adjacent Block 82 of South Overton Addition, just East immediately across Avenue X, adjacent to the properties of this Change of Zoning Case request.

The first three lots from Avenue X on the South side facing 14th Street belong to the proposed Seller / Developer, Ken Abraham.

The next home, only four lots from the requested Zoning Change and development, 2317 14th Street belongs to us. Two more houses down, 2313 14th Street belongs to us. Two more houses down, 2309 14th Street also belongs to us. These homes would literally be in the afternoon shadow of this proposed project.

We also own the Home at 2301 13th Street (Diagonally one Block from the Project). We have lived in these homes during three separate time periods of our lives. We often found ourselves purchasing an adjacent home while living next door. We have never sold an Overton Neighborhood property.

I lived here first as an upperclassman student. Then this was the first home we ever purchased and lived here during our early years of marriage. We lived here again and raised our three children in one of these homes for a period of time. We do not live here now. We have poured much of our lives into these 4 homes. We have owned these homes for 34, 34, 45, and 49 years, respectively.

We are not speculators, developers, or house-flippers, obviously. We made a commitment to this Residential Neighborhood many decades ago, when not many others were willing to do so. Each of

these homes are original to the neighborhood and still honor the original R-2 Residential South Overton Zoning designation.

Grant Them Substantial Concessions: Then, They Just Want More!

The existing homes in the Subject 2400 Block of 14th Street and 2400 Block of 15th Street to be demolished, were built and for half century or so also historically maintained the R-2 Residential Zoning designation. These existing homes architecturally and construction-wise very much resemble our homes and all the homes in the adjacent 2300 Block of 14th Street. This R-2 designation was consistent and compatible with the rest of the South Overton Residential Neighborhood. Why may some arbitrary authority, retroactively, determine that certain similarly constructed homes originally on R-2 Zoned lots be demolished and replaced with High-Rise Apartments; while the same type of home 4 lots away must remain almost exactly as it was built 92 years ago?? This seems to obviously be **"Picking Winners and Losers"** and is extremely detrimental to the neighboring property owners forced to be frozen in time.

I suppose the historical R-2 to A-1 Zoning could have been granted during the historical planning activities. Now of course, they can't be satisfied with this substantial A-1 Zoning deviation from the norm of the adjacent Zoning; but now they ask for even more-extreme A-3 High-Rise density, even more-detrimental to the surrounding neighbors.

A further Change in Zoning from A-1 to A-3 seems completely inappropriate, inconsistent, and incompatible with the adjacent R-2 Zoning throughout the South Overton Residential Neighborhood.

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Having owned these Overton Block 82 properties for an extended period of time, we are keenly aware of multiple occurrences of City of Lubbock **sewer** drainage and blockage problems with the main drainage line on Avenue X between 14th and 15th Streets. The entire alley sewage system for 2300 Block of 14th and 15th streets has nowhere to go and backs up into residences.

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Rhett Kelly Hand
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Mary Helen Hand
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In Favor ____

Opposed ✓

Reasons and/or Comments:
4th lot East of Zoning Case (150 to 200 Feet)

Changing Zoning from A-1 to A-3 and blocking the Alley to allow construction of a 7 Story High-Rise Apartment Complex to house 700 residents is the equivalent of cramming over 7 typical Blocks of current residents of South Overton into this 2/3 Block of space. We already have serious issues with blockage and drainage of the main sewer lines under Avenue X and Avenue W causing sewage to back up into our 14th street residences. This city infrastructure was not designed, planned, or constructed for 700 residents living in this 2/3 of Block 102.

Parking is already a problem for existing residents. Even if all 700 residents are given an individual parking space; just visitors, study partners, family, move-in / move-out, University Events, Fall and Spring Semesters in this very confined space presents horrific congestion, traffic, and even more parking problems for several blocks East of University Avenue. (Please review accompanying cover letter.)

Print Name HAND, RHETT KELLY

Signature: Rhett Kelly Hand

Address: 4625 94TH STREET

Address of Property Owned: OVERTON BLK 82 L9 2317 14TH STREET

Phone Number: 806 794 7999

Email: KHANDK@GMAIL.COM

Zone Case Number: **2016-D** R56360 Recipient 44 of 54
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Rhett Kelly Hand

Rhett Kelly Hand

Mary Helen Hand

Mary Hand

4 Enclosed Planning and Zoning Reply Forms

Neighborhood Survey

Subject: PNZ Case Number 2016-D

I **SUPPORT** a zoning change at 2413 14th for development of student housing to build between 14th and 15th streets, and West of Ave X.

Lubbock Commercial Buildings

CVS

Address 2323 Glenna goodacre blvd

(Signature) [signature] 7/26

All responses will be recorded with The City of Lubbock

Neighborhood Survey

Subject: PNZ Case Number 2016-D

I (please circle one) **SUPPORT/ DO NOT SUPPORT a** zoning change at 2413 14th for development of student housing to build between 14th and 15th streets, and West of Ave X.

Name Jimmy Johns 7/26

Address 2413 Broadway St Lubbock TX 79401

(Signature) Abigail Walsdorf GM

All responses will be recorded with The City of Lubbock

Neighborhood Survey

Subject: PNZ Case Number 2016-D

I (please circle one) **SUPPORT/ DO NOT SUPPORT a** zoning change at 2413 14th for development of student housing to build between 14th and 15th streets, and West of Ave X.

Name
Mike Chinn 7/26

Address
Chimys 2417 Broadway

(Signature)

All responses will be recorded with The City of Lubbock

Neighborhood Survey

Subject: PNZ Case Number 2016-D

I (please circle one) **SUPPORT/ DO NOT SUPPORT a** zoning change at 2413 14th for development of student housing to build between 14th and 15th streets, and West of Ave X.

Atomic Pizza

Name

ADONIS DELA MERCED 7/24

Address

2420-A BROADWAY ST

(Signature)

All responses will be recorded with The City of Lubbock

July 26, 2023

Dear Planning and Zoning Commissioners,

I am writing today with feedback on the request for a zoning change to allow for the development of an apartment complex between Avenue X and University Avenue in the historic South Overton neighborhood. I understand that a landowner is planning to sell his/her property to a construction developer and that plans are included in the request to construct a 7-story, 700-bed, "high end" student housing building. As a member of St. John's United Methodist Church and a former resident of South Overton, I am not opposed to development in this neighborhood per se. However, I am strongly opposed to the current request and development proposal for three reasons. Below, I outline these and share specific requests related to each.

Issue #1: The current proposal seems to benefit only a few individuals, namely, the landowner and the construction developer, while the needs of South Overton residents and the City of Lubbock are not taken into consideration.

My request:

For me, this is about being a good neighbor and a good citizen. It's also about incentivizing people to act for the collective good as well as their own self-interest. I'm curious: Could the landowner see this as an opportunity to participate in the revitalization of a historic neighborhood? Understandably, s/he wants to make a profit by selling the property, but what will s/he be remembered for in Lubbock? There might be a win-win situation here involving profit AND a positive legacy for the landowner with an alternative development plan.

The bottom line:

The City of Lubbock should reject proposals for zoning changes and development that do not clearly benefit residents of a neighborhood nor serve the long-term interests of the whole city.

Issue #2: According to the City of Lubbock's 2018 *Analysis of Impediments to Fair Housing* (see attached) there is a shortage of affordable housing in our city, especially for seniors, people with disabilities, and low-income households. Considering this, I was encouraged to read about the Fair Housing Goals and Priorities (p. 216) that the City set in 2018. Recently, #4 on the list of AP-20 Annual Goals and Objectives the City of Lubbock's Community Development Department articulated in its 2023 *Annual Action Plan Draft* (also attached) was "2C Increase Affordable Rental Housing Opportunities" with the goal of increasing affordable rental availability in Lubbock (p. 24).

My request:

While I understand that the city works to "identify any city-owned parcels that might be suitable for affordable housing development opportunities" and "work with developers to fund projects" (2023 *Annual Action Plan Draft*, p. 45), I'm curious whether you could speak with this landowner and the construction developer and ask them to integrate components that support

the revitalization of South Overton as part of the City of Lubbock's goal to increase fair housing opportunities? They could, for instance, agree in writing that 10% of the units in the new apartment building will be affordable housing units that are distributed throughout the complex. This would make it possible for lower-income individuals and families to reside closer to job opportunities near the university, thus addressing one of the main barriers to affordable housing cited in the 2023 *Action Plan Draft* (p. 42). Because you have more information about this request than I do, I am curious: What can you do to facilitate dialogue and productive negotiation in the context of this request and future requests? Is there a way for you to work with all stakeholders and help them come to a mutually beneficial proposal? There may be a solution that is a win for the landowner, a win for the developer, a win for the South Overton neighborhood, and a win for the City of Lubbock.

The bottom line:

It is going to take the collaboration of public AND private partners to sufficiently address the fair housing gaps in our community. The City of Lubbock should use this opportunity to develop policies and incentives to ensure that new developments serve the needs of everyone in our community, especially those who lack wealth and power.

Issue #3: This proposal reminds me of a recent proposal regarding a zoning change in the Tech Terrace neighborhood. One of the concerns raised in that case was the fact that the developer was not based in Lubbock, or even in Texas.

My request:

I want to see development projects that strengthen our local and regional economies.

The bottom line:

The City of Lubbock should reject proposals that do not clearly contribute to the prosperity of our city and region. We love this place, and I'm sure there are innovative ways for us to support development in ways that benefit all who live here. What ideas do you have?

Thank you for taking the time to review my feedback. As leaders in our community, I ask you to honor our shared responsibility to ensure fairness when faced with zoning change and development requests such as the one currently before you. Many people will be affected by your decision, and I urge you to act in the best interests of residents with low-to-moderate incomes by incentivizing wealthy individuals and companies to do what is best for our city in the long term. Please feel free to reach out to me if you have questions or information to share.

With deepest respect,

Alec Cattell

3315 32nd St., Lubbock, TX 79410 alec.g.cattell@gmail.com (806) 786-0546

2023 Annual Action Plan

DRAFT

City of Lubbock
Community Development Department
P.O. Box 2000
Lubbock, TX 79457

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Lubbock strives to provide safe, decent and affordable housing, a suitable living environment, and economic opportunities – especially for low- to moderate-income households and special needs communities. This PY 2023 Annual Action Plan (AAP) outlines the City's activities to meet those needs. This PY 2023 AAP is the fifth and final year of the 2019-2023 Consolidated Plan.

The Consolidated Plan serves as a planning document meeting the federal government statutory requirements in 24 CFR 91.200-91.230, with revisions for preparing a Consolidated Plan and guiding the use of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grants (ESG) funding based on applications to the U.S. Department of Housing and Urban Development (HUD). The major sections of the Consolidated Plan include a Housing Market Analysis, Housing and Homeless Needs Assessment, 5-Year Strategic Plan, a 1-Year Annual Action Plan, and Consultation and Citizen Participation, with accompanying documentation relating to public comments. The Strategic Plan addresses specific needs that were identified in the data analysis, with specific goals and program targets for each category designated for funding over a 5-year period.

The PY 2023 AAP is a subset of the Strategic Plan, addressing funding options for the program year. The AAP can be used by organizations in the community as an annual guide for identifying activities through which they can help the jurisdiction reach their housing and community development goals. The AAP also serves as the baseline for measuring program effectiveness, as reported in the Consolidated Annual Performance and Evaluation Report (CAPER) required by HUD for each fiscal year's funding allocation.

2. Summarize the objectives and outcomes identified in the Plan

The PY 2023 AAP is guided by the 5-Year Strategic Plan that was set during the development of the 2019-2023 Consolidated Plan. The Consolidated Plan contains a range of goals, objectives, and outcomes formulated to address needs identified for homelessness, other special needs, affordable housing, non-housing community development, barriers to affordable housing, lead-based paint hazards, institutional structure, and coordination. These objectives included:

- Continue to collaborate with homeless providers to supply a continuum of services.
- Support services aimed at the prevention and elimination of homelessness and Rapid-Rehousing.
- Improve the condition of housing for low-income homeowners.
- Increase the viability of potential homeownership opportunities.
- Improve the condition of housing for low-income renters and homeowners through regulatory programs.
- Support improvement of infrastructure and public facilities in CDBG targeted areas in Lubbock.

- Address workforce needs through job training programs. Address community needs through community-based public service programs.

These objectives seek to work toward meeting the goals stated, addressing the need for more affordable housing, housing rehabilitation, public facilities and infrastructure improvements, and social services. The goals that the City will work towards meeting these objectives are included in the AP-20 Goals and are listed below:

- 1A Expand Public Infrastructure
- 1B Improve Public Infrastructure Capacity
- 1C Improve Access to Public Facilities
- 2A Provide for Owner-Occupied Housing Rehab
- 2B Increase Homeownership Opportunities
- 2C Increase Affordable Rental Housing Opportunities
- 3A Provide Supportive Services Special Needs Pop
- 3B Provide Vital Services for LMI Households
- 4B Reduce Slum & Blight
- 5A Provide Homeless Rapid Re-Housing Assistance
- 5B Provide Assistance to Homeless Shelters

Specifics can be found in the Strategic Plan of the 5-Year Consolidated Plan and this year's PY 2023 Annual Action Plan (AP-20).

3. Evaluation of past performance

The City of Lubbock has a long history of successful programs funded through the CDBG, HOME and ESG. Of particular importance to the health of the City have been programs that address the condition of the housing stock. The City has successfully funded housing rehabilitation activities targeting lower income and elderly households unable to properly maintain their homes. The City also operates a successful program that provides down-payment and mortgage assistance to new homebuyers. The City also addresses the needs of the homeless in Lubbock, and has worked actively with local homeless service providers to expand both the stock of units/beds available to homeless persons and services aimed at helping those persons find employment, housing, health care services, and educational opportunities. The City also has a history of meeting community needs through the funding of public services such as childcare, child abuse prevention, and health service. Details of past performance can be found in the City's Consolidated Annual Performance and Evaluation Report (CAPER). Accomplishments categorized by priority from the most recent PY 2021 CAPER included:

Public Facilities and Infrastructure Improvements: Public infrastructure improvements made in PY 2021 include unpaved road improvements that benefited 3,205 persons in low/mod areas. The City also provided funds for the expansion of sidewalks that benefitted 16,050 persons in low/mod areas. This

activity is associated with a sidewalk that was constructed along Martin Luther King Blvd, providing safe access to citizens to the new East Lubbock Police substation and to a local park. Low/mod areas are neighborhoods where the population is at least 51% LMI. All these accomplishments exceeded the City's goals for public improvements.

Public Services: In PY 2021, the City continued to focus public services on emergency response activities that went to assist LMI persons impacted by the pandemic. There were 324 LMI persons assisted through the YWCA Emergency Childcare Program which provided childcare to parents who had lost or experienced a decrease in income due to COVID-19. There were another 3 LMI persons assisted with subsistence payments through the CDBG-CV Emergency Mortgage Assistance program. There were also 52 LMI persons assisted with employment training at the Catholic Charities Diocese Parent Empowerment Program. The City has met and exceeded its goals to serve LMI residents with public services for the program year.

Affordable Housing: Through the HOME program, the City assisted 2 LMI households with rental housing rehab and rental housing acquisition for the purpose of affordable rental rehab. In the CDBG minor rehab program, there were 36 owner-occupied LMI households assisted with emergency repair such as roof replacement, barrier and accessibility rehab, replacement of major systems, or other issues as deemed necessary under the program. While the City did not meet its goal to assist LMI renters, it met its goal to provide housing rehab to existing LMI homeowners. The City will review its rental assistance programs and revise goals if necessary.

Homeless Prevention: In PY 2021, 1,020 individuals were assisted with homeless services. Of this total, 1,002 persons were assisted with homeless overnight shelter operations through the Salvation Army of Lubbock. There were also 15 households consisting of 18 individuals assisted with rapid rehousing services. The City was successful in meeting its established goals in the ESG program.

CARES (CDBG-CV and ESG-CV)

The City focused its public services on emergency response activities in PY 2021. Emergency response services were funded by CDBG-CV and include the CDBG-CV YWCA Emergency Child Care Program (324 assisted) and the CDBG-CV Emergency Mortgage Assistance Program (3 assisted). For ESG-CV the City assisted homeless households with RRH rental assistance and help with PPR for the emergency shelter operations. There were 163 homeless households assisted with RRH rental assistance and 2,166 persons with homeless emergency shelter operations. For ESG-CV programs, there were 163 homeless households assisted with RRH rental assistance and 2,166 persons with homeless emergency shelter operations. For more details on ESG-CV, these housing and service accomplishments are reported in more detail the ESG-CV Sage reports.

4. Summary of Citizen Participation Process and consultation process

The Citizen Participation Plan (CPP) was adopted for development of the 2019-2023 Consolidated Plan and is continued to be utilized for the PY 2023 AAP. The CPP provides details for public notice for all meetings and the various stages of Consolidated Plan development, public hearings before the citizens of Lubbock and City Council, accommodations for persons with disabilities, and the conduct of public review of draft documents. Adhering closely to the CPP, the City held a public comment period and public hearing. Details of these outreach efforts are provided below:

PUBLIC COMMENT PERIOD: A 30-day public comment period is being held from **May 18, 2023 to June 17, 2023** to give the public an opportunity to review and make comments on the draft AAP. Public comments will be accepted until **June 17, 2023 at 5:00 PM** in writing by:

Email: cdinfo@mylubbock.us
U.S. Mail: City of Lubbock, Community Development, PO Box 2000, Lubbock, TX 79457
Drop-Off: Community Development Drop-Box, located at 1708 Crickets Ave.

PUBLIC HEARING: The Community Development and Services Board (CDSB) will hold a Public Hearing and board meeting on **May 17, 2023 at 5:30 PM.** The agenda for the hearing can be viewed at: https://ci.lubbock.tx.us/meetings

Details of citizen participation outreach for the PY 2023 AAP are also located in the AP-12.

5. Summary of public comments

A summary of comments will be provided after the conclusion of the public comment period and after the public hearing. All comments or views will be accepted in the public hearing and public comment period review process. A summary of outreach efforts is located in the AP-12 Participation.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments or views will be accepted in the public hearing and review process.

7. Summary

The PY 2023 AAP is the fifth and final program year of the 2019-2023 Consolidated Plan, as amended. In PY 2023, the City of Lubbock anticipates it will receive CDBG, HOME and ESG funds from HUD in the following amounts to be used as outlined in the AP-35 Projects:

CDBG: $2,245,749
HOME: $1,163,287
ESG: $198,147

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity 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	LUBBOCK	Community Development
CDBG Administrator	LUBBOCK	Community Development
HOME Administrator	LUBBOCK	Community Development
ESG Administrator	LUBBOCK	Community Development

Table 1 – Responsible Agencies

Narrative

The lead agency for the development of the Consolidated Plan and Annual Action Plan is the Community Development (CD) department of the City of Lubbock. The CD department is also the lead for the Analysis of Impediments to Fair Housing Choice. Community Development also consulted with a number of other agencies including the Lubbock Housing Authority (LHA), the Community Housing and Resource Board (CHRB), a Community Housing Development Organization (CHDO), and the agencies involved in the local Continuum of Care to address homelessness.

Consolidated Plan Public Contact Information

City of Lubbock
Community Development Department
P.O. Box 2000
Lubbock, TX 79457
806-775-2296
cdinfo.mylubbock.us

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Lubbock works with a wide variety of agencies, organizations, and service providers in an effort to bring various viewpoints to bear in the identification of local housing and community development needs. Ongoing relationships focused on specific needs and targeted meetings designed to bring public input into the Consolidated Plan and Annual Action Plan process are two of the ways that the City utilizes outside organizations in the consultation process.

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(l))

The City has an ongoing relationships with Community Housing Development Organizations (CHDOs), to provide affordable rental housing. The City also works closely with the Lubbock Housing Authority (LHA), which organizes resources from the federal government to address the housing needs of the City's lowest income households.

Through the Texas Homeless Network, the City maintains relationships with homeless shelters and services providers, including other governmental agencies with specific responsibilities for homeless individuals and families. The City also participates in a variety of other coalitions that seek to address other issues that relate to housing and service needs. The City will be coordinating with a newly formed local coalition to develop a local homeless plan, goals, strategies, and evaluation for homeless assistance in specific segments of the CoC homeless system. Local providers and individuals that are currently or have previously experienced homelessness will be included in these coordination efforts.

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 Lubbock continues to meet and coordinate with homeless providers on the needs of the homeless in the City. The City will support the Balance of State CoC through the Texas Homeless Network and the point in time count.

Per HUD requirements, the Texas Homeless Network is the lead responsible agency for Coordinated Entry (CE) in the area. CE is a housing crisis response system that helps to ensure that people at-risk of or experiencing homelessness can readily access and navigate housing assistance to meet their unique needs. CE is designed so that households are prioritized for and matched with the appropriate intervention as quickly as possible based on their vulnerability and severity of needs. The goal of CE is to

standardize the access, assessment, prioritization and referral process across all agency providers in a community in order to provide the necessary assistance quickly and successfully.

The Emergency Solutions Grant (ESG) program written standards serve as a guide in administering the City's ESG Funds. The written standards were developed using information obtained from the various service providers in the community who presented their views on how the program could best serve the homeless population within the community and through consultation with the State Continuum of Care. These standards include client eligibility requirements including the number and types of risk factors that will be used to determine those that are most in need of assistance. The standards also discuss coordination of services, prioritization of homelessness prevention and rapid re-housing services, the limits on services such as the amounts, length of participation in the program, and the number of times an applicant can receive services within the within the 3- year period limitation.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City consults with the Texas Homeless Network Balance of State CoC. Staff from the City of Lubbock participate in the development of the Continuum of Care which includes funding allocation strategies, developing performance standards to evaluate ESG funded projects, and working with area service providers to include City resources, to the extent possible, in the provision of services to homeless individuals and families in Lubbock.

The Homeless Management Information System (HMIS) is the information system designated by the Continuum of Care to comply with HUD’s data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. HMIS is managed by the CoC. For more information or questions about HMIS, interested persons can visit their website at: https://www.thn.org/texas-balance-state-continuum-care/hmis/

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	HABITAT FOR HUMANITY OF LUBBOCK, INC.
	Agency/Group/Organization Type	Housing Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. Habitat works to provide affordable housing for homeowners in the City.
2	**Agency/Group/Organization**	Community Housing Resource Board
	Agency/Group/Organization Type	Housing CHDO
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. CHRB is the local CHDO helping to develop affordable housing for LMI households in Lubbock.
3	**Agency/Group/Organization**	Lubbock Housing Finance Corporation
	Agency/Group/Organization Type	Housing Community Development Financial Institution
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. The agency also participated in the Consolidated Plan process.
4	**Agency/Group/Organization**	North East Lubbock CDC
	Agency/Group/Organization Type	Housing Neighborhood Organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. The agency also participated in the Consolidated Plan process.
5	**Agency/Group/Organization**	BACKYARD MISSION
	Agency/Group/Organization Type	Housing Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Interviewed for perspectives.
6	**Agency/Group/Organization**	CATHOLIC CHARITIES DIOCESE OF LUBBOCK
	Agency/Group/Organization Type	Housing Social Services Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Interviewed for perspectives.

7	**Agency/Group/Organization**	FAMILY PROMISE OF LUBBOCK
	Agency/Group/Organization Type	Housing Social Services Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Interviewed for perspectives.
8	**Agency/Group/Organization**	WOMENS PROTECTIVE SERVICES OF LUBBOCK
	Agency/Group/Organization Type	Housing Services-Victims of Domestic Violence Social Services Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Asked to share community survey with partners.
9	**Agency/Group/Organization**	GUADALUPE PARKWAY SOMMERVILLE CENTERS
	Agency/Group/Organization Type	Social Services Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Asked to share community survey with partners.
10	**Agency/Group/Organization**	LUBBOCK CHILDRENS HEALTH CLINIC
	Agency/Group/Organization Type	Health Agency Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Asked to share community survey with partners.
11	**Agency/Group/Organization**	YWCA LUBBOCK
	Agency/Group/Organization Type	Housing Social Services Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. During the Consolidated Plan process, the agency was invited to participate in the Fair Housing and Consolidated Plan community forums. Asked to share community survey with partners.

12	**Agency/Group/Organization**	The Intergovernmental Panel on Climate Change (IPCC)
	Agency/Group/Organization Type	Agency - Emergency Management Planning organization Hazard Mitigation
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Non-Housing Community Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	IPCC is a leading organization and is the United Nations body for assessing the science related to climate change. IPCC provides regular assessments of the scientific basis of climate change and its impacts and future risks, and options for adaptation and mitigation.
13	**Agency/Group/Organization**	BroadbandNow
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development Anti-Poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	BroadbandNow collects and maintains internet coverage for all US internet providers. BroadbandNow is also focused on bringing awareness to the digital divide and bringing awareness to the issue. Its belief is that broadband internet should be available to all Americans. According to BroadbandNow, in 2023 there are at least ten high-speed internet providers with services over 15 Mbps varying from cable, fiber, DSL and 5G. Eight of these providers have 100% coverage across the City.

14	**Agency/Group/Organization**	Lubbock Voluntary Organizations Active in Disaster (VOAD)
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Agency - Emergency Management Hazard Mitigation
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Non-Housing Community Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This association of organizations aims to mitigate the impact of disasters, promote cooperation, communication, coordination and collaboration; and find more effective delivery of services to communities affected by disaster. The association is a network and various neighborhood organization which work towards this cause.
15	**Agency/Group/Organization**	Neighborhood House
	Agency/Group/Organization Type	Public Service, Urgent Needs
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Quality of Life Improvements
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. Neighborhood House provides supportive services for persons and households in Lubbock County under the Comprehensive Emergency Assistance Programs (CEAP) for utility assistance and household crisis.
16	**Agency/Group/Organization**	Salvation Army - Lubbock
	Agency/Group/Organization Type	Services-homeless Homeless Shelter

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. The agency provides emergency shelter, food, and temporary housing. They have programing for homeless prevention and permanent housing.
17	**Agency/Group/Organization**	Grace Campus
	Agency/Group/Organization Type	Services-homeless Homeless- Shelter
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. Grace Campus provides homeless services and shelter to persons experiencing homelessness in the City.
18	**Agency/Group/Organization**	Community Health Clinics of Lubbock
	Agency/Group/Organization Type	Services-Health Publicly Funded Institution/System of Care Public Service; Affordable Health Care; Urgent Needs
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Urgent Needs; Health Care; Quality of Life

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City continues to remain engaged with the organization to help determine the housing and community development needs in Lubbock. The agency provides health care services to the uninsured or underinsured citizens of Lubbock.

Identify any Agency Types not consulted and provide rationale for not consulting

No specific organizations were intentionally left out of the public participation process.

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?
Annual Action Plan	Texas Homeless Network	The Strategic Plan provides a set of goals for addressing homelessness, with are supported by Texas Homeless Network and its participating agencies.
PHA 5 Year Plan	Lubbock Housing Authority	The 5-Year Plan addresses specific maintenance and planning needs of the Lubbock Housing Authority, which has a major role in addressing the housing needs of Lubbock.

Table 3 – Other local / regional / federal planning efforts

Narrative

The City of Lubbock works closely with City leaders, CHRB, LHA and other agencies in Lubbock in the provision of programs to address local issues covered by the Consolidated Plan and this year's PY 2023 AAP. The development of the Strategic Plan and PY 2023 AAP require the help of the local non-profit community and other organizations. Specific priorities are identified and ranked through that participation utilizing focus group sessions, forums, and surveys. The City relies on its ongoing relationships to ensure that these opinions and observations are incorporated into the Plan.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

The Citizen Participation Plan (CPP) provides policies and procedures that assure that the public has adequate notice and opportunities to provide input into the development of the PY 2023 AAP. The CPP calls for appropriate notice prior to public meetings, accommodations for persons with disabilities, and specification of the public review period and number of meetings to be held. Adhering closely to the CPP, the City held a 30-day public comment period and public hearing.

Citizen participation outreach details are summarized in the table below and proof of citizen participation is attached as an appendix in the AD-26 of this plan.

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 Community Development and Services Board	The Community Development and Services Board (CDSB) will hold a Public Hearing and board meeting on **Wednesday, May 17, 2023 at 5:30 p.m.** The agenda can be viewed at: https://ci.lubbock.tx.us/meetings	A summary of comments will be provided after the public comment period.	All comments are accepted.	https://ci.lubbock.tx.us/meetings
2	Public Comment Period	Non-targeted/broad community	A 30-day public comment period is scheduled to start on **May 18, 2023 to June 17, 2023** to give the public an opportunity to review and make comments on the draft AAP. Public comments will be accepted until June 17, 2023 at 5:00 PM in writing by Email: cdinfo@mylubbock.us U.S. Mail: City of Lubbock, Community Development, PO Box 2000, Lubbock, TX 79457Drop-Off: Community Development Drop-Box, located at 1708 Crickets Ave.	A summary of comments will be provided after the public hearing.	All comments are accepted.	N/A

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Lubbock receives funding from three federal grant programs, which are the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG) programs. These three grant programs will support community development programs, affordable housing development and opportunities, and address homelessness in PY 2023. In addition to these programs, the City anticipates it will generate program income in the amount of $150,000 for CDBG and $500,000 for HOME housing programs. Finally, PY 2023 is the final program year of the 2019-2023 Consolidated Plan, and there are no more funds expected in this 5-year grant cycle. The following PY will start a new 5-year Consolidated Planning period.

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	2,245,749	150,000	0	2,395,749	0	PY 2023 is the fifth and final program year of the ConPlan. There are no more funds expected for the remainder of ConPlan. The following program year will start a new 5-year ConPlan period.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,163,287	500,000	0	1,663,287	0	PY 2023 is the fifth and final program year of the ConPlan. There are no more funds expected for the remainder of ConPlan. The following program year will start a new 5-year ConPlan period.

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: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	198,147	0	0	198,147	0	PY 2023 is the fifth and final program year of the ConPlan. There are no more funds expected for the remainder of ConPlan. The following program year will start a new 5-year ConPlan period.

Table 5 - 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

Federal HUD entitlement funds has helped the City to leverage recent local and state funds. Through leveraging federal funds, the City was able to receive the North-East Lubbock Neighborhood Infrastructure Fund (NELNIF) from the City's general fund. $233,905 was received for the Homeowner Minor Rehabilitation Program, which was designated to areas in North and East Lubbock. CEAP funds were also received in the amount of $1,478, 887 for households in crisis and in need of utility payment assistance. Finally, CSBG funds were received in the amount of $450,000 for self-sufficiency programs.

ESG funding will have a 100% match, and the fund will be matched by each subgrantee. HOME match will be identified on a project by project basis, where required. The City will monitor other funding opportunities as they are presented. Where project opportunities are presented with Low-Income Housing Tax Credits or Project-Based Vouchers (rental assistance) as potential additional resources that could assist with the development of new housing, the City will support any efforts to secure those resources.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Lubbock has vacant land available for sale to non-profit developers through the Urban Renewal Agency (URA). The URA studies the need for neighborhood rehabilitation in older sections of Lubbock, and recommends rehabilitation projects to be funded. Some properties are located within flood zones, while many are remnants, too small for development. However, URA does own some lots that are feasible for housing and development programs. The URA meets the third Tuesday of each month to discuss these properties and plan redevelopment activities.

Discussion

The City has programmed approximately $4.25 million for the CDBG, HOME, and ESG programs for PY 2023. These funds will be used to operate a range of housing and community development services as described later in the Annual Action Plan goals and projects.

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	1A Expand Public Infrastructure	2019	2023	Non-Housing Community Development		Expand & Improve Public Infrastructure &Facilities	CDBG: $377,483	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
2	1B Improve Public Infrastructure Capacity	2019	2023	Non-Housing Community Development		Expand & Improve Public Infrastructure &Facilities	CDBG: $377,483	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
3	1C Improve Access to Public Facilities	2019	2023	Non-Housing Community Development		Expand & Improve Public Infrastructure &Facilities	CDBG: $377,483	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
4	2A Provide for Owner-Occupied Housing Rehab	2019	2023	Affordable Housing		Preserve & Develop Affordable Housing	CDBG: $819,150	Homeowner Housing Rehabilitated: 20 Household Housing Unit
5	2B Increase Homeownership Opportunities	2019	2023	Affordable Housing		Preserve & Develop Affordable Housing	HOME: $706,644	Direct Financial Assistance to Homebuyers: 20 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	2C Increase Affordable Rental Housing Opportunities	2019	2023	Affordable Housing		Preserve & Develop Affordable Housing	HOME: $956,643	Rental units constructed: 2 Household Housing Unit Rental units rehabilitated: 70 Household Housing Unit
7	3B Provide Vital Services for LMI Households	2019	2023	Non-Homeless Special Needs		Public Services & Quality of Life Improvements	CDBG: $444,150	Public service activities other than Low/Moderate Income Housing Benefit: 300 Persons Assisted
8	5A Provide Homeless Rapid Re-Housing Assistance	2019	2023	Homeless		Homelessness Housing and Support Services	ESG: $79,259	Tenant-based rental assistance / Rapid Rehousing: 20 Households Assisted
9	5B Provide Assistance to Homeless Shelters	2019	2023	Homeless		Homelessness Housing and Support Services	ESG: $118,888	Overnight/Emergency Shelter/Transitional Housing Beds added: 800 Beds

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	1A Expand Public Infrastructure
	Goal Description	Expand public infrastructure through activities for LMI persons and households. Some activities will include ADA compliance for curb ramps and sidewalks and roadway safety projects.
2	**Goal Name**	1B Improve Public Infrastructure Capacity
	Goal Description	Improve public infrastructure capacity through activities for LMI persons and households. Public infrastructure activities include improvements to infrastructure in the jurisdiction such as roadway resurfacing and improvements to curbs and ramps on sidewalks for ADA compliance.

3	**Goal Name**	1C Improve Access to Public Facilities
	Goal Description	Improve access to public facilities that will benefit LMI persons and households. Funds will be used to improve public facilities such as recreational parks and community centers throughout the City.
4	**Goal Name**	2A Provide for Owner-Occupied Housing Rehab
	Goal Description	Provide for owner occupied housing rehabilitation in target areas of the jurisdiction. These activities will benefit LMI households.
5	**Goal Name**	2B Increase Homeownership Opportunities
	Goal Description	Provide for homeownership opportunities to eligible first-time homebuyers such as direct financial assistance and loans
6	**Goal Name**	2C Increase Affordable Rental Housing Opportunities
	Goal Description	Increase affordable rental housing opportunities in LMI areas through acquisition and rehab of existing structures for affordable rentals.
7	**Goal Name**	3B Provide Vital Services for LMI Households
	Goal Description	Provide vital services for LMI persons and households. Public services will target low- and moderate-income citizens and will include: fair housing awareness, case management for emergency assistance, family self-sufficiency programs, employment programs, and child care services.
8	**Goal Name**	5A Provide Homeless Rapid Re-Housing Assistance
	Goal Description	Provide for rapid re-housing for the homeless population through tenant-based rental assistance and the rapid re-housing program.
9	**Goal Name**	5B Provide Assistance to Homeless Shelters
	Goal Description	Provide assistance to homeless shelters through helping them increase availability of overnight shelter beds through homeless person overnight shelter persons assisted.

Projects

AP-35 Projects – 91.220(d)

Introduction

The following projects were developed by staff with consultation from nonprofit service providers and input from the community. CDBG will fund public facilities and infrastructure improvements, community development programs and housing rehab activities. The CDBG program has a 20% grant cap allowed for admin costs and no more than 15% of the grant may be allocated towards public services. HOME will fund affordable housing development and preservation through the City's housing programs and CHDO development activities. There is a 10% grant cap for admin and 15% of the total grant must be reserved for CHDO activities. ESG will fund homeless programs such as homeless prevention, rapid rehousing and shelter operations. For ESG, there is a 7.5% grant cap for admin.

Projects

#	Project Name
1	CDBG: Administration (2023)
2	CDBG: Public Facilities & Infrastructure (2023)
3	CDBG: Public Services (2023)
4	CDBG: Housing Programs(2023)
5	HOME: Administration (2023)
6	HOME: CHDO Affordable Rentals (2023)
7	HOME: Affordable Housing Development (2023)
8	ESG23 - Lubbock

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The funded projects in the City of Lubbock will address the housing and community development needs as identified in the Consolidated Plan. The following needs are categorized by priority.

Public facilities and infrastructure improvements have been identified as a high need in Lubbock, specifically in low- and moderate-income areas. Public improvements are addressed through CDBG funds and will only target low/mod areas as identified by HUD LMISD data. For more details on low/mod target areas, see the AP-50.

Public services that improve the quality of life for LMI residents are a high priority. This need exceeds the amount of funds available, however there is a 15% grant cap allocation for public services.

The preservation of existing affordable housing units as well as the development of additional affordable housing, for both rental and homeownership opportunities, remains one of the highest priorities for the City. These needs are addressed by CDBG and HOME funds. Activities include direct financial assistance, rental housing construction, existing homeowner housing rehab, and other homeownership opportunities.

Addressing homelessness is a high priority and this need is addressed through the ESG program. The City will fund programs that help with homeless prevention, rapid rehousing activities to help families avoid homelessness and emergency shelter services. Other activities include data collection (HMIS) and admin of the program.

In summary, the projects listed above were selected from project proposals received in accordance with their consistency with the priorities established in the Consolidated Plan. These projects meet needs enumerated in the Needs Assessment and prioritization process to the extent that funding was available. Organizational competencies were also considered when selecting one project over another, leaning toward those organizations with long-standing histories of successful project management.

AP-38 Project Summary

Project Summary Information

1	**Project Name**	CDBG: Administration (2023)
	Target Area	
	Goals Supported	1A Expand Public Infrastructure 1B Improve Public Infrastructure Capacity 1C Improve Access to Public Facilities 2A Provide for Owner-Occupied Housing Rehab 3B Provide Vital Services for LMI Households
	Needs Addressed	Expand & Improve Public Infrastructure &Facilities Preserve & Develop Affordable Housing Public Services & Quality of Life Improvements
	Funding	CDBG: $470,749
	Description	Program administration of the CDBG program.
	Target Date	9/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	City Wide Area
	Planned Activities	Program administration of the CDBG program
2	**Project Name**	CDBG: Public Facilities & Infrastructure (2023)
	Target Area	
	Goals Supported	1A Expand Public Infrastructure 1B Improve Public Infrastructure Capacity 1C Improve Access to Public Facilities
	Needs Addressed	Expand & Improve Public Infrastructure &Facilities
	Funding	CDBG: $850,000
	Description	Improve and expand public infrastructure capacity through activities for LMI persons and households. Improve access to public facilities that will benefit LMI persons and households.
	Target Date	9/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	Public facilities and/or Infrastructure other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted
	Location Description	City Wide Area LMI
	Planned Activities	Infrastructure Improvement throughout the City.
3	**Project Name**	CDBG: Public Services (2023)
	Target Area	
	Goals Supported	3B Provide Vital Services for LMI Households
	Needs Addressed	Public Services & Quality of Life Improvements
	Funding	CDBG: $350,000
	Description	The City will fund vital public services for LMI households and special needs groups.
	Target Date	9/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Public service activities other than Low/Moderate Income Housing Benefit: 300 Persons Assisted
	Location Description	City Wide Area
	Planned Activities	Planned activities will be services for LMI and special needs: Services for LMI/Special Needs: $350,000
4	**Project Name**	CDBG: Housing Programs (2023)
	Target Area	
	Goals Supported	2A Provide for Owner-Occupied Housing Rehab
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	CDBG: $725,000
	Description	The City will provide for minor owner-occupied housing rehabilitation for eligible LMI households. Housing counseling services will also be provided in connection to rehab services.
	Target Date	9/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	Homeowner Housing Rehabilitated: 20 Household Housing Unit
	Location Description	City Wide Area
	Planned Activities	Planned activities will include project delivery and field services, minor owner-occupied housing rehab, and housing counseling services in connection to the rehab activities. Minor Rehab Program and Direct Delivery/Field Services: $675,000 Housing Counseling Services: $50,000
6	**Project Name**	HOME: Administration (2023)
	Target Area	
	Goals Supported	2B Increase Homeownership Opportunities 2C Increase Affordable Rental Housing Opportunities
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: $123,287
	Description	Administration of the HOME program.
	Target Date	9/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	City Wide Area
	Planned Activities	Administration of the HOME program.
7	**Project Name**	HOME: CHDO Affordable Rentals (2023)
	Target Area	
	Goals Supported	2C Increase Affordable Rental Housing Opportunities
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: $250,000
	Description	Increase affordable rental availability for LMI households through CHDO development activities.
	Target Date	9/30/2024

	Estimate the number and type of families that will benefit from the proposed activities	Affordable Rental Housing Added: 2 Household Housing Unit
	Location Description	City Wide Area
	Planned Activities	CHDO development activities.
8	**Project Name**	HOME: Affordable Housing Development (2023)
	Target Area	
	Goals Supported	2B Increase Homeownership Opportunities 2C Increase Affordable Rental Housing Opportunities
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: $1,290,000
	Description	The City will provide affordable housing opportunities such as direct financial assistance and loans for eligible LMI first-time homebuyers. The City will also work to increase affordable rental housing opportunities in LMI areas through rehab of existing units.
	Target Date	9/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Direct Financial Assistance to Homebuyers: 20 Households Assisted Rehab of Rental units: 70 Household Housing Unit
	Location Description	City Wide Area
	Planned Activities	Direct financial assistance for eligible homebuyers and rehab of existing housing.
9	**Project Name**	ESG23 - Lubbock
	Target Area	
	Goals Supported	5A Provide Homeless Rapid Re-Housing Assistance 5B Provide Assistance to Homeless Shelters
	Needs Addressed	Homelessness Housing and Support Services
	Funding	ESG: $198,147
	Description	The City will support homeless persons through overnight shelter operations. Assistance to homeless shelters will help increase the availability of overnight shelter beds. The City will also provide for rapid re-housing for the homeless population.

	Target Date	9/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Tenant-based rental assistance / Rapid Rehousing: 20 Households Assisted Homeless Person Overnight Shelter: 800 Persons Assisted
	Location Description	City Wide Area
	Planned Activities	Planned activities for ESG 2023: Admin will be no more than 7.5%: $14,147 HMIS: $4,000 Homeless Activities (Rapid Rehousing/Shelter Operations/Essential Services): $180,000

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 Lubbock does not determine funding targets solely on geographic areas. Much of the funding from the CDBG and HOME programs is available for use in any of the target neighborhoods or citywide, depending on the specifics of the designated activities. Direct services such as public services and affordable housing benefits are based on individual income eligibility rather than area benefit. Improvements to public facilities and infrastructure have an areawide low/mod income benefit and the distribution of funds is by target area. The City however will target areas of LMI concentration, areas of high minority concentration and LMI households "citywide".

Minority Concentrations:

As reported in the MA-50 of the Consolidated Plan, Black/African-Americans comprise about 8.1% of the population of Lubbock. There is some concentration of the Black/African-American population in census tracts east of the downtown, area with the percentage of the total population being as much as 73.5%. These areas also show high rates of poverty, with poverty rates near 30%.

Likewise, the Hispanic population, which makes up 34.9% of the total population of Lubbock, is concentrated in census tracts north, east, and southeast of the downtown area. In some of these tracts, the percentage Hispanic exceeds 85% of the total population of the tract. These tracts also show high rates of poverty.

Area benefits are discussed further below.

Geographic Distribution

Target Area	Percentage of Funds
N/A	N/A

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The proposed allocation of funds is based on federal funding requirements for each formula-allocated grant. The City will target areas of LMI concentration with emphasis on areas of high minority concentration. The City will also target LMI individuals and households "citywide" based on eligibility.

For example, when a planned activities is intended to serve individuals or households directly, those individuals or households must meet income qualifications, as well as residency requirements (residing within the City), in order to receive assistance from the program. In these instances, City staff and/or one

of its partner agencies will complete an in-take and eligibility status review of the applicant before the activity is initiated.

The City has also identified infrastructure and public facility improvement activities. In which case, the planned activities will serve a community or neighborhood. These activities are said to have an "area-wide" benefit. Per HUD requirements, these areas must be within an eligible Census Block Group Tract, as defined by HUD-CDBG regulations, whereby the majority of the residents are low- to moderate-income (or 51%).

To determine LMI tracts the City utilizes HUD's CDBG Low Mod Income Summary Data (LMISD) from the HUD Exchange website, which has defined the eligible block group tracts within the jurisdiction. The tracts can be at: https://www.hudexchange.info/programs/acs-low-mod-summary-data/

Discussion

The distribution of funds by target area is projected to be primarily citywide due to use of funds for administrative, non-profit support, and individual benefit-oriented programmatic uses of the funds.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The annual goals listed previously in the AP-20 specify the following production numbers for housing assistance for the homeless, non-homeless, and special needs populations. These activities will include homeowner and renter housing rehab, new development of rental housing, direct financial assistance to potential homebuyers and rental assistance for persons at-risk or experiencing homelessness.

One Year Goals for the Number of Households to be Supported	
Homeless	20
Non-Homeless	112
Special-Needs	0
Total	132

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	20
The Production of New Units	22
Rehab of Existing Units	90
Acquisition of Existing Units	0
Total	132

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

CDBG:
Homeowner Housing Rehabilitated: 20 Household Housing Unit

HOME:
Rental units constructed (CHDO): 2 Household Housing Unit
Rental units Rehab: 70 Household Housing Unit
Direct Financial Assistance to Homebuyers: 20 Households Assisted

ESG:
Tenant-based rental assistance / Rapid Rehousing: 20 Households Assisted

AP-60 Public Housing – 91.220(h)

Introduction

The Lubbock Housing Authority (LHA) manages over 300 units of public housing and 1,258 Housing Choice Vouchers (HCV). The PHA provides services and housing as detailed in their PHA Plan. This section provides a short summary of actions planned for the next year.

Actions planned during the next year to address the needs to public housing

As of the most recent 2023 PHA plan, the LHA has a waitlist of 289 households for public housing and 398 households for Section 8. The waiting list has been closed for 12 months, and the LHA does not plan to reopen the waitlist during the program year.

New activities planned include mixed finance modernization and development of units and the conversion of public housing units to project-based assistance under the RAD program. These include continuing the conversion of approximately 75 units of housing for affordable Section 8 rental housing. The agency continually evaluates units as they are vacated for renovation needs, often removing individual units from the inventory temporarily to allow for renovation activities. The agency also will re-evaluate its payment standard to assure that subsidies are relevant in the housing market. The LHA also intends to operate a Section 8 Project-Based Voucher Program.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Each year, the Lubbock Housing Authority encourages residents to participate in resident councils, but has little success maintaining ongoing interest at the individual development level. The organization-wide resident council is maintained to assist in the planning process. The agency does not currently operate any homeownership programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. The Lubbock Housing Authority is not designated as troubled, and is a “High Performer”.

Discussion

See the PHA Plan for details of actions mentioned above. The PHA plan can be found on LHA’s website at: https://lubbockha.org/2022/04/21/2022-annual-plan-draft/

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Funding from the Emergency Solutions Grant (ESG) Program is used to support the homeless population in Lubbock. These funds are intended to target specific activities, which will be administered by the City. In the coming program year, the following activities are eligible under the ESG program.

(1) Street Outreach funds may be used for costs of providing essential services necessary to engage people experiencing unsheltered homelessness; connect with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

(2) Emergency Shelter funds may be used for costs of providing essential services to homeless families and to individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.

(3) Homelessness Prevention funds may be used to provide housing relocation and stabilization services and short and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or other homeless situation.

(4) Rapid Re-housing Assistance funds may be used to provide housing relocation and stabilization services and short and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

(5) Relocation and Stabilization Services funds may be used to pay financial assistance to housing owners, utility companies and other third parties.

(6) HMIS funds may be used to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area.

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

Many homeless service providers in Lubbock engage in street outreach activities as part of their efforts to address homelessness. Street outreach is conducted on a regular basis and is focused on individuals and families that are least likely to present for homeless services, including housing. The City of Lubbock Police Department's Homeless Outreach Team (HOT) engages individuals and families experiencing homelessness daily helping them navigate the homeless system. The HOT team provides referrals to other agencies for employment, social security cards, birth certificates, and bus fares. Additionally, they

coordinate with other homeless service providers in the community to provide referrals to additional resources. StarCare Specialty Health System provides specialized outreach services to the homeless with a serious mental illness and/ or co-occurring substance use disorder.

To identify individuals and families experiencing homelessness and assess their individual needs Lubbock will increase community engagement. Community awareness, engagement and collaboration are the keys to impactful change. By increasing leadership engagement, collaboration, and community awareness, we can strengthen the capacity of public and private organizations by increasing community knowledge about service interventions and best practices to prevent and end homelessness.

The City has allocated ESG funds in PY 2023 towards HMIS. The City will help support HMIS activities to continue assessing homelessness in the City, and therefore improve delivery of services to people experiencing homelessness. These activities will include but will not be limited to the periodic review of local project data quality and data analysis on local and CoC wide HMIS data including system performance metrics, racial disparities, Longitudinal System Analysis (LSA), local project performance, and local outreach data. To track our goals for Outreach and other service interventions our plan continues to include utilizing Coordinated Entry to provide assessment, prioritization and referrals to housing programs, tracking by name all of those who are experiencing homelessness in our community and inputting the information into HMIS.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City and local homeless service providers are focusing efforts on increasing the bed capacity for both emergency shelter and transitional housing programs that have a focus on participants obtaining permanent housing at the end of their stay. The City is developing a plan to leverage funds from other Federal, State, local, and private sources to increase shelter capacity within the City to address the needs of homeless persons. The City will be coordinating with a newly formed local coalition that will be developing a local homeless plan that will include addressing the emergency shelter and transitional housing needs of homeless persons. The City will use ESG funds to support current shelter operations in the City throughout the program year. The CoC will continue to expand permanent supportive housing and rapid rehousing programs that will result in additional beds being made available at emergency shelter and transitional housing locations.

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 Homeless Network works with the City and homeless service providers to resolve, reduce and

remove the barriers that persons experiencing homelessness face during their transition to permanent housing and self-sufficiency. This is first done by utilizing the coordinated assessment process to identify all homeless persons and prioritize referrals to housing programs. Referrals to Rapid Rehousing and Permanent Supportive Housing programs are prioritized by the longest histories of homelessness and the highest service needs. The City advocates and supports projects that implement evidence-based best practices like the housing first model. Homeless service providers connect program participants to resources such as mainstream benefits, job placement services, vital records, and other supportive services to increase participants self-sufficiency. Homeless housing programs provide housing search and placement services and utilize available housing resource lists to assist program participants in identifying affordable housing options to reduce the length of time individuals and families experience homelessness once enrolled in a housing program. The City and local homeless shelters utilize HMIS data to analyze the results of the homeless service system as well as individual projects to gain insight on service gaps within the community and improve the performance outcomes of each individual project and the overall system.

Proposed funding for the ESG program includes activities targeting improvements in the areas of rapid rehousing and homeless prevention. ESG funding will be used in the program year to prevent individuals or families from becoming homeless or help with shelter operations and essential services. As well, the City will also fund rapid re-housing rental assistance activities as needed.

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.

Homeless prevention is a major focus of the City, in particular individuals and families discharged from other systems of care. The City is focused on keeping individuals and families out of chronic homelessness. For some providers, homeless prevention is their sole mission. Other providers provide homeless prevention as an additional support program in conjunction with the provision of emergency shelter and other supportive services. All of these activities will help individuals and families avoid homelessness and repeated experiences of being homeless. The City has staff to refer low income individuals and families to available affordable housing options and supportive service programs in the City to help them avoid becoming homeless. Additionally, the Housing Authority of Lubbock has received 33 HUD Emergency Housing Vouchers (EHVs) to assist those that are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

Discussion

The community partners work closely together to identify and meet the needs of individuals and families

experiencing homelessness through coordination of services and partnership. The City plans to address the needs of special needs populations that are at-risk of homelessness through the provision of public services that will specifically focus on the elderly and persons with disabilities (transportation services) and will provide some housing related assistance with accessibility issues.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Though public policies are meant to address the overall needs of citizens in the area, there are times where they may have a negative effect on certain aspects of the community, which in this case, are affordable housing and residential investment. Affordable housing and public and private residential investments are key components in furthering fair housing in any community. In part, to identify these negative effects and further the purposes of the Fair Housing Act, the U.S. Department of Housing and Urban Development (HUD) made it a legal requirement that entitlement grantees to affirmatively further fair housing. The primary tool communities have for identifying contributing factors for these barriers to fair housing is the Analysis of Impediments to Fair Housing Choice (AI). The City updated the 2014 AI and adopted the new assessment in May of 2019. The 2019 AI identified these fair housing issues:

Affordable Housing

- Because of university populations, housing around the schools where there are often job opportunities is too high for low-income workers because those living in a roommate situation look at price points differently than a family household.
- Renter cost burden increased to 55% from 44% since 2010.
- Renters are often burdened by rental fees and penalties, and the use of Tenant Tracker by many landlords makes it difficult for delinquent renters to move beyond past difficulties.
- Seniors are also affected by rental housing practices as many properties require two-months' rent to move in and seniors on fixed incomes are unable to save to afford that cost.

Transportation

- There is a lack of affordable housing opportunities near areas that contain employment opportunities.
- Bus routes do not extend to parts of town experiencing development.
- Stakeholders reported that there are not enough accessible bus routes.

Housing Quality

- Residents in low-income areas reported that neighborhood conditions have worsened while residents in higher-income areas have reported improvements.

Financial Services

- East and North Lubbock do not have financial institutions to serve residents and many rely on pay day lenders.
- While organizations offer financial literacy training to individuals seeking homeownership

opportunities, not all individuals are ready for homeownership.

- Employers of low-income and young workers without bank accounts are using systems such as Netspend and GreenDot for paychecks resulting in a lack of credit history.

Persons with Disabilities

- Stakeholders report that there are not enough units for disabled individuals.
- Senior populations require more accessible units and as the senior population grows the demand for these types of units increases.

Fair Housing Education

- Lubbock does not have a fair housing group so it's difficult for people to know where to go for help.
- Generally, there is a lack of information and services for people dealing with Fair Housing Concerns.
- From 2008-2017 only 47 housing complaints were filed. Disability was the most cited claim followed by race.

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 Lubbock has six goals to remove the barriers of affordable housing in the City. They are:

Goal #1: Seek options for improving housing affordability for renters

Goal #2: Improve transportation routes to provide access to greater employment opportunities

Goal #3: Increase code enforcement and investment in older neighborhoods.

Goal #4: Improve financial literacy and access to financial services for lower income individuals and neighborhoods

Goal #5: Identify additional ways to connect persons with disabilities to accessible housing

Goal #6: Increase public awareness of fair housing rights and improve opportunity for reporting concerns

The housing activities in the AP-35 Projects work directly to address the housing needs of City residents. These projects were developed to accomplish housing related goals in the AP-20 goals: 2A

Provide for Owner-Occupied Housing Rehab; 2B Increase Homeownership Opportunities; 2C Increase Affordable Rental Housing Opportunities; and 5A Provide Homeless Rapid Re-Housing Assistance.

Housing programs include rental housing development, owner-occupied and renter-occupied housing rehab for LMI households and rapid rehousing activities for persons who are experiencing homelessness. The City informs every household assisted of fair housing rights and also work to help households with a disability to find accessible and adequate housing.

The City also addresses goal 1B Improve Public Infrastructure Capacity through its improvements to public infrastructure activities which address the need to improve roads and other modes of transportation.

Discussion:

The City of Lubbock has worked to reduce the effects of public policy on affordable housing development over the past few years. While there are a number of market forces at work that make affordable housing development difficult, such as construction and land costs, the impact of public policy is not a major factor.

AP-85 Other Actions – 91.220(k)

Introduction:

The City currently provides a variety of services to the residents of Lubbock. Activities are funded by CDBG, HOME, and ESG, with private, State, and City funding bringing additional assets to bear on the needs identified in the plan. The actions are primarily the continuation of successful activities the City is currently doing in the various areas as described in this section. Below are some of the actions currently performed by the City or under consideration for the future.

Actions planned to address obstacles to meeting underserved needs

The City will continue to look for new funding sources for programs to address underserved needs. Funding is the major obstacle in providing the services needed to focus on the vast variety of issues that prevent families from breaking out of poverty and from living in the best, most affordable housing possible. As reported in the Needs Assessment of the Consolidated Plan, cost burden continues to be the biggest housing problem in Lubbock and these issues have only increased with rising housing costs. These issues were exacerbated from the COVID-19 pandemic which had a major negative affect on the economy, and has not fully recovered yet, in particular for LMI residents. To help address this, the City will continue to use federal funds as leverage for local and state grants where possible and for programs that help the most underserved populations in the City.

Actions planned to foster and maintain affordable housing

The City will continue to work to identify any city-owned parcels that might be suitable for affordable housing development opportunities, work with developers to fund projects, support tax credit applications, and manage programs to assist homeowners with maintenance and rehab needs.

The City will work directly to assist LMI households with affordable housing programs. Planned activities will include field services, minor owner-occupied housing rehab, and housing counseling services. Affordable housing opportunities such as direct financial assistance and loans for eligible LMI first-time homebuyers will also be provided. In addition to these, the City will work to increase affordable rental housing opportunities in LMI areas through rehab of existing units.

Actions planned to reduce lead-based paint hazards

The City will:

- Continue to meet HUD lead-based paint abatement standards in housing rehabilitation programs.
- Identify additional funding to perform abatement on pre-1978 housing in the target census tracts

and perform abatement to reduce affected units.

- Seek funding as it becomes available to provide testing and abatement of lead-based paint hazards in single-family housing where young children are present.

- Expand the stock of lead safe housing units through housing initiatives.

- Seek funding as it becomes available to provide for testing, abatement, training, and educational awareness.

Actions planned to reduce the number of poverty-level families

The activities in this PY 2023 AAP work directly to reduce the number of poverty-level families in Lubbock. CDBG housing programs such as the minor rehab program help to maintain housing conditions and protects property value, and mortgage assistance helps LMI families financially. HOME affordable rental development, affordable homebuyer programs for potential LMI households and affordable housing added by CHDO's keep housing costs affordable and allows LMI households to direct funds towards other necessary needs such as food and healthcare.

Through the City's partnership with homeless service providers and LHA, the City also works to reduce poverty. The City will continue its efforts in conjunction with the Texas Homeless Network and the Lubbock Housing Authority to reduce the number of poverty-level families through the development of services needed to assist those families with educational opportunities, job growth, and life skills training through the various social service agencies operating in Lubbock. Through the ESG program, rapid rehousing rental assistance is designed to house families and help prevent repeat homelessness, which will provide the stability needed for them to have the best chance at becoming self-sustainable.

Actions planned to develop institutional structure

The City will continue to:

- Work with non-profit organizations to address community needs and provide support to federal and non-federal funding initiatives.

- Work with private industry to address important issues that hamper housing and community development efforts.

- Identify opportunities to create private/public partnerships for project finance and development to leverage federal funds.

- Create networking opportunities through a housing roundtable that provides opportunities for City

staff to interact with all sectors of the housing industry.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to coordinate planning activities with private housing providers and social service agencies, development of the Continuum of Care, and enumeration of point-in-time and homeless surveys. City staff will also continue its participation in other coalitions and study groups as the opportunity arises.

The City will provide technical assistance to subrecipients of its federal grants to help ensure the success of each program and that these programs and services help improve the lives of intended beneficiaries.

Discussion:

The actions are primarily the continuation of what the City is currently doing in the various areas. No major obstacles in the institutional structure have been identified that need to be addressed. The City is also satisfied with its efforts to coordinate with private housing and social service agencies.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

The following provides details on program specific requirements for each of the three entitlement programs, Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG). The City anticipates it will generate an estimated $150,000 in program income from housing rehab activities in the CDBG program. The estimated percentage of CDBG funds to be used to benefit LMI persons is 100%.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(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	150,000
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:	**150,000**

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.	100.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

   The City of Lubbock is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

   The City of Lubbock follows the regulations for resale and recapture. For the Lease/Purchase Program the resale method is used. This is accomplished through a homeowner's agreement. For the New Construction Program, the recapture method is used. The city administers this program and places a recapture clause in the loan agreements. These loans are serviced in house. The recapture amount will be based on the net proceeds available from the sale up to but not exceeding the entire amount of the HOME investment. The complete HOME Recapture / Resale Provisions are attached to this document in the grantee unique appendices in the AD-26.

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

   Resale requirements must ensure that if the housing does not continue to be the principal residence of the family for the full period of affordability that the housing must be made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as their principal residence. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement as defined below) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The period of affordability is based on the total amount of HOME funds initially invested in the housing. Details are attached in the AD-26.

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

   The City does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds. In addition, the funds will not be used to refinance multifamily loans made or insured by any federal program. The City is aware that HOME funds cannot

be used to refinance multifamily loans made or insured by any federal program, including CDBG

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

Currently funded agencies or those who have received prior funding from the Department of Community Development (DCD) will also be evaluated on past performance in carrying out programmatic activities and contractual compliance. Factors such as agency ability to meet service delivery goals, timely expenditure of funds, timely reporting, accuracy of reporting, ability to meet audit requirements, and other programmatic and fiscal contractual requirements will be considered. These other factors will be considered in conjunction with the proposal score in developing an overall recommendation for agency funding. The ESG Program Standards have been attached along with the Citizen Participation Plan and Monitoring Plan in the Appendix.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

See attachment, Unique Grantee Appendices.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City of Lubbock expects to receive approximately $198,147 for the FY 2023 Emergency Solutions Grant (ESG) Program. These funds will be awarded to community-based, nonprofit organizations providing emergency shelter and related services to the homeless, on a dollar-for-dollar match. Emergency Solutions Grant funds may be used for operations and maintenance, homeless prevention, essential support services and renovation/rehabilitation activities in connection with emergency shelters for the homeless. It is a priority of the U.S. Department of Housing and Urban Development (HUD) and the City of Lubbock to work under a Continuum of Care approach to homelessness to assist homeless individuals and families to obtain a decent living environment, either through rental housing or home ownership. The Community Development Department specifically seeks proposals to provide shelter and supportive services for the homeless. The purpose of the Emergency Solutions Grant (ESG) Program is to: 1) Broaden existing emergency shelter and homelessness prevention activities; 2) Emphasize Rapid Re-Housing; and, 3) Help people quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness; 4) Enhance alignment of ESG regulations with other HUD programs including CDBG, HOME, and Housing Choice Voucher (HCV) program; and, 5) Support more coordinated and effective data collection, performance measurement, and program evaluation.

The City conducted a technical workshop in February that was open to all citizens, agencies, non-profits, for profits, organizations, and City departments that were interested in applying for any of the

three entitlement grants, including ESG. Applications for funding were issued to any interested agencies and submitted to the City. A formal RFP process was not conducted.

4. **If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

The lead agency of the Balance of State Continuum of Care (Texas Homeless Network) has formerly homeless persons on its Board of Directors and all local ESG sub-recipients have formerly homeless individuals involved in decision-making capacities. The City of Lubbock continues to the maximum extent possible to have workshops and public hearings in an effort to encourage the underserved to express their needs and concerns.

5. **Describe performance standards for evaluating ESG.**

HUD has implemented a mandated system of reporting performance measurements in a precise and timely manner. All recipients funded under this proposal must provide needed data to the city of Lubbock in order to be reimbursed for eligible expenses. All of the activities funded must identify one of the three performance measurements overarching objectives: 1) creating suitable living environment (In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment); 2) providing decent affordable housing (This objective focuses on housing programs where the purpose is to meet individual family or community needs and not programs where housing is an element of a larger effort); 3) creating economic opportunities (This objective applies to the types of activities related to economic development, commercial revitalization, or job creation). There are also three outcomes under each objective:

(1) Availability/Accessibility,
(2) Affordability, and
(3) Sustainability.

Thus, the three objectives, each having three possible outcomes, will produce nine possible outcome/objective statements within which to categorize grant activities, as follows:

Availability/Accessibility. This outcome category applies to activities that make services, infrastructure, housing, or shelter available or accessible to low-and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low-and moderate-income people.

Affordability. This outcome category applies to activities that provide affordability in a variety of ways

in the lives of low-and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or daycare.

Sustainability: Promoting Livable or Viable Communities. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefits to persons or low-and moderate-income people or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

The City strives to meet all program specific requirements as detailed in the enabling legislation and program guidelines. City staff work with subgrantees to ensure that these requirements are met and oversees internal operations towards the same goal. The City works and consults with Texas Homeless Network and local members that provide ESG eligible services in determining the priorities for the use of ESG funding, evaluation of ESG funded programs, and HMIS issues through the inclusion of Texas Homeless Network member agencies in Con Plan forums and other planning meetings.

HOME Program, Eligible Applicants

Open Enrollment Process, Homeowner Rehabilitation Programs

The Open Enrollment process was set forth for all homeowner rehabilitation projects carried out by Community Development and funded with CDBG and/or HOME grants funds. The Open Enrollment process was adopted in an effort to provide program accessibility to all homeowners who meet the minimum program requirements.

The department will hold Open Enrollment up to two (2) times per fiscal year. The department will affirmatively further fair housing by making programs available to all eligible persons. The department will advertise the programs in local newspapers and social media platforms. Additionally, the department will notify City leaders, stakeholders, board members, collaborating agencies, neighborhood associations, and other community members and leaders. Flyers and public notices provide information for anyone interested in the program including contact information and minimum qualifications and is available in English, Spanish, or another language as requested.

Through a standard pre-screening process, staff will take calls from interested homeowners, answer any questions about the program and gather specific information from callers that is pertinent to pre-qualification for the homeowner rehab programs. Staff will maintain a log of calls, which will include information for anyone who may be pre-approved or for anyone who does not meet the minimum program requirements. Staff gathers information including homeowner details and make an assessment of eligibility. From the information obtained, staff will be able to immediately determine if the caller would pre-qualify. A reason why they may not pre-qualify is included in the Open Enrollment Process attachment in the Grantee Unique Appendices in the AP-26.

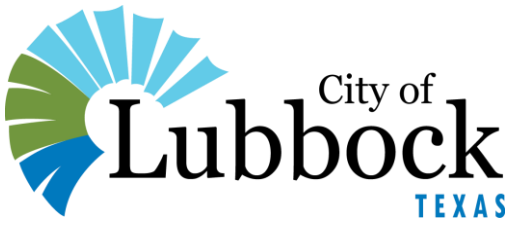
Funding for these programs is limited and not all the callers who pre-qualify will be assisted. Once the list is deemed as *complete*, staff will submit the list to the City of Lubbock City Secretary office. Staff within that office will perform a randomization procedure of the list, sign the results and then submit the list back to CD. The purpose of randomizing the list is to provide callers with an equal chance of obtaining assistance. This is not a first-come, first-serve program. Many citizens do not have access to transportation, internet or other platforms of which information is shared about program availability. Those with limited capacities who call the department during the last days of Open Enrollment will have the same chance of being *selected* for the program as those who called on the first few days.

Once the list is complete, the Housing Inspectors will begin feasibly checks on the properties. These checks will not automatically qualify the homeowner for the program, but will allow the homeowner to move forward with the application process. Funding is limited and not all applications submitted will be processed. Details of the application process is located in the Open Enrollment Process.

City of Lubbock

Analysis of Impediments to Fair Housing

2018



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I. Executive Summary

1. Summarize the fair housing issues, significant contributing factors, and goals. Also include an overview of the process and analysis used to reach the goals.

City Background: The City of Lubbock is located in northwest Texas with a population of 253,888 as of the 2017. It is the 11th largest city in the State of Texas. It was founded in 1867, and is governed by a council-manager form of government, with all governmental powers resting in city council. Residents elect six council members, one for each of Lubbock's six districts, for terms of four years, and a mayor who serves a two-year term. Lubbock is a racially diverse city with nearly half of the population being non-white. Over 30% of the population is Hispanic, which makes efforts at outreach to Limited English Proficiency (LEP) populations essential in ensuring fair housing choice. Lubbock is home to Texas Tech University, which reached an undergraduate enrollment of over 30,000 in the fall of 2017. Lubbock has recently experienced significant growth through the southwest portions of the City. This growth must be considered as the City moves forward with assessing and meeting fair housing and fair housing choice needs of its residents.

Assessment of Fair Housing: Until recently the Analysis of Impediments to Fair Housing Choice was the primary component of HUD's fair housing efforts. On July 16, 2015 HUD published its final rule on affirmatively furthering fair housing (AFFH). Three weeks earlier the U.S. Supreme Court upheld the distinct but related concept of disparate impact liability (Texas Department of Housing and Community Affairs v. Inclusive Communities Project). The procedural aspects of the rule are new, but the fundamental concept is not: the requirement to affirmatively further fair housing is a key provision of the Fair Housing Act, as codified in Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3608). As a condition of accepting HOME Investment Partnerships Program funding, Community Development Block Grants, McKinney-Vento Homeless Assistance Grants and public housing subsidies, the rule required agencies to undertake "meaningful actions... that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." The AFFH final rule replaced the existing requirement to conduct an analysis of impediments to fair housing (AI) with that of a new study, the Assessment of Fair Housing (AFH). The new AFH framework provides grantees with a uniform template, firmer guidance from HUD, and a host of data and mapping tools to assist them in their fair housing analysis. However, in January 2018, HUD published a notice in the *Federal Register* titled "Affirmatively Furthering Fair Housing: Extension of Deadline for Submission of Assessment of Fair Housing for Consolidated Plan Participants." The notice states that for local government consolidated plan participants, the deadline for submitting their AFH will be extended to the next AFH submission date after October 31, 2020.

Despite this extension, the City chose to use the AFH framework in its update to its fair housing analysis in preparation of future required AFH submissions. Under the AFH final rule a jurisdiction's "meaningful actions" must:

- address significant disparities in housing needs and access to opportunity,
- replace segregation with truly integrated and balanced living patterns, and
- transform racially/ethnically concentrated areas of poverty into areas of opportunity.

There is no federal expectation for specific outcomes. Instead, agencies have to carefully and thoughtfully carry out the new process. To carry out the new approach to assessing fair housing issues, the City has reviewed HUD provided data and mapping tools, has undertaken an extensive community outreach and input process, and has worked across its departments to identify the most pressing contributing factors to fair housing issues facing residents to develop a set of six goals to address them. In the new approach, the City considers a set of fair housing issues along with predetermined contributing factors that are detrimental to fair housing choice. The City also used the data and analysis to prioritize the contributing factors most relevant to fair housing issues in Lubbock. The table below lists the contributing factors and how they relate to fair housing issues.

Fair Housing Issues	**Contributing Factors**
Affordable Housing • Because of university populations, housing around the schools where there is often job opportunities is too high for low income workers because those living in a roommate situation look at price points differently than a family household • Renter cost burden increased to 55% from 44% since 2010. • Renters are often burdened by rental fees and penalties, and the use of Tenant Tracker by many landlords makes it difficult for delinquent renters to move beyond past difficulties. • Seniors are also affected by rental housing practices as many properties require two-months rent to movie in and seniors on fixed incomes are unable to save to afford that cost.	The availability of affordable units in a range of sizes
Transportation **Housing Quality** • There is a lack of affordable housing opportunities near areas that contain employment opportunities • Bus routes do not extend to parts of town experiencing development • Stakeholders reported that there are not enough accessible bus routes	Location of employers The availability, type, frequency, and reliability of public transportation Access to transportation for persons with disabilities

• Residents in low income areas reported that neighborhood conditions have worsened while residents in higher income areas have reported improvements.	Lack of public investment in specific neighborhoods, including services or amenities. Deteriorated and abandoned properties.
Financial Services • East and North Lubbock do not have financial institutions to serve residents and many rely on pay day lenders. • While organizations offer financial literacy training to individuals seeking homeownership opportunities, not all individuals are ready for homeownership. • Employers of low income and young workers without bank accounts are using systems such as Netspend and GreenDot for paychecks resulting in a lack of credit history.	Access to financial services Lack of private investment in specific neighborhoods
Persons with Disabilities • Stakeholders report that there are not enough units for disabled individuals • Senior population requires more accessible units and as the senior population grows the demand for these types of units increases.	Location of accessible housing Lack of assistance for housing accessibility modifications Lack of affordable, accessible housing in a range of unit sizes Access to publicly supported housing for persons with disabilities
Fair Housing Education • Lubbock does not have a fair housing group so it's difficult for people to know where to go for help. • Generally, there is a lack of information and services for people dealing with Fair Housing Concerns. From 2008-2017 only 47 housing complaints were filed. Disability was the most cited claim followed by race.	Lack of resources for fair housing agencies and organizations Lack of local private fair housing outreach and enforcement

To address fair housing issues and their contributing factors, the City developed goals that reflect strategies to improve fair housing choice. The goals consider each fair housing issue and the prioritized contributing factors. To reach these goals, the planning process was launched with a comprehensive review of existing studies for information and data relevant to housing needs and related issues. The documents consulted include local comprehensive plans and ordinances, the Consolidated Plan for the City of Lubbock, and other policy documents. Fair housing complaints

reported to HUD were reviewed and information included as well. Stakeholder interviews and community survey responses were used to provide additional data and observations. Surveys were provided in English and Spanish and distributed via the internet and in paper form. The City held three community focus group meetings to collect a diverse range of perspectives on issues of fair housing and fair housing choice. The primary data used in this assessment were HUD-provided data specifically for the AFH, and additional data were obtained from sources including Census reports, American Community Survey data, GreatSchools, ACS/Census GIS maps via PolicyMap. The six goals that the City established are listed below.

1. Seek options for improving housing affordability for renters
2. Improve transportation routes to provide access to greater employment opportunities
3. Increase code enforcement and investment in older neighborhoods
4. Improve financial literacy access to financial services for lower income individuals and neighborhoods.
5. Identify additional ways to connect persons with disabilities to accessible housing
6. Increase public awareness of fair housing rights and improve opportunity for reporting concerns

II. Community Participation Process

1. **Describe outreach activities undertaken to encourage and broaden meaningful community participation in the AFH process, including the types of outreach activities and dates of public hearings or meetings. Identify media outlets used and include a description of efforts made to reach the public, including those representing populations that are typically underrepresented in the planning process such as persons who reside in areas identified as R/ECAPs, persons who are limited English proficient (LEP), and persons with disabilities. Briefly explain how these communications were designed to reach the broadest audience possible. For PHAs, identify your meetings with the Resident Advisory Board.**

   The City conducted community outreach through a range of efforts designed to solicit the most diverse perspectives possible. The City conducted a survey in English and Spanish that was available both on the internet and in paper form. The City asked its stakeholders to distribute information about the survey to populations they serve. The City also held three focus groups on April 4, 2018 and conducted targeted stakeholder interviews. In addition, the City tabled at community events to collect perspectives on fair housing. See more information on these outreach efforts and organizations consulted in number 2 below.

2. **Provide a list of organizations consulted during the community participation process.**

   In order to gain pertinent information on fair housing needs and activities in Lubbock, the City conducted and analyzed Fair Housing Surveys completed by community residents and stakeholder organizations across the City; conducted three, issue-based focus groups; and interviewed key stakeholders including advocacy organizations and government officials. The survey was translated into Spanish. All meetings were held in accessible spaces, and the electronic surveys had an option of being converted to paper-

based versions. Paper based surveys were provided to local community organizations and at public events to gather responses from people in areas across the city and from diverse populations. Both formal and informal channels were used including sharing access to the survey at local businesses. The outreach was conducted in a way that aimed to include as many residents with as diverse backgrounds as possible in the process of gathering information on fair housing issues.

Fair Housing Survey – Web-based survey instruments, along with paper version options were distributed in both English and Spanish. The surveys were advertised and distributed through identified stakeholders and partner organizations.

Focus Groups – To further provide opportunities for stakeholder, advocates, and members of the public to provide in-person input, three focus group meetings were held on April 4, 2018. Each session was promoted to a list of stakeholders and resident organizations throughout the City. The purpose of these focus groups was to more deeply explore issues identified via the surveys and AFH data research, and allowed different constituencies to engage one another's perspectives, and to identify key variations in viewpoints. Community residents and other interested parties were encouraged to participate in the public meetings, and interactive dialog was encouraged in order to illuminate fair housing nuances that are not easily explored through the other methods of outreach.

Each focus group was centered around a particular issue or group. These groups included:

• Service Providers

• Advocacy Organizations

• Government Officials

The following is a list of the organizations that were invited to send representatives to the meetings:

- Across the Street Ministries
- Alcohol Recovery Center of Lubbock, Inc.
- American Red Cross of Texas South Plains
- Backyard Mission
- Big Brothers Big Sisters of Lubbock
- Capital Mortgage Services
- CASA of the South Plains
- CASA of the South Plains, Inc.
- Catholic Charities Diocese of Lubbock
- Children's Advocacy Center of the South Plains
- City Bank Mortgage
- Communities in Schools of the South Plains
- Community Foundation of West Texas

- Community Health Center of Lubbock, Inc.
- Community Housing Resource Board
- East Lubbock Community Alliance
- East Lubbock Resident Owned Business Initiative
- Family Counseling Services
- Family Guidance and Outreach Center of Lubbock
- Family Promise of Lubbock
- First Progressive Baptist Church
- Goodwill Industries of Northwest Texas
- Guadalupe Economic Services Corp.
- Guadalupe Parkway Sommerville Centers
- Habitat for Humanity
- Happy State Bank
- Legal Aid of NorthWest Texas
- Legal Aid Society of Lubbock
- LHUCA
- Literacy Lubbock
- Lubbock Apartment Association
- Lubbock Area United Way
- Lubbock Association of Realtors
- Lubbock Boys' & Girls' Club, Inc.
- Lubbock Chamber of Commerce
- Lubbock Children's Health Clinic
- Lubbock Economic Development Alliance
- Lubbock Habitat for Humanity
- Lubbock Housing Authority
- Lubbock Housing Finance Corp.
- Lubbock Neighborhood Connection
- Lubbock Scottish Rite Bodies
- Lubbock Victims Assistance Services
- North & East Lubbock Community Development Corporation
- Oakwood Baptist Church
- Parenting Cottage, Inc.
- Peoples Bank Home Loan Center
- Prosperity Bank, Lubbock Ave. Q Banking Center
- Roots Historical Art Council
- Salvation Army, a Georgia Corporation
- Small Business Administration, West Texas District Office
- South Plains Association of Governments
- South Plains Association of Governments
- South Plains Food Bank
- South Plains Homeless Consortium

- Star Care Specialty Health System
- Texas Health & Human Services, Region I
- TTU Early Head Start
- Upbring Neighborhood House
- Volunteer Center of Lubbock
- West Texas Homebuilders Association
- Women's Protective Services of Lubbock, Inc.
- Workforce Solutions South Plains
- YWCA Lubbock

Direct input was also gathered from council members representing the City's lower income areas.

Targeted Stakeholder Interviews – To obtain additional more detailed perspectives, the City conducted telephone interviews with various stakeholders. Stakeholder interviews are intended to obtain more in-depth positions of various key constituencies such as planning officials and fair housing and transportation advocates, etc.

The interviews were held with the following organizations:

- Backyard Mission
- Lubbock Apartment Association
- Lubbock Housing Authority
- Lubbock Housing Finance Corporation
- Legal Aid Society of Lubbock
- Lubbock Economic Development Alliance

3. **How successful were the efforts at eliciting meaningful community participation? If there was low participation, provide the reasons.**

Overall, there was meaningful community participation. Each of the focus groups were scheduled to last two (2) hours, and all of the time was used for lively discussion in each session. A total of 46 community members attended across the three focus groups. Phone interviews lasted between ½ hour to one hour with the individuals interviewed. Additional interviews were added throughout the process to better understand issues as they were identified.

Where there was less engagement was with individual residents. Despite various forms of outreach including working directly with resident and community groups to enlist their help in engaging residents and attending public events to solicit participation in the survey. The survey had a low number of responses in both English and Spanish. The reasons speak to a general impediment to fair housing which is lack of understanding of the process and rights.

4. **Summarize all comments obtained in the community participation process. Include a summary of any comments or views not accepted and the reasons why.**

Comments received from the community during meetings and through the collection of perspectives in the survey can be summarized into a few general categories with recurring themes. They are listed below. All comments were considered in the development of the goals.

Affordable, Decent Housing: Citizens report that Lubbock continues to have a lack of affordable housing, particularly for seniors and those with disabilities. Lubbock's large student populations drive up rents in areas around the university that would be excellent living locations for lower income service industry workers. Due to higher rents in these areas, however, lower income individuals are forced to live away from these job markets. These challenges are exacerbated by the worsening condition of housing stock in some communities across Lubbock. Citizens noted an increased need for addressing the poor quality of housing in lower income areas through better code enforcement.

Persons with Disabilities: The area where most advocates see discrimination is around service animals for those with disabilities. Further, citizens report a lack of accessible housing units and accessible public transportation for people with disabilities.

Homelessness: Citizens report that it seems homelessness has worsened in the City despite notable efforts by local organizations working hard to address the issue.

Tenant Protections: Citizens noted that landlords are charging exorbitant fees on tenants that can often add up to more than past due rent amounts. Landlords also use a system called Tenant Tracker to report delinquent renters. Once in the Tenant Tracker system, tenants find it difficult to find quality housing.

Lending: Citizens reported a disparity in access to financial institutions across the City. In East Lubbock, a lower income area of the City, there are few banks where residents can visit to access credit and establish banking relationships. Many lower income individuals rely on payday lenders with predatory practices. Citizens also noted a need for greater financial literacy training in the City as many residents do not even have bank accounts and rely on card-based systems like Green Dot.

Transportation: Citizens reported significant challenges with public transportation routes across the City. Lubbock is growing and as job opportunities shift across the City, transportation routes need to be reassessed so that lower income individuals are able to reach the areas of the City where there are new employment options.

Fair Housing Education: Advocates generally reported that citizens do not understand fair housing rights or are afraid to speak up. Lubbock lacks a strong advocacy network specifically around fair housing awareness, however, some local organizations do offer classes on fair housing laws.

III. Assessment of Past Goals, Actions and Strategies

1. **Indicate what fair housing goals were selected by program participant(s) in recent Analyses of Impediments, Assessments of Fair Housing, or other relevant planning documents:**
   The 2014 Fair Housing Goals and Actions taken toward those goals are outlined in the chart below.

a. Discuss what progress has been made toward their achievement;
See chart for actions taken toward 2014 Fair Housing Goals.

b. Discuss how you have been successful in achieving past goals, and/or how you have fallen short of achieving those goals (including potentially harmful unintended consequences); and
Of the 15 goals identified in the 2014 Analysis of Impediments to Fair Housing, the City took action on seven of the goals. The goals where action was not taken fall largely in categories that required coordination outside the City departments.

c. **Discuss any additional policies, actions, or steps that you could take to achieve past goals, or mitigate the problems you have experienced**.

Moving forward, the City will continue to engage its community partners, but with a more realistic eye toward the outcomes that are achievable when working with agencies where the City is not the primary decision maker. City partnerships, however, are vital to leveraging limited resources, and the City recognizes the valuable contributions of the stakeholders in its community. More efforts will be made to coordinate those contributions in ways that meet the fair housing goals.

d. Discuss how the experience of program participant(s) with past goals has influenced the selection of current goals.
As noted above, challenges in setting goals that are dependent on non-City agencies were noted in analyzing the results of past efforts. For current goals, the City has carefully chosen the goals that are manageable by the City with its strongest partners.

2014 RECOMMENDATION	ACTION TAKEN
Action #1: Support the increased production of affordable housing through public private partnerships with developers and capacity building for nonprofits.	CHDO and other local non profit housing organization development of affordable housing for purchase and rental
Action #2: Facilitate access to below-market-rate units.	CHDO, Local Housing Authority and other non profits
Action #3: Maintain a list of partner lenders.	Local nonprofits are a resource for partner lenders
Action #4: Identify and seek additional sources of funds for affordable housing.	
Action #5: Encourage private sector support for affordable housing initiatives.	
Action #6: Increase fair housing education and outreach.	Slight increase with collaboration with housing authority and local nonprofits
Action #7: Target outreach and training toward housing industry organizations and general public.	
Action #8: Encourage Fair Housing Enforcement Agencies to target increase fair housing testing for multifamily properties.	
Action #9: Increased efficiency of Public Transportation and Mobility.	Decreased due to reduced funding from citizens board recommendations to fund childcare, youth services and health services
Action #10: Apply for competitive and non entitlement State and Federal funding and assistance from nonprofit intermediaries.	
Action #11: Encourage bank and traditional lenders to offer products addressing the needs of households currently utilizing predatory lenders.	Some improvement – need to continue and develop stronger education components
Action #12: Provide language assistance to persons with limited English proficiency.	Yes CD staff available to communicate in Spanish as well written information on programs and fair housing in Spanish is available
Action #13: Continue to Implement an Affirmative Fair Housing Marketing Plan (AFHMP} to create fair and open access to affordable housing.	
Action #14: Continue to encourage recruitment of industry and job creation.	
Action #18: Design and implement a centralized program of self help initiatives.*	

*The report doesn't seem to have Actions 15-17, so it is suspected that 18 was a typo and should have been 15.

IV. Fair Housing Analysis

Demographic Summary

1. **Describe demographic patterns in the jurisdiction and region, and describe trends over time (since 1990).**

Racial/Ethnic Populations

The United States has a rich multi-cultural history where residents from many racial and ethnic backgrounds have been able to live and thrive. But there is also a history of institutional and social racism and segregation that has reduced access to opportunities for many people. To track and address this reality, it is useful to look at racial and ethnic trends and patterns over time. In this section, both the city of Lubbock and the Lubbock region will be analyzed. Generally, the two areas have similar demographics because the city of Lubbock makes up 77 percent of the region by population, but some significant differences exist and are addressed here.

The table below shows the population of Lubbock, Texas and the region by race and ethnicity. Non-Hispanic whites are the majority in Lubbock, comprising 56 percent of the population. The second largest demographic is Hispanic, making up nearly one-third of the total population. Blacks are the third largest racial or ethnic group at approximately 8 percent.

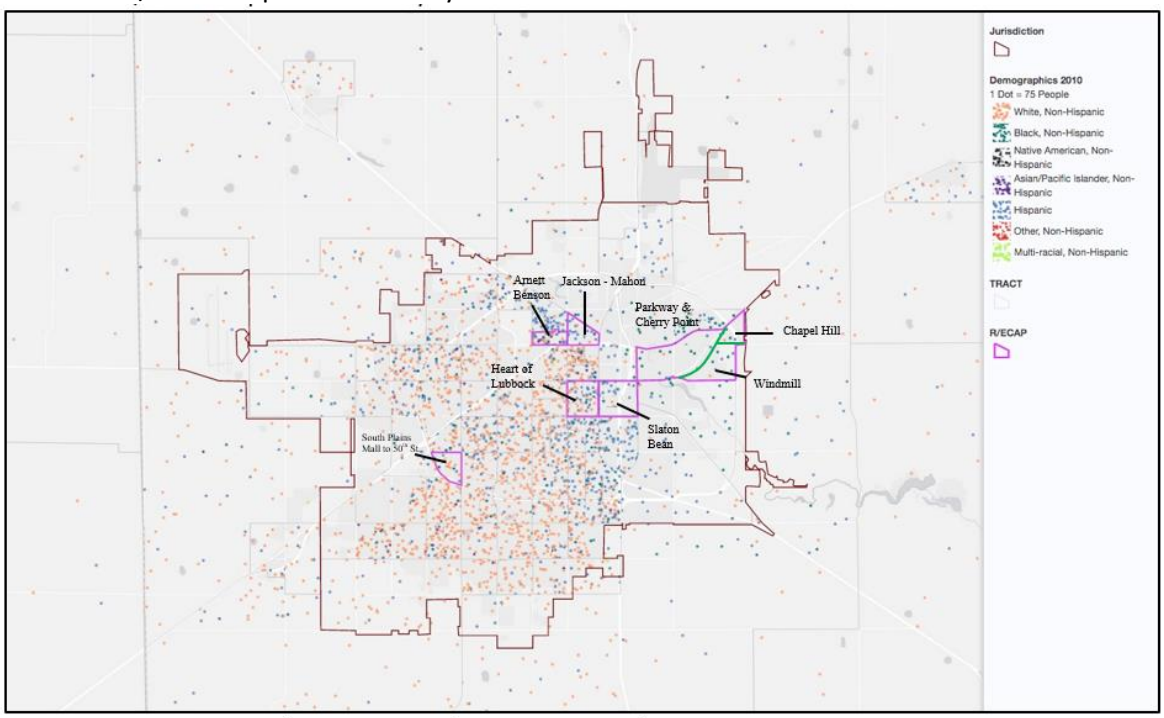
Table: Racial and Ethnic Demographics

	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction		(Lubbock, TX) Region	
	#	%	#	%
White, Non-Hispanic	127,862	55.71%	165,424	56.88%
Black, Non-Hispanic	18,578	8.09%	20,269	6.97%
Hispanic	73,966	32.23%	94,838	32.61%
Asian or Pacific Islander, Non-Hispanic	5,439	2.37%	5,825	2.00%
Native American, Non-Hispanic	853	0.37%	1,067	0.37%
Two or More Races, Non-Hispanic	2,587	1.13%	3,085	1.06%
Other, Non-Hispanic	244	0.11%	297	0.10%

Source: Decennial Census, 2010 (HUD AFFHT0004, Table 1 – Demographics)

Citywide demographics are an important starting point for analysis, but a targeted views of various parts of the Lubbock community allow for a more complete picture of racial and ethnic distribution. The following map shows the population of census tracts throughout the city by racial group. The white, non-Hispanic population lives primarily in the center and western parts of the city. The Hispanic population appears to be more centrally located and is often concentrated in a few distinct neighborhoods. The black population is considerably smaller but appears to be concentrated on the eastern side of the city. Tracts with high minority concentrations meet one of the two requirements for a tract to be considered a racially/ethnically concentrated area of poverty (R/ECAP), as defined by the U.S. Department of Housing and Urban Development. R/ECAPs are discussed later in this report and are highlighted in each HUD map with a pink border.

MAP: Racial/Ethnic Population Density

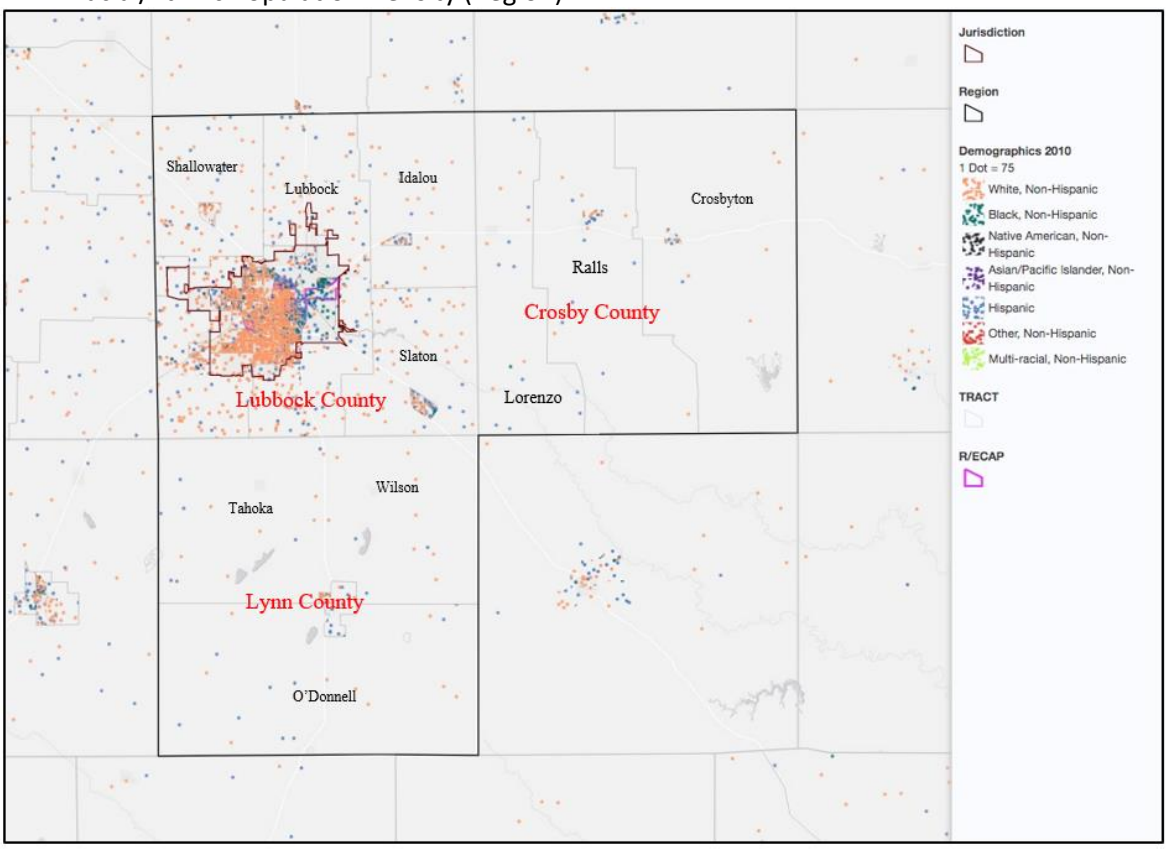


Source: Source: Decennial Census, 2010 (HUD AFFHT0004)
Data note: R/ECAP, 2009-2013 ACS

Racial/Ethnic (Region)

The Lubbock region includes Lubbock County, Lynn County, and Crosby County. Lynn and Crosby County are both very sparsely populated with approximately 6,000 each. The demographics of the region are very similar to the City of Lubbock. The White, non-Hispanic population is the largest racial cohort, comprising a slight majority, and the Hispanic population makes up nearly one third of the population. The third largest racial or ethnic group are Black residents who make up nearly seven percent of the regional population. The map below clearly shows that most of the residents live in or near the City but there are a few small population clusters along the major highways to the east, southeast, and south.

MAP: Racial/Ethnic Population Density (Region)



Source: Source: Decennial Census, 2010 (HUD AFFHT0004)
Data note: R/ECAP, 2009-2013 ACS

Racial/Ethnicity Trends

To forecast and prepare for the future needs of the community it is necessary to look at trends over the previous decades. Since 1990, the racial and ethnic demographics have begun to shift slightly in Lubbock. The White, non-Hispanic population has not grown and now represents a smaller portion of the population. Conversely, the Hispanic population has grown by nearly 75 percent from 42,471 to 73,966. The percentage of the population that identifies as Black has remained stable at approximately 8 to 8.5 percent since 1990. The Asian or Pacific Islander population has nearly doubled but the population is still relatively small with only 5,439 people, 2.4 percent of the population, identifying as such.

The race and ethnicity makeup of the region saw a similar change since 1990. The White, non-Hispanic population grew by approximately 6,500 people but they now represent a smaller portion of the overall population. This Hispanic population has grown by nearly 40,000 people, which is a growth from approximately 25 percent to one third of the population. The Black population has remained constant at approximately seven percent.

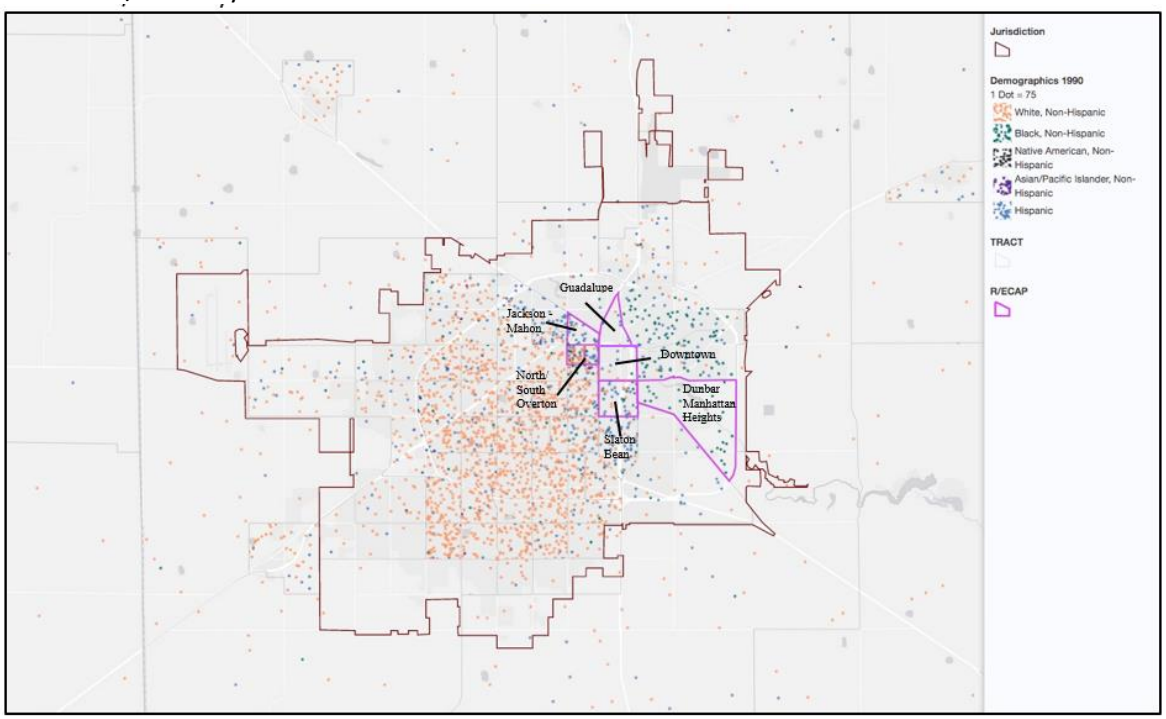
Table: Racial/Ethnicity Trends

	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction							
	1990		2000		2010		Current	
	#	%	#	%	#	%	#	%
White, Non-Hispanic	128,161	67.64%	123,696	61.44%	127,862	55.71%	127,862	55.71%
Black, Non-Hispanic	15,356	8.10%	17,235	8.56%	19,637	8.56%	18,578	8.09%
Hispanic	42,471	22.42%	55,348	27.49%	73,966	32.23%	73,966	32.23%
Asian or Pacific Islander, Non-Hispanic	2,528	1.33%	3,453	1.72%	6,210	2.71%	5,439	2.37%
Native American, Non-Hispanic	477	0.25%	1,148	0.57%	1,526	0.66%	853	0.37%
	(Lubbock, TX) Region							
	1990		2000		2010		Current	
	#	%	#	%	#	%	#	%
White, Non-Hispanic	158,938	67.14%	158,370	61.80%	165,424	56.88%	165,424	56.88%
Black, Non-Hispanic	17,133	7.24%	19,222	7.50%	21,496	7.39%	20,269	6.97%
Hispanic	56,910	24.04%	72,979	28.48%	94,838	32.61%	94,838	32.61%
Asian or Pacific Islander, Non-Hispanic	2,597	1.10%	3,611	1.41%	6,695	2.30%	5,825	2.00%
Native American, Non-Hispanic	585	0.25%	1,532	0.60%	1,928	0.66%	1,067	0.37%

Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990, 2009-2013 ACS (HUD AFFHT0004, Table 2 - Demographic Trends)

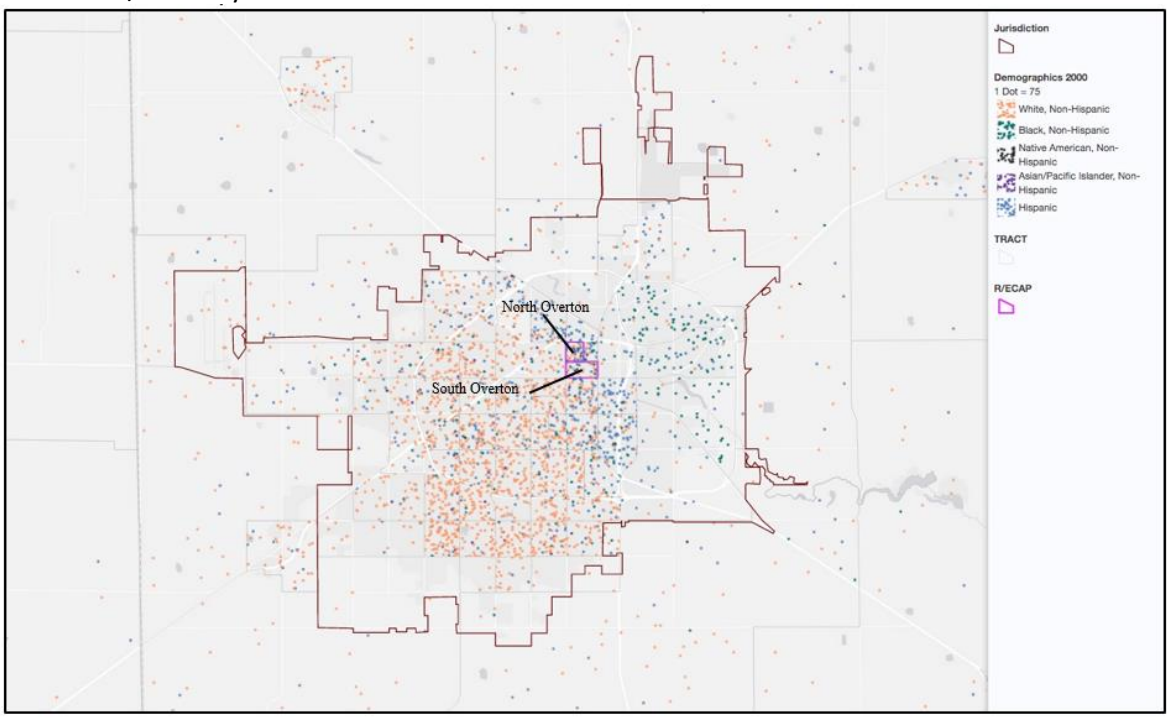
The following three maps show geographic distribution patterns by race and ethnicity since 1990, as well as the addition and subtraction of R/ECAP tracts. Since 1990, there appears to be greater integration in Lubbock. The R/ECAP tracts have shifted but continue to be primarily on the east side of the city.

MAP: Race/Ethnicity Trends 1990



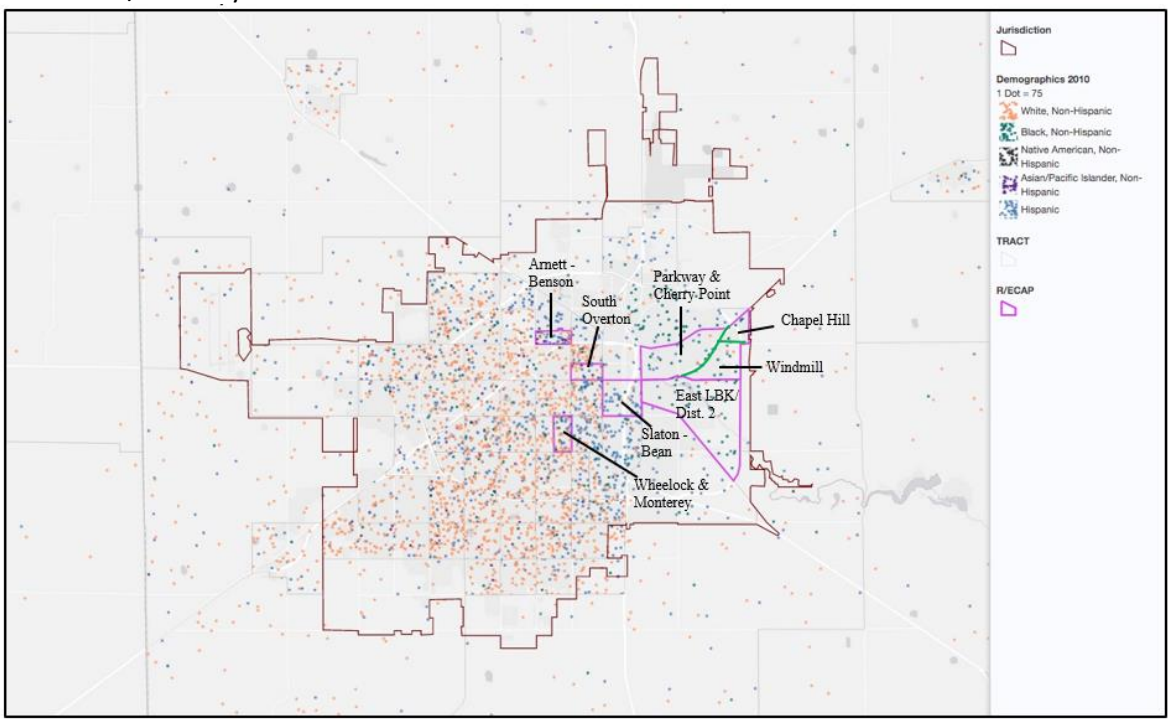
Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990 (HUD AFFHT0004)

MAP: Race/Ethnicity Trends 2000



Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990 (HUD AFFHT0004)

MAP: Race/Ethnicity Trends 2010



Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990 (HUD AFFHT0004)

National Origin Populations

In addition to racial and ethnic demographics resident data was analyzed based on national origin. The United States has a significant immigrant population and addressing the needs of this community promotes a strong and vibrant City. The City of Lubbock and the region's foreign-born population has doubled since 1990 and now makes up over 5 percent of the population.

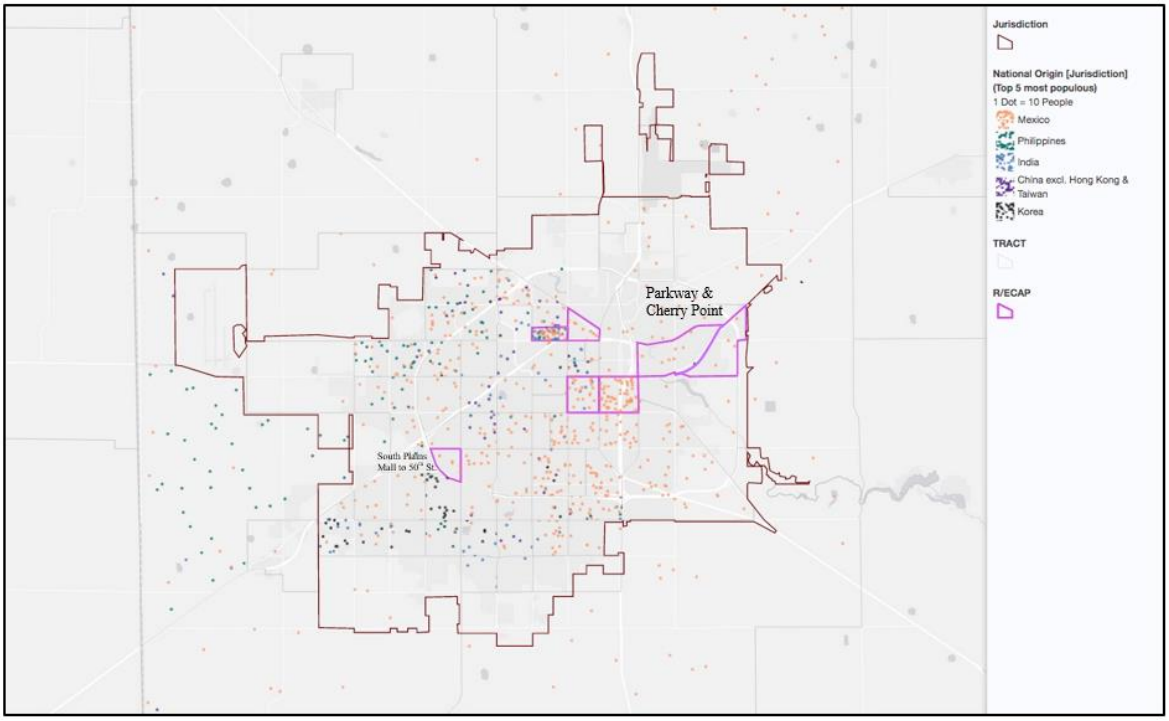
Table: Foreign-Born Trends								
	1990		2000		2010		Current	
	#	%	#	%	#	%	#	%
Lubbock, TX Jurisdiction	6,248	3.30%	7,088	3.52%	12,281	5.35%	13,254	5.77%
Lubbock, TX Region	7,417	3.13%	8,718	3.40%	14,633	5.03%	16,527	5.68%
Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990, 2009-2013 ACS (HUD AFFHT0004, Table 2 – Demographic Trends)								

Unsurprisingly, the most common country of origin for Lubbock's foreign-born population is Mexico. Due to Texas' history and location there is a large Mexican-born population throughout the state. In Lubbock, approximately three percent of the population was born in Mexico. The second most common foreign country of origin is the Philippines with 1,221 residents, or about a half percent of the population. The region has similar demographics to that of the city; nearly three percent of the population is from Mexico and approximately half a percent is from the Philippines and India, respectively. The remaining most common national origins each make up less than percent each.

Table: National Origin						
	Lubbock, TX Jurisdiction			Lubbock, TX Region		
	Country	#	%	Country	#	%
#1 Country of Origin	Mexico	5,794	2.68%	Mexico	8,191	2.99%
#2 Country of Origin	Philippines	1,221	0.56%	Philippines	1,252	0.46%
#3 Country of Origin	India	968	0.45%	India	988	0.36%
#4 Country of Origin	China*	523	0.24%	China*	523	0.19%
#5 Country of Origin	Korea	493	0.23%	Korea	517	0.19%
#6 Country of Origin	Canada	394	0.18%	Canada	434	0.16%
#7 Country of Origin	Vietnam	304	0.14%	Vietnam	304	0.11%
#8 Country of Origin	England	277	0.13%	El Salvador	278	0.10%
#9 Country of Origin	Germany	246	0.11%	England	277	0.10%
#10 Country of Origin	Colombia	165	0.08%	Germany	261	0.10%
Source: Decennial Census, 2010 (HUD AFFHT0004, Table 1 – Demographics) * Excluding Hong Kong and Taiwan						

The following map displays location of foreign-born residents by census tract. There are several areas with large concentrations of foreign-born residents including two R/ECAP census tracts that have high Mexico-born populations and a R/ECAP tract that has several foreign-born populations. Mexico-born residents are found throughout most of the City while some populations, like residents born in Korea, appear to be more concentrated in just a few census tracts.

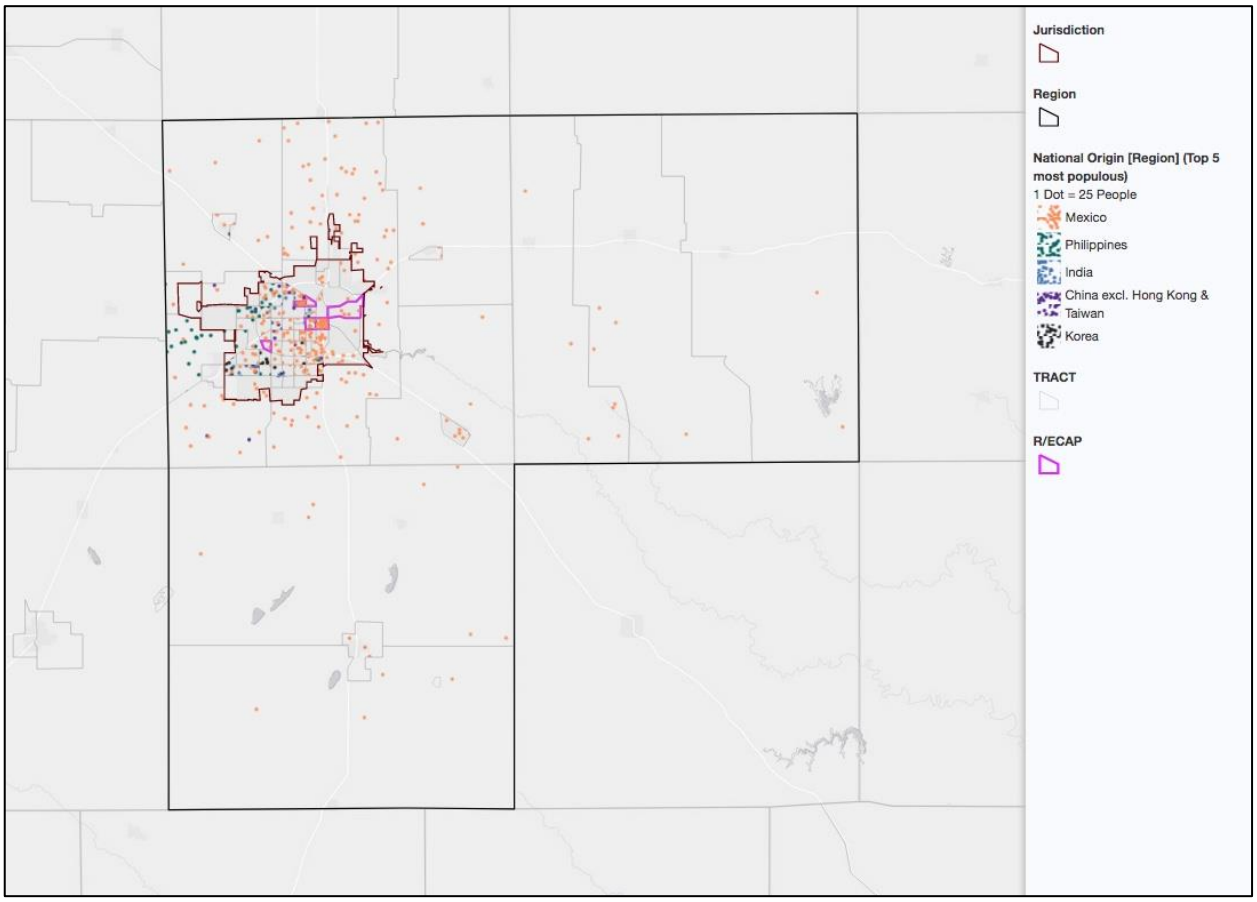
MAP: National Origin



Source: Decennial Census, 2010 (HUD AFFHT0004)
Data note: R/ECAP, 2009-2013 ACS

The regional map of national origins shows that nearly all foreign-born residents live near the City of Lubbock. Except for residents born in Mexico, there is no significant foreign-born population outside Lubbock County. There is relatively large number of residents from the Philippines that live in a census tract to the west of the City of Lubbock.

MAP: National Origin (Region)



Source: Decennial Census, 2010 (HUD AFFHT0004)
Data note: R/ECAP, 2009-2013 ACS

Limited English Proficiencies (LEP)

Residents who are unable to communicate in English are at a significant disadvantage when it comes to accessing resources and economic opportunities. The United States does not have a legal national language, but English is the most commonly used language by far. Residents who immigrate to the United States generally must become fluent in English, but it is in the best interest of the City to provide additionally resources for residents with Limited English Proficiency (LEP). Within Lubbock, the number and percentage of LEP residents has decreased since 1990, despite an overall increase in the number of foreign-born residents in that time. Demographics in the region are very similar. While this is only one data point, it does seem to imply an increasing level of social integration among immigrants.

Table: Limited English Proficiency Trends

	1990		2000		2010		Current	
	#	%	#	%	#	%	#	%
Lubbock, TX Jurisdiction	13,725	7.24%	11,917	5.92%	11,974	5.22%	10,897	4.75%
Lubbock, TX Region	17,937	7.58%	16,608	6.48%	15,813	5.44%	15,055	5.18%

Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000, Decennial Census 1990 and 2009-2013 ACS (HUD AFFHT0004, Table 2 – Demographic Trends)

LEP is closely related to National Origin with many foreign-born residents primarily using the language of their birth country until they become proficient in English. The most common LEP language is Spanish in both the City of Lubbock and the overall region. Approximately 4.3 percent of the City speaks Spanish and has Limited English Proficiency. The remaining languages each represent less than 0.2 percent of the population.

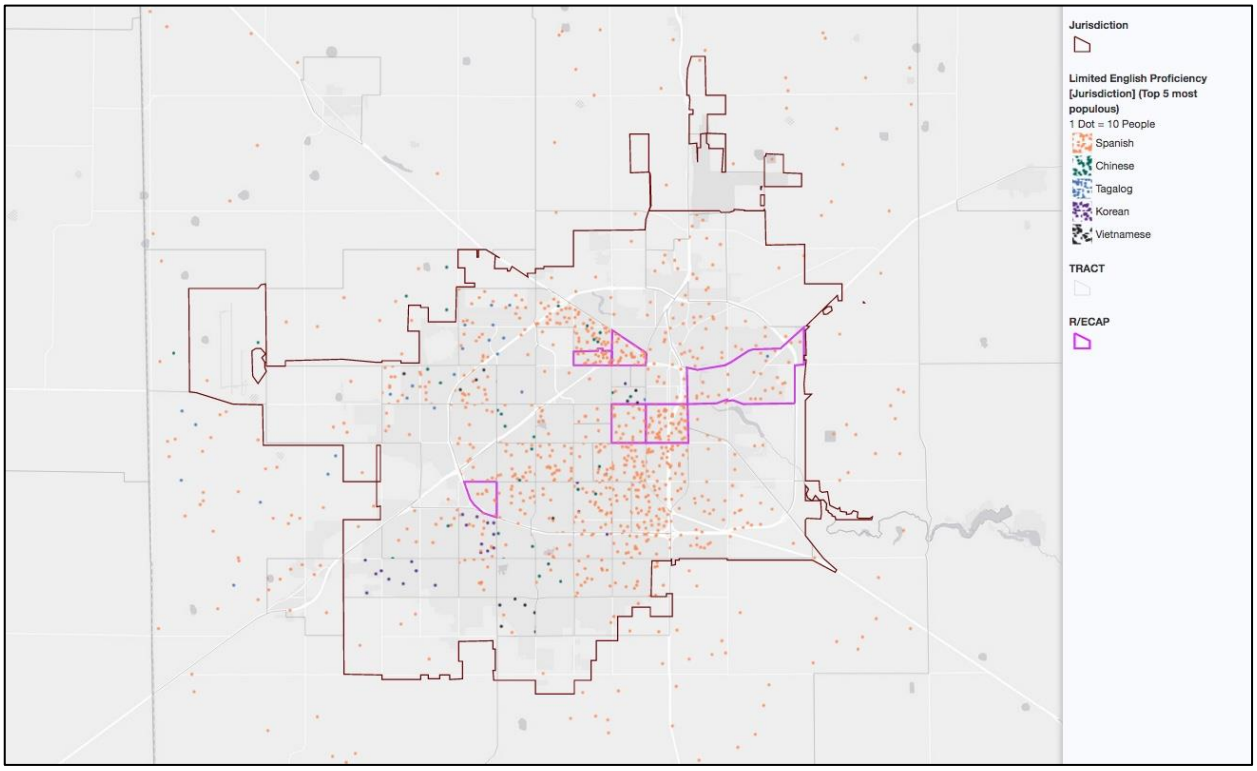
Table: Limited English Proficiency (LEP)

	Lubbock, TX Jurisdiction			Lubbock, TX Region		
	Country	#	%	Country	#	%
#1 LEP Language	Spanish	9,360	4.33%	Spanish	13,263	4.85%
#2 LEP Language	Chinese	359	0.17%	Chinese	359	0.13%
#3 LEP Language	Tagalog	244	0.11%	Tagalog	244	0.09%
#4 LEP Language	Korean	228	0.11%	Korean	234	0.09%
#5 LEP Language	Vietnamese	158	0.07%	Vietnamese	158	0.06%
#6 LEP Language	Other Indic	146	0.07%	Other Indic	146	0.05%
#7 LEP Language	Arabic	101	0.05%	German	129	0.05%
#8 LEP Language	Scandinavian	86	0.04%	African	103	0.04%
#9 LEP Language	Other Asian	63	0.03%	Arabic	101	0.04%
#10 LEP Language	African	60	0.03%	Other Asian	89	0.03%

Source: Decennial Census, 2010 and 2009-2013 ACS (HUD AFFHT0004, Table 1 – Demographics)

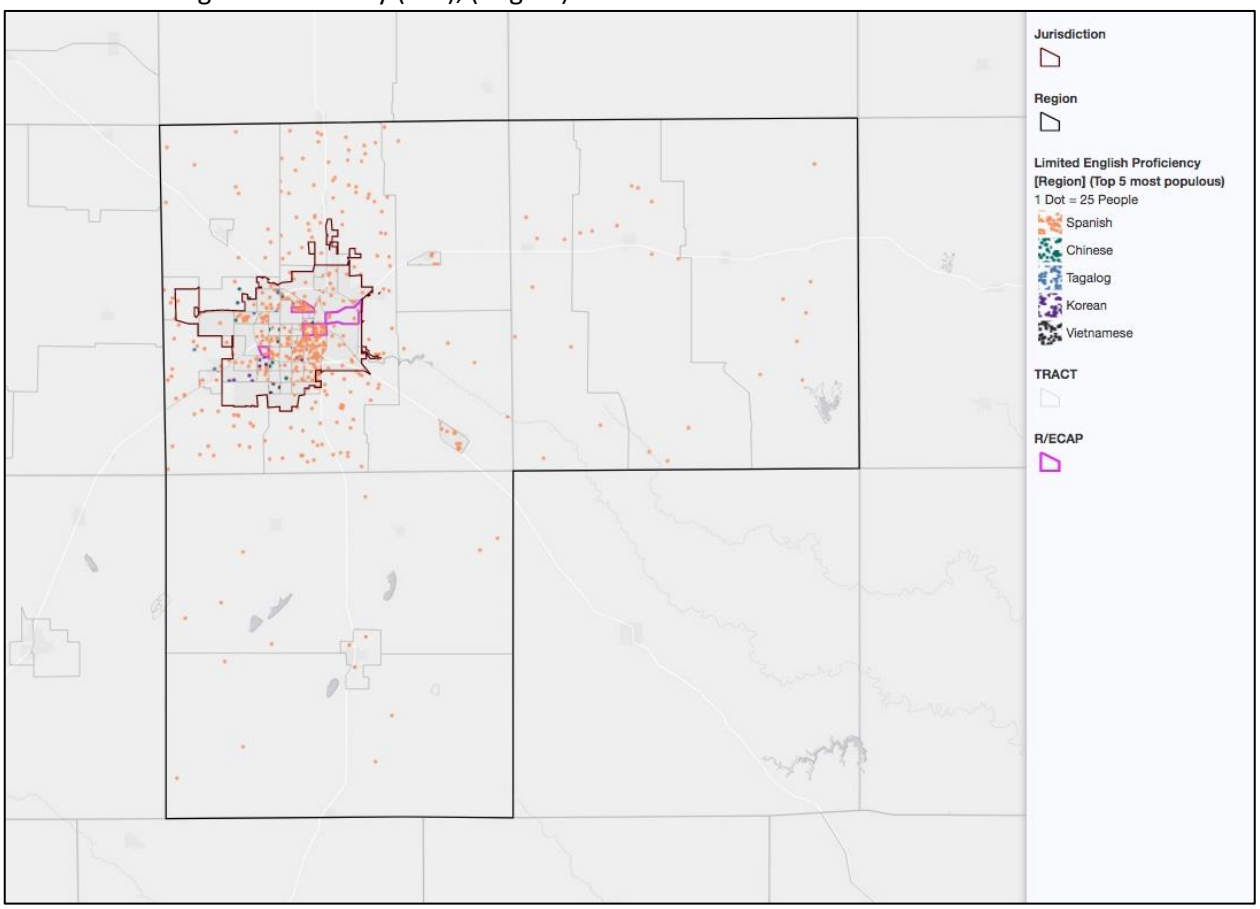
The two maps below show the geographic distribution of residents who have Limited English Proficiency in the City and Region. Residents with LEP living patterns are very closely related to the living patterns of foreign-born residents. Census tracts with a relatively large population from Mexico also have a relatively high number of residents who speak Spanish and areas with a large population born from in the Philippines have residents who speak Tagalog. The two countries of origin that do not have a specific language represented with an LEP population, Canada and India, both have English as a national language.

MAP: Limited English Proficiency (LEP)



Source: Decennial Census, 2010 and 2009-2013 ACS (HUD AFFHT0004)

MAP: Limited English Proficiency (LEP), (Region)



Source: Decennial Census, 2010 and 2009-2013 ACS (HUD AFFHT0004)

Families with Children

Just over 45 percent of the households in Lubbock and the region are families with children. Households with children face unique challenges and have additional needs than households without children. Access to stable housing, good schools, and economic opportunities are even more important for these households.

Table: Families with Children				
	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction		(Lubbock, TX) Region	
	#	%	#	%
Families with Children	24,229	45.62%	31,459	45.34%
Source: Decennial Census, 2010 (HUD AFFHT0004, Table 1 – Demographics)				

Since 1990, the percentage of households that are families with children has decreased by about almost five percent. This reduction may be due to a number of demographic changes that the United States is going through, including Millennials starting families later in life and a longer living retiree population.

Table: Families with Children Trends								
	1990		2000		2010		Current	
	#	%	#	%	#	%	#	%
Lubbock, TX Jurisdiction	23,387	50.13%	19,228	48.21%	24,229	45.62%	24,229	45.62%
Lubbock, TX Region	29,912	50.31%	24,726	48.73%	31,459	45.34%	31,459	45.34%
Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000, Decennial Census 1990 and 2009-2013 ACS (HUD AFFHT0004, Table 2 – Demographic Trends)								

General Issues

Segregation/Integration

1. **Analysis**

a. **Describe and compare segregation levels in the jurisdiction and region. Identify the racial/ethnic groups that experience the highest levels of segregation.**

According to the Racial/Ethnic Dissimilarity Trends provided by HUD, segregation levels in Lubbock have seen a moderate decrease since 1990. According to HUD:

> "[t]his dissimilarity index measures the degree to which two groups are evenly distributed across a geographic area and is commonly used for assessing residential segregation between two groups. Values range from 0 to 100, where higher numbers indicate a higher degree of segregation between the two groups measured. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate high levels of segregation."

The overall Non-White/White and the Hispanic/White segregation levels have reduced from moderate to low and the Black/White segregation levels have reduced from high to moderate. Addressing segregation is a major goal of HUD and Lubbock appears to be heading in the right direction. Currently, the groups facing the highest level of segregation is the Black, non-Hispanic population.

The region has seen a similar pattern, but the shift has been less pronounced. Whereas in Lubbock the dissimilarity trends scores have decreased by nearly 15 points in most demographics it has only reduced by 5-10 in the region.

Table: Racial/Ethnic Dissimilarity Trends

	Lubbock, TX (Jurisdiction)				Lubbock, TX (Region)			
	1990	**2000**	**2010**	**Current**	**1990**	**2000**	**2010**	**Current**
Non-White/White	52.48	48.32	38.22	41.61	46.50	42.89	35.04	39.17
Black/White	63.22	56.82	47.38	52.25	58.59	53.33	46.14	53.63
Hispanic/White	52.15	48.70	39.16	42.00	46.37	43.42	35.90	39.04
Asian or Pacific Islander/White	33.48	29.90	29.09	36.25	38.10	34.90	33.23	40.39

Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990, ACS (HUD AFFHT0004, Table 3 - Racial/Ethnic Dissimilarity Trends)

b. **Identify areas in the jurisdiction and region with relatively high segregation and integration by race/ethnicity, national origin, or LEP group, and indicate the predominant groups living in each area.**

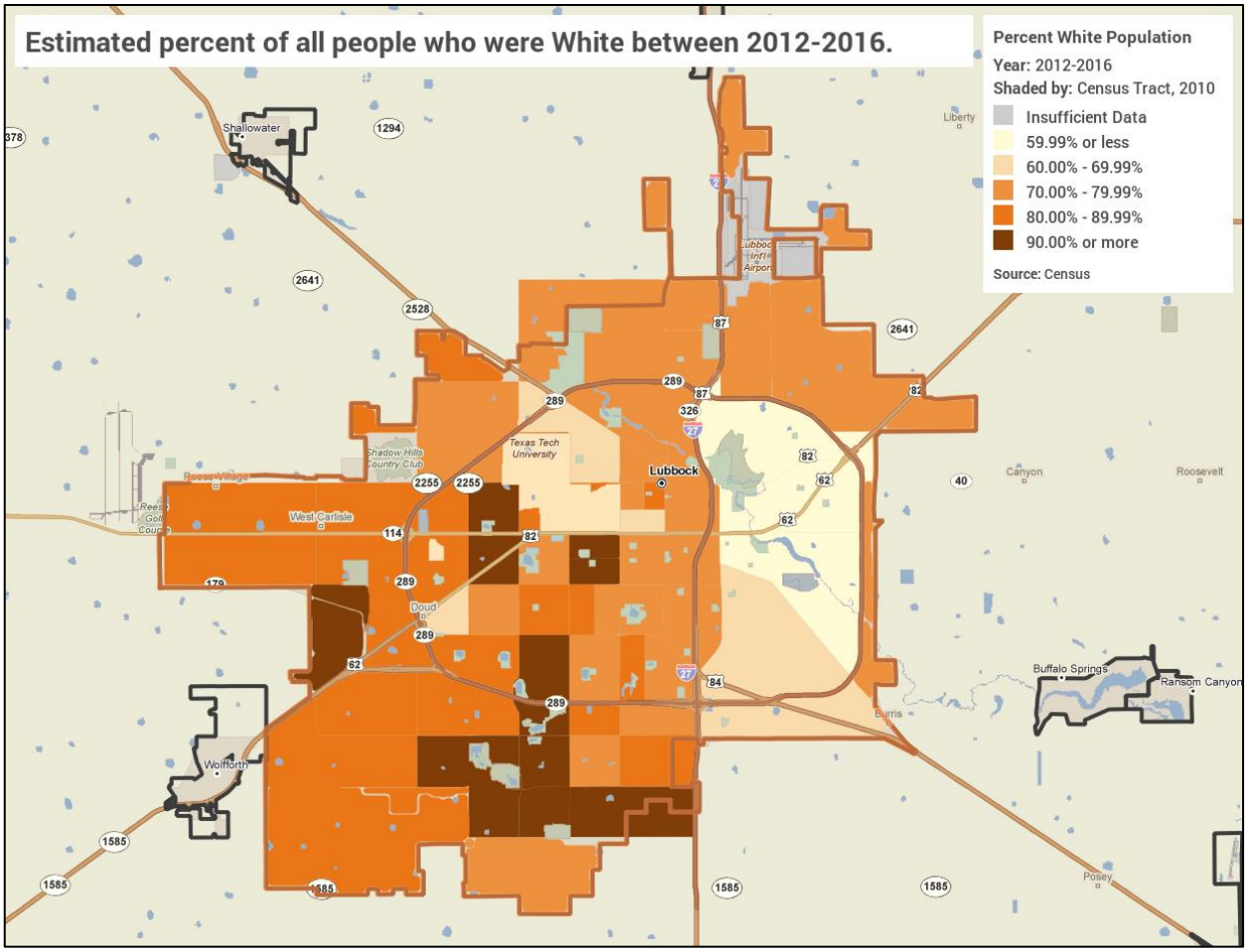
In the following section maps and data from the 2012-2016 American Community Survey (ACS) is used. This is the most updated data available and is used to supplement the HUD provided data above. In some cases, the racial groups provided by the ACS do not match up precisely with the HUD demographics.

Race/Ethnicity

White

Most census tracts throughout the City have between 70 and 90 percent of the population that identifies as White. There are a few areas with relatively high levels of segregation. The southwest area of the city, particularly in the south near a collection of lakes, parks, and country clubs, have a disproportionately high number of White residents.

MAP: Geographic Distribution of White Population

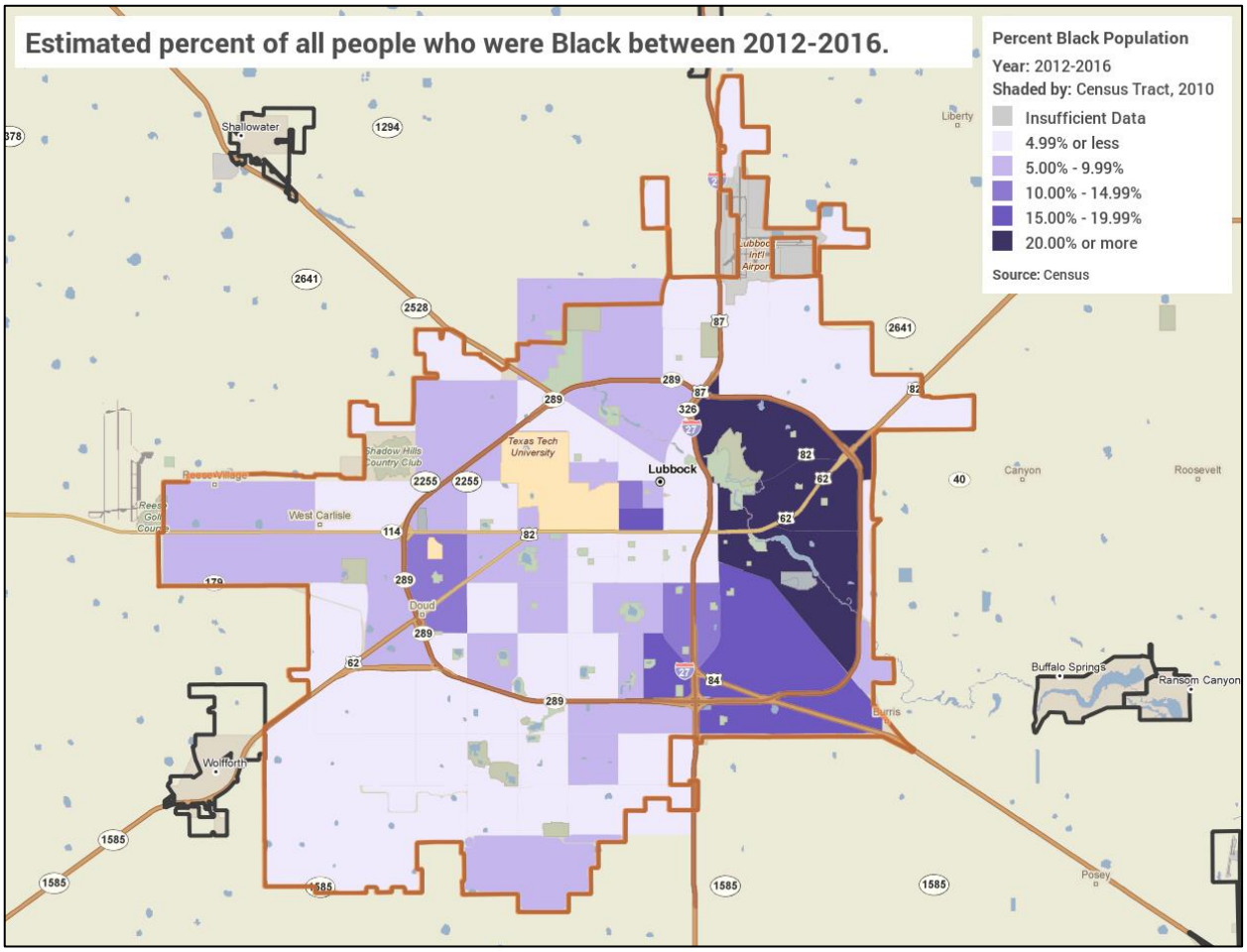


Source: 2012-2016 ACS via PolicyMap

Black

The census tracts with a relatively high Black population are primarily tracts with a low White population. As mentioned earlier, the Black/White dissimilarity index points to these two racial groups having the highest segregation in the City. The eastern tracts of the city surrounding Mackenzie Park have the largest Black population in the city.

MAP: Geographic Distribution of Black Population

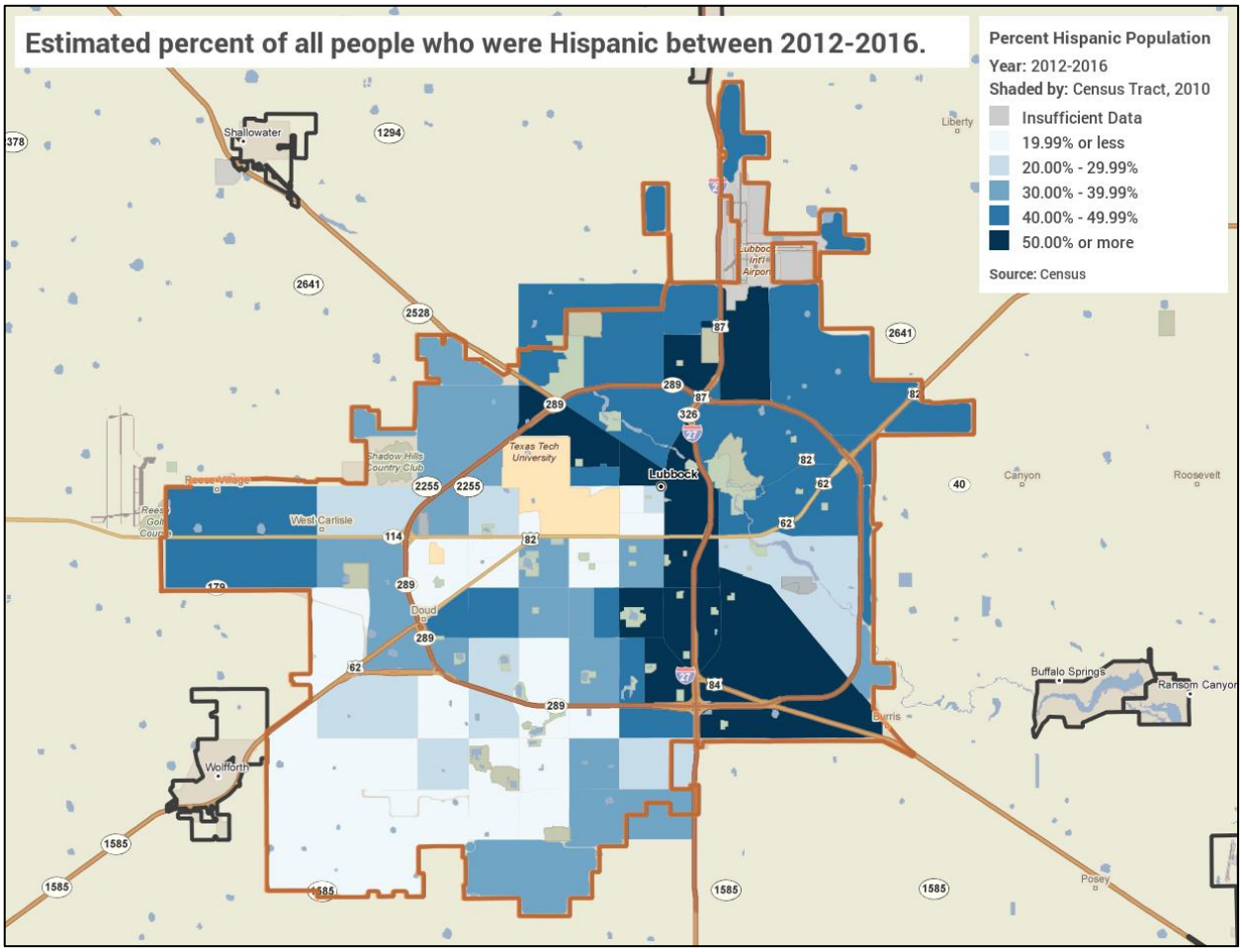


Source: 2012-2016 ACS via PolicyMap

Hispanic

The Hispanic population is the second largest racial or ethnic group in Lubbock. There are some areas of relative segregation. Hispanic residents are significantly less likely to live in areas with a high White population than elsewhere in the City. Many census tracts on the eastern part of Lubbock are majority Hispanic areas.

MAP: Geographic Distribution of Hispanic Population

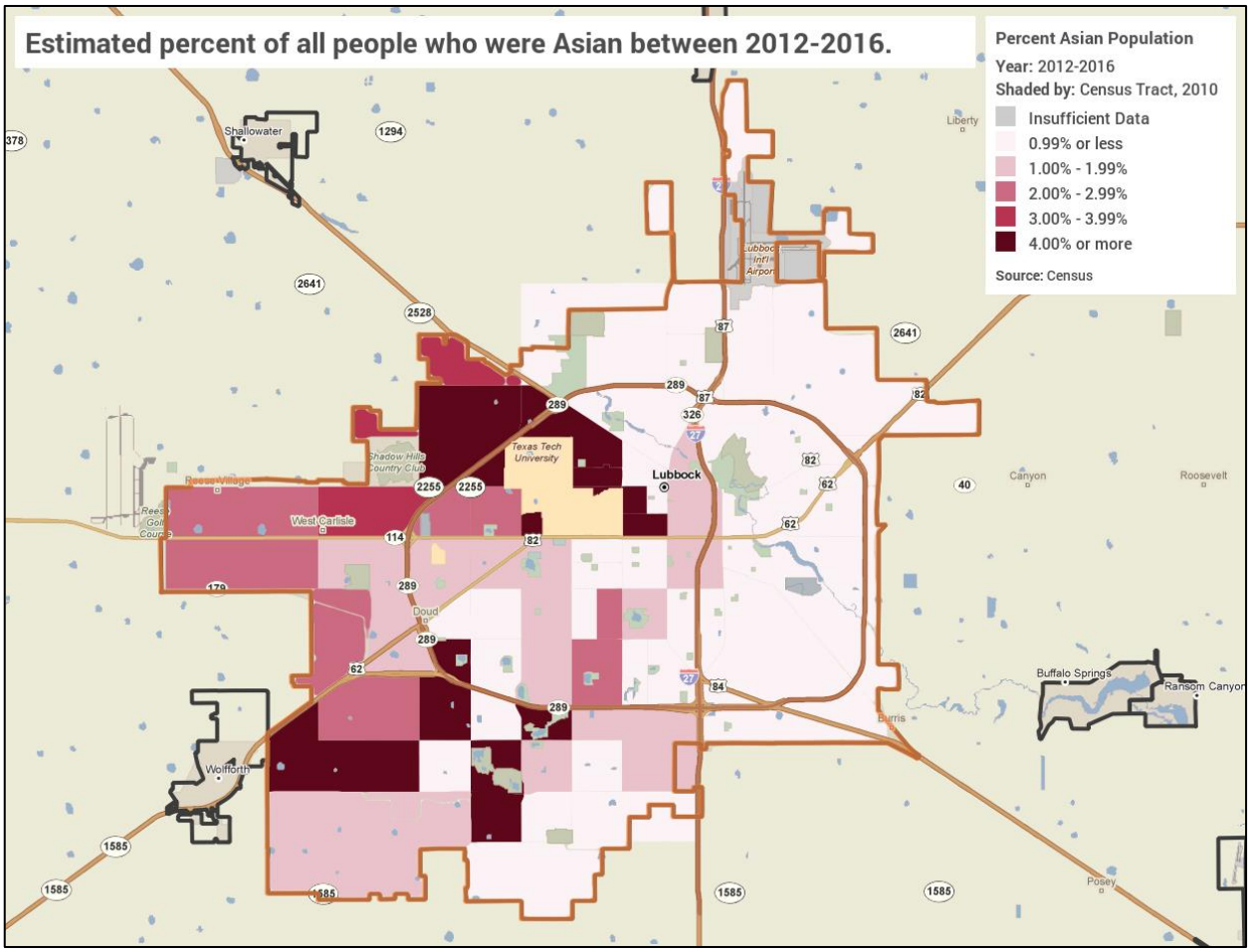


Source: 2012-2016 ACS via PolicyMap

Asian

The Asian population is relatively small in Lubbock but there are some census tracts with a disproportionately high number of Asian residents. Tracts around Texas Tech University and in the southwest have an Asian population of 4 percent or more.

MAP: Geographic Distribution of Asian Population

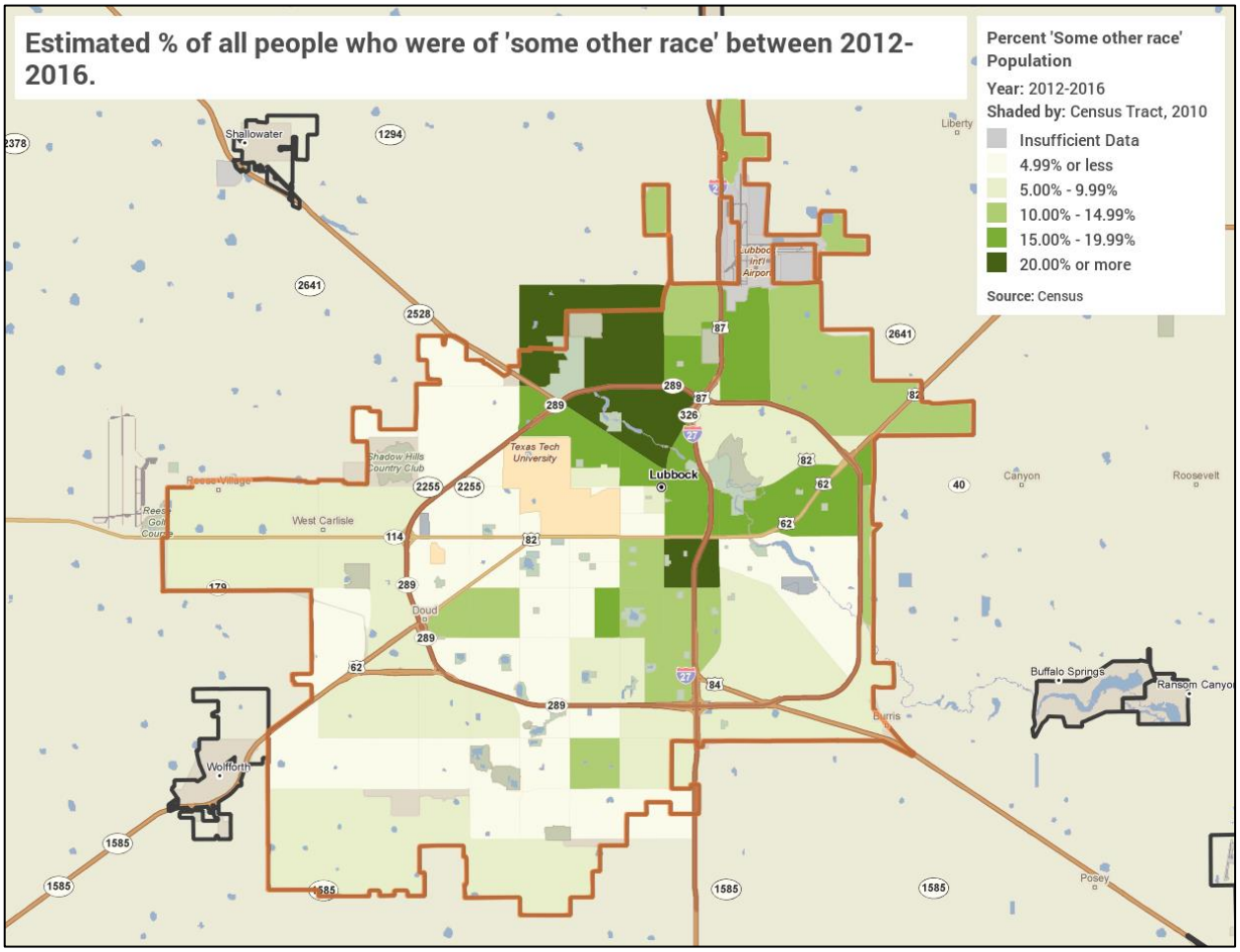


Source: 2012-2016 ACS via PolicyMap

Some Other Race

The US Census allows residents to select "Some Other Race" if they feel that the list does not provide an appropriate choice. Approximately 7 percent of Lubbock's population selected "Some Other Race" in the most recent American Community Survey. The census tracts to the north around Lubbock Lake National Historic Landmark and in the east-central area south of the Highway 62 and I-27 intersection have a disproportionately large number of residents who identified as "Some Other Race".

MAP: Geographic Distribution of "Some Other" Population



Source: 2012-2016 ACS via PolicyMap

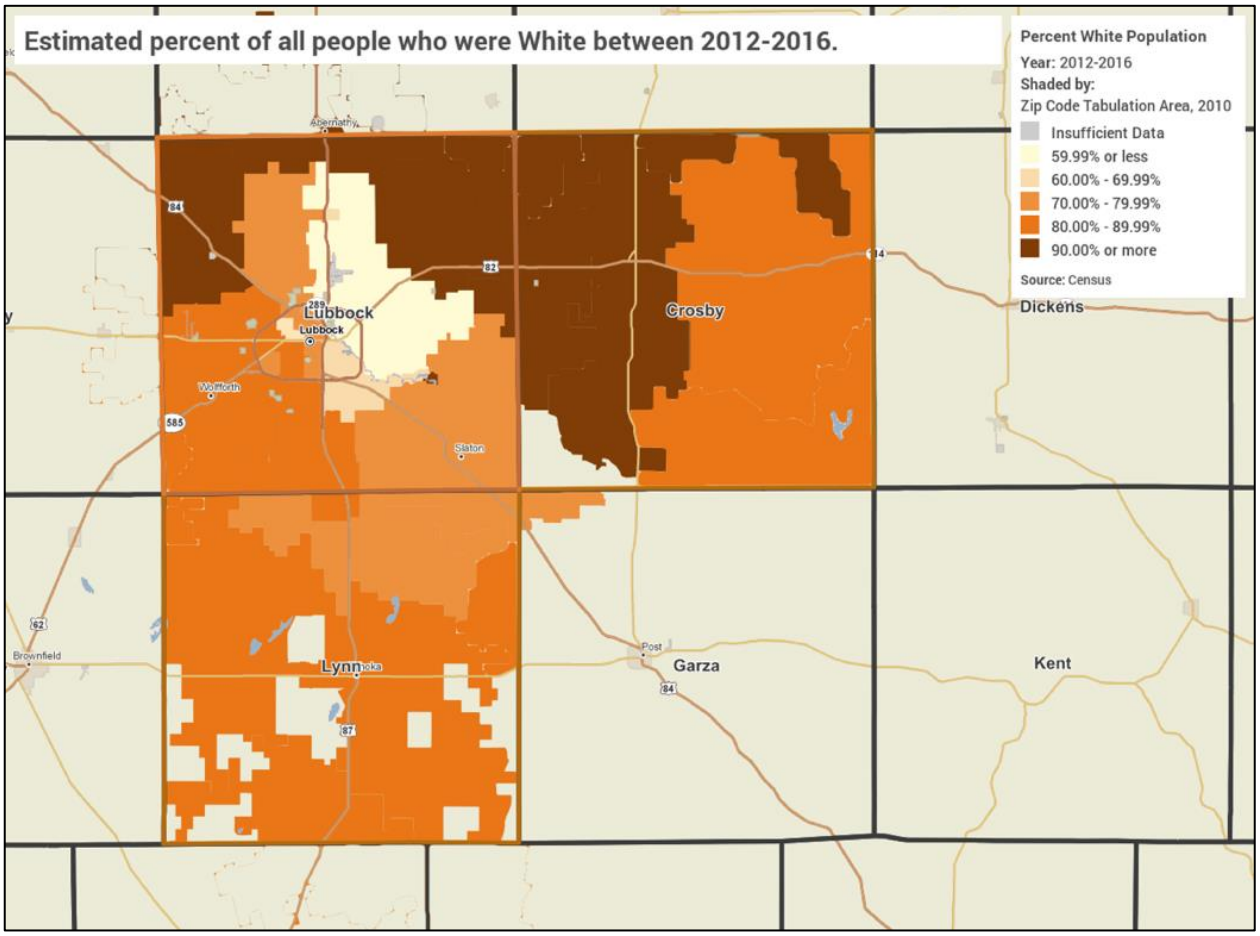
The 2012-2016 ACS provides data for three other racial groups: Native Hawaiian and Pacific Islander, Native American and Alaska Native, and Two or more races but these groups were too small to identify any patterns of segregation.

Race/Ethnicity (Region)

White (Region)

Regionwide, ZIP Codes in the rural areas have a higher percentage of the population that is White than those in Lubbock. Particularly, there is one ZIP Code that includes the northeastern parts of Lubbock that have a smaller than average White population.

MAP: Geographic Distribution of White Population (Region)

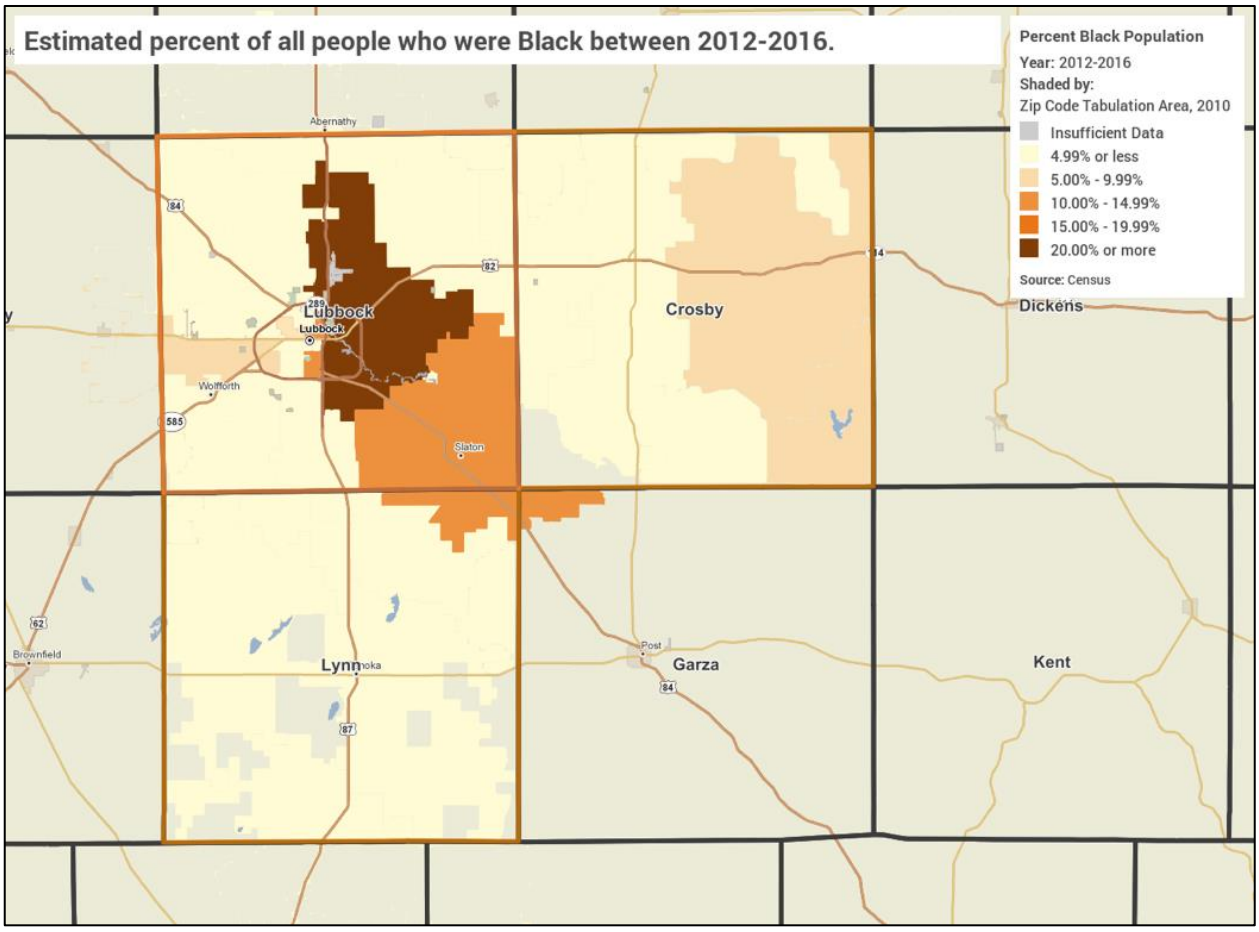


Source: 2012-2016 ACS via PolicyMap

Black (Region)

Black residents in the region primarily live in one area, the eastern portion of Lubbock County. One ZIP code has 20 percent or more of the population that identify as Black, but most tracts have less than 5 percent of the population that is Black.

MAP: Geographic Distribution of Black Population (Region)

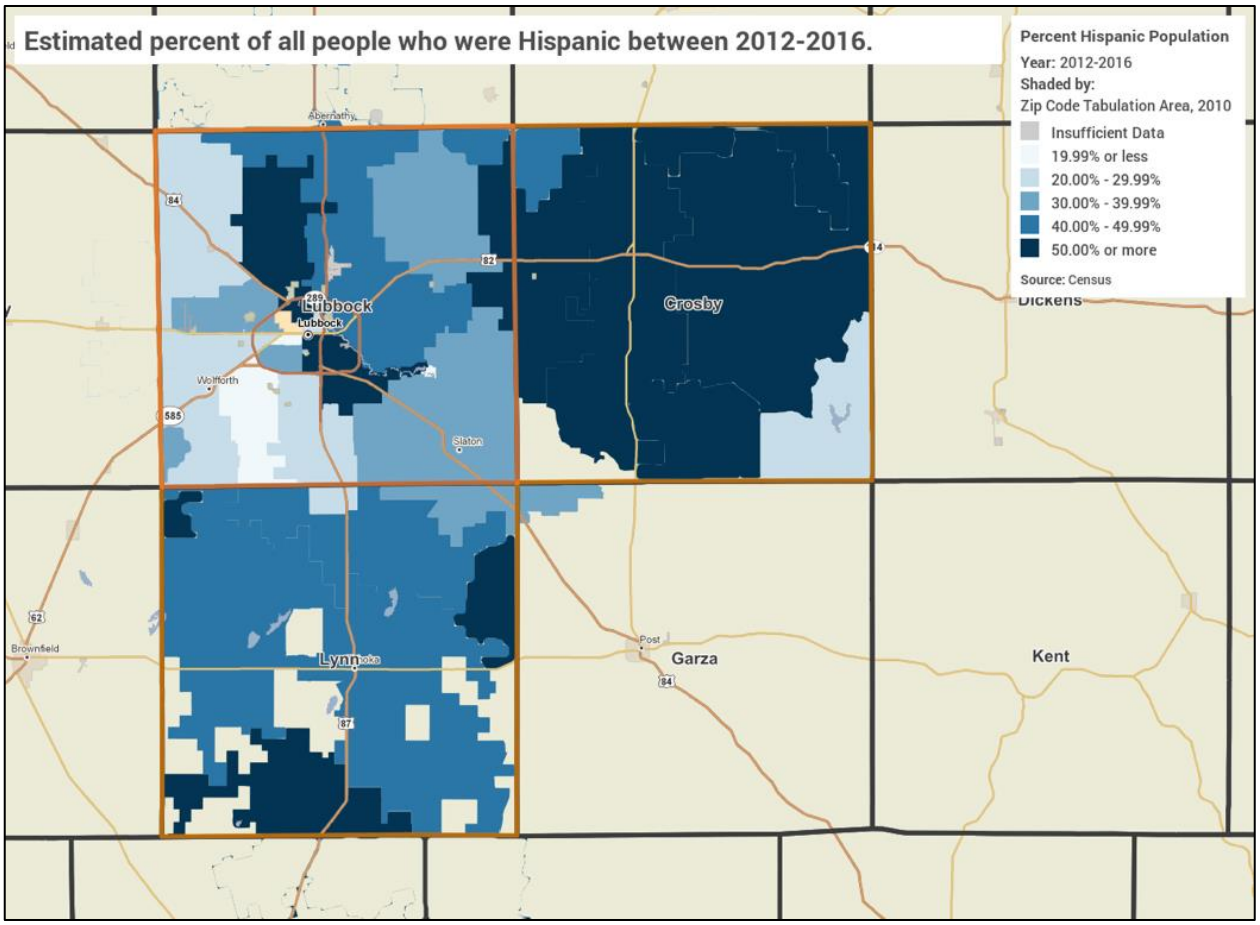


Source: 2012-2016 ACS via PolicyMap

Hispanic (Region)

The Hispanic population is spread throughout the Region and is present in rural and urban tracts. Downtown Lubbock has a large Hispanic population, as does ZIP codes in Crosby and Lynn County. Most areas have at least 30 percent of the population that identify as Hispanic.

MAP: Geographic Distribution of Hispanic Population (Region)

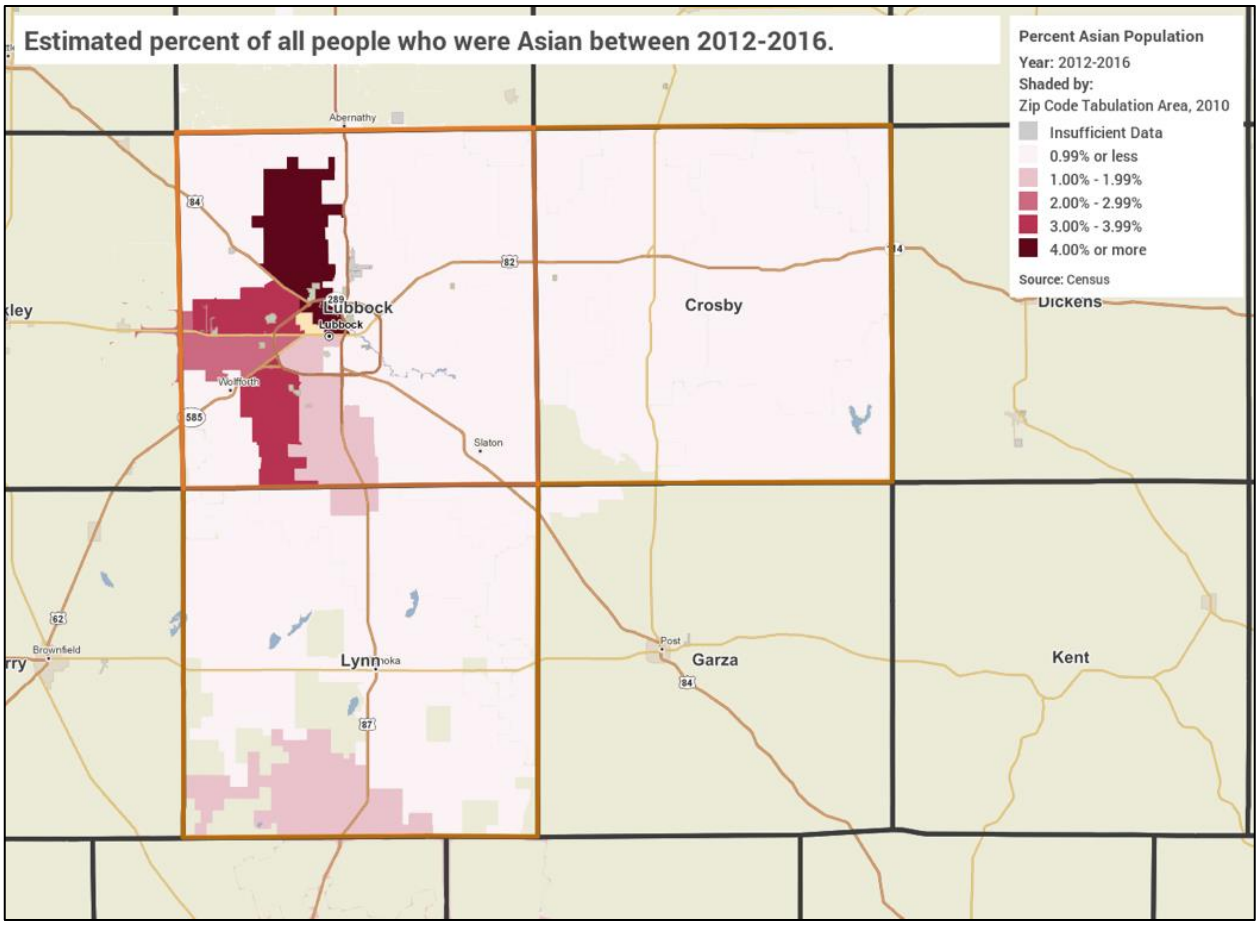


Source: 2012-2016 ACS via PolicyMap

Asian (Region)

The Asian population in the Region is relatively small but there are ZIP codes with a concentration of Asian residents. Census tracts on the north and western sides of Lubbock tend to have a higher Asian population than other areas of the Region

MAP: Geographic Distribution of Asian Population (Region)

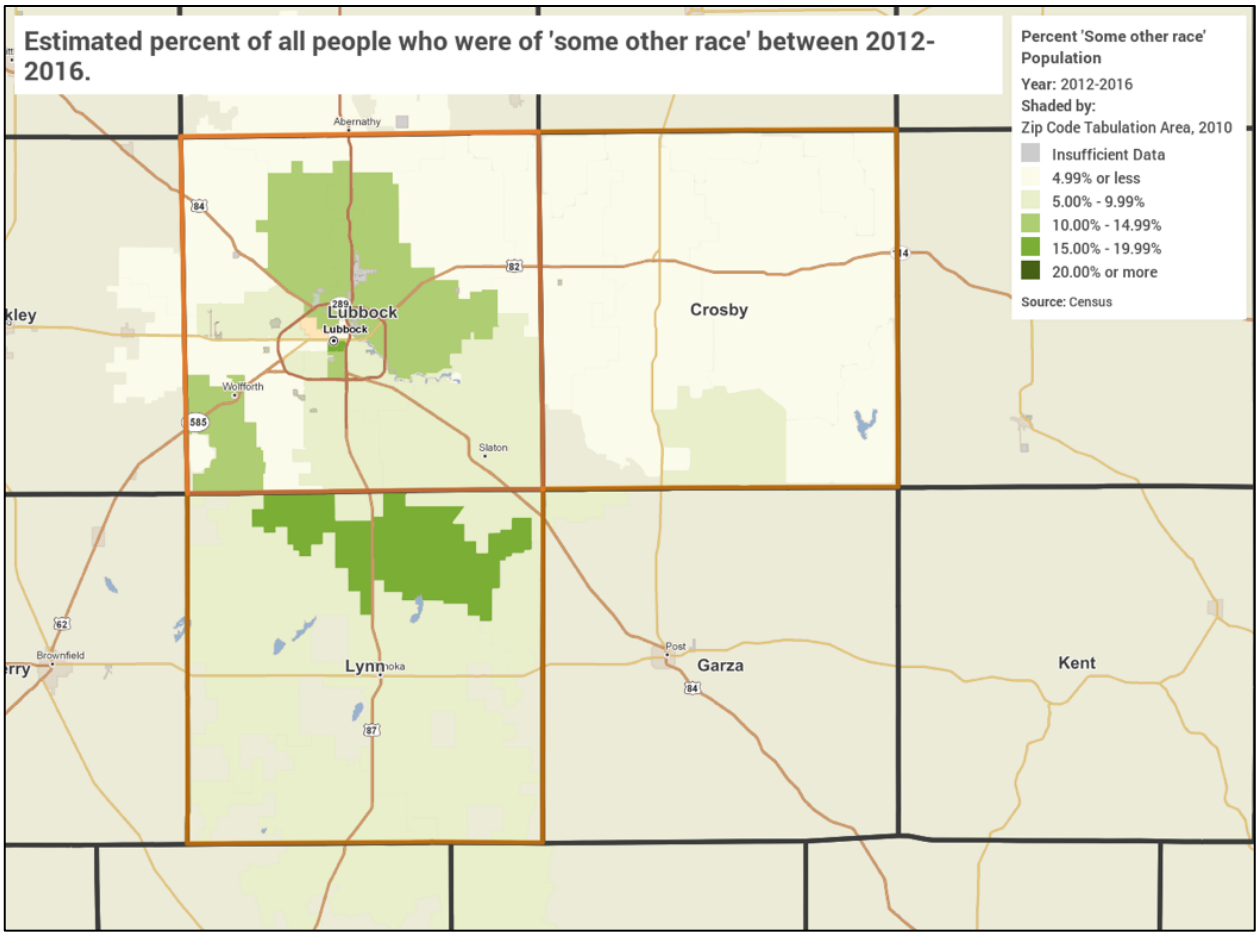


Source: 2012-2016 ACS via PolicyMap

Some Other Race (Region)

Residents that identify as “Some Other Race” are distributed throughout the Region. Many ZIP Codes throughout the City of Lubbock and the neighboring counties have 10 percent or more that identify with this racial group.

MAP: Geographic Distribution of “Some Other” Population (Region)



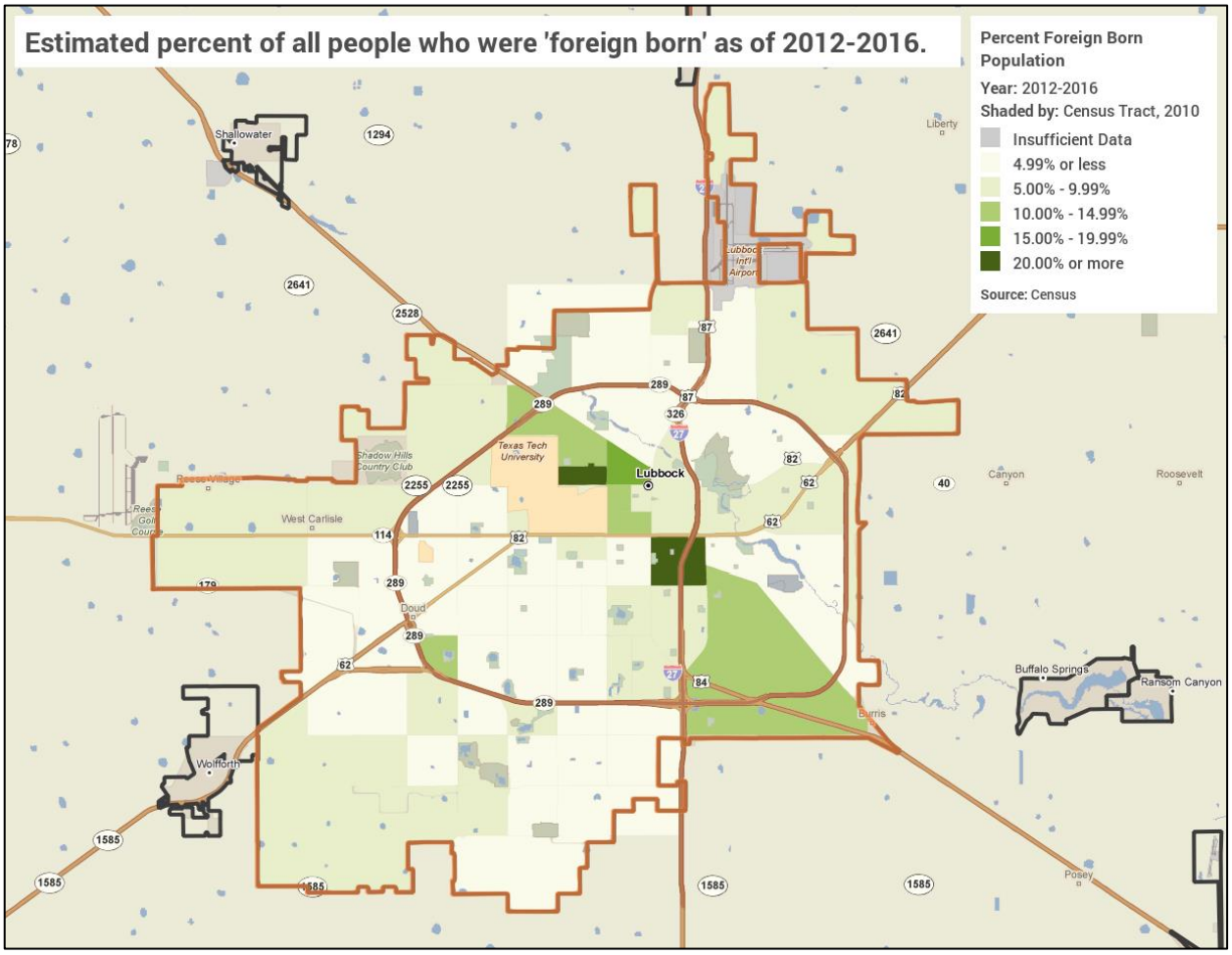
Source: 2012-2016 ACS via PolicyMap

The 2012-2016 ACS provides data for three other racial groups: Native Hawaiian and Pacific Islander, Native American and Alaska Native, and Two or more races but these groups were too small to identify any patterns of segregation.

National Origin

The foreign-born population is heavily segregated in Lubbock. A few Census Tracts have over 20 percent of their population that is foreign-born. It is common for many new immigrants to live with, or near, family members and others from their birth country. This is not necessarily a bad thing, but it is something that community leaders should be aware of and additional support may be necessary to aid in integration.

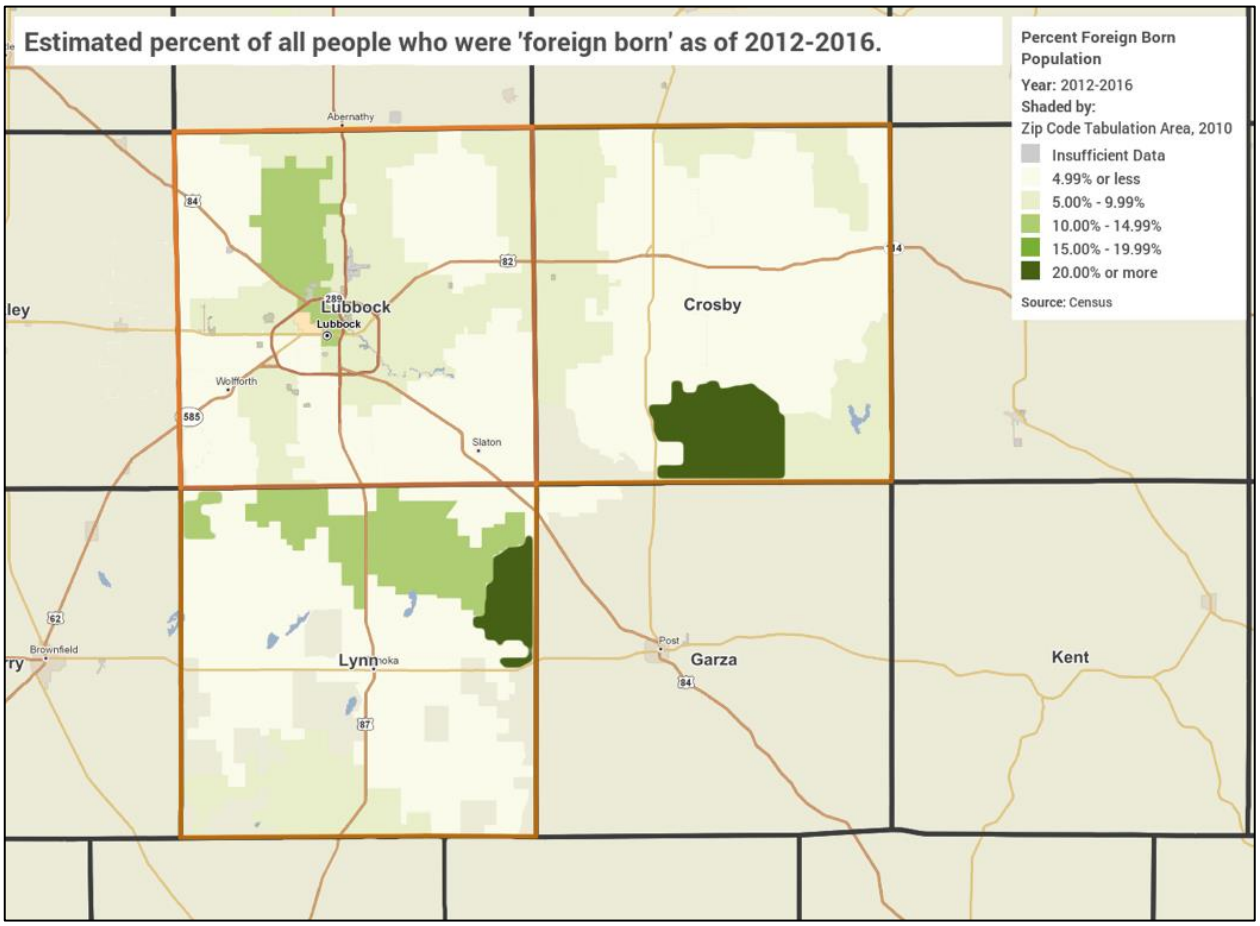
MAP: Geographic Distribution of "Foreign Born" Population



Source: 2012-2016 ACS via PolicyMap

National Origin (Region)

MAP: Geographic Distribution of "Foreign Born" Population (Region)

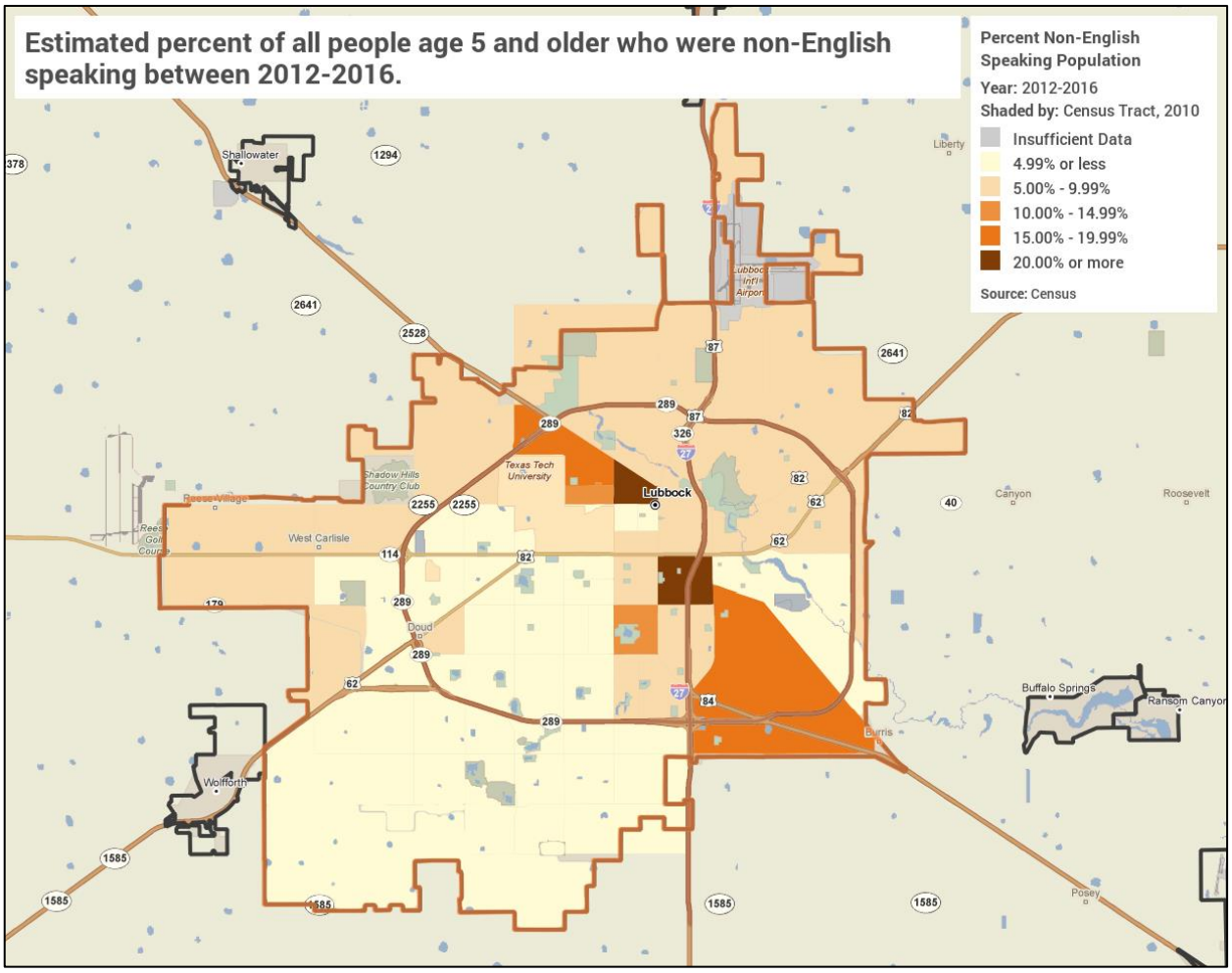


Source: 2012-2016 ACS via PolicyMap

LEP

The distribution of the non-English speaking population is similar to the foreign-born population map displayed above. There are several census tracts in the center areas of the city that have a disproportionately high number of residents who are non-English speaking.

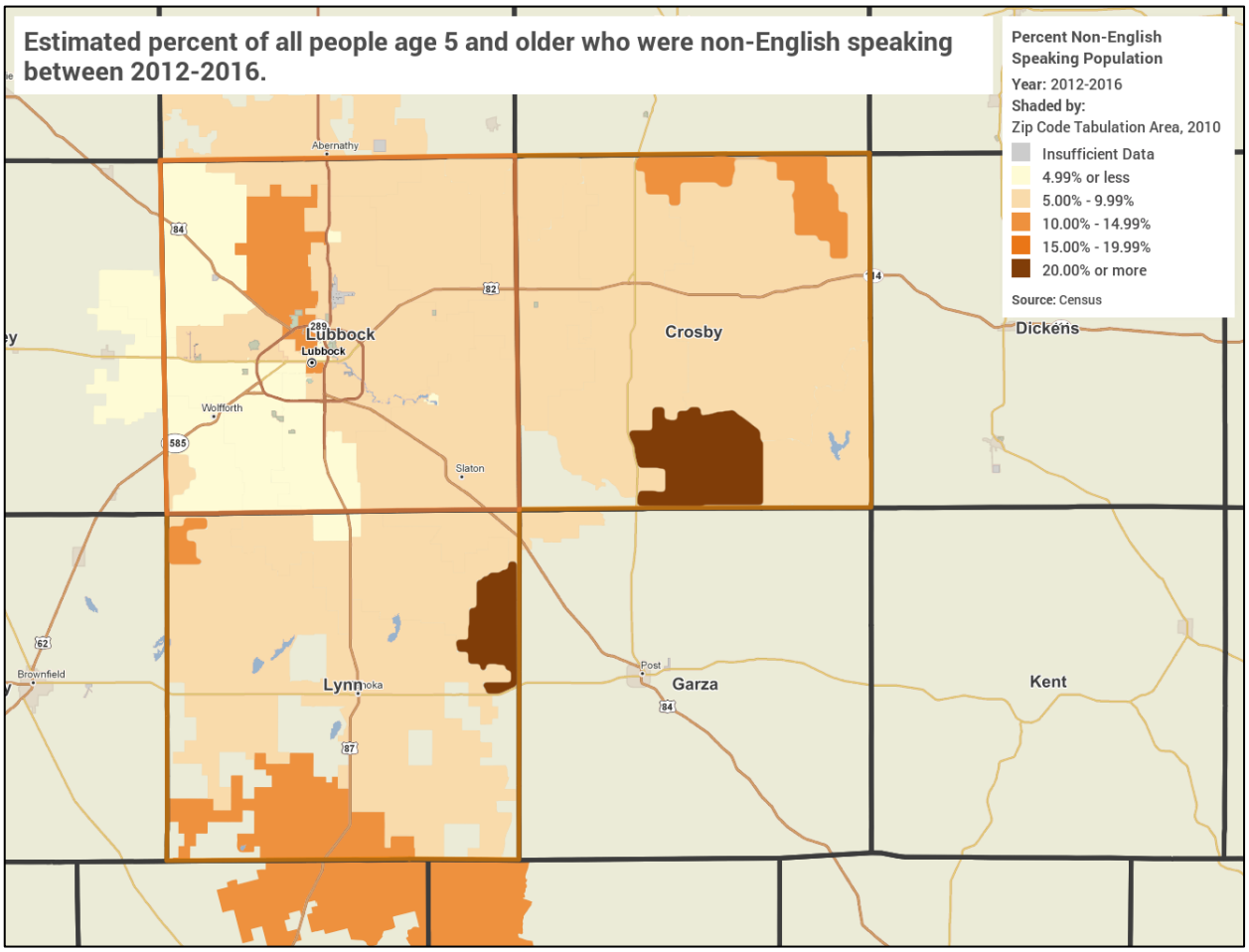
MAP: Geographic Distribution of "Non-English Speaking" Population



Source: 2012-2016 ACS via PolicyMap

LEP (Region)

MAP: Geographic Distribution of "Non-English Speaking" Population (Region)



Source: 2012-2016 ACS via PolicyMap

c. **Explain how these segregation levels and patterns in the jurisdiction and region have changed over time (since 1990).**

According to the Racial/Ethnic Dissimilarity Trends provided by HUD, segregation levels in Lubbock have seen a moderate decrease since 1990. According to HUD:

The overall Non-White/White and the Hispanic/White segregation levels have reduced from moderate to low and the Black/White segregation levels have reduced from high to moderate. Addressing segregation is a major goal of HUD and Lubbock appears to be heading in the right direction. Currently, the groups facing the highest level of segregation is the Black, non-Hispanic population.

The region has seen a similar pattern, but the shift has been less pronounced. Whereas in Lubbock the dissimilarity trends scores have decreased by nearly 15 points in most demographics it has only reduced by 5-10 in the region.

Table: Racial/Ethnic Dissimilarity Trends

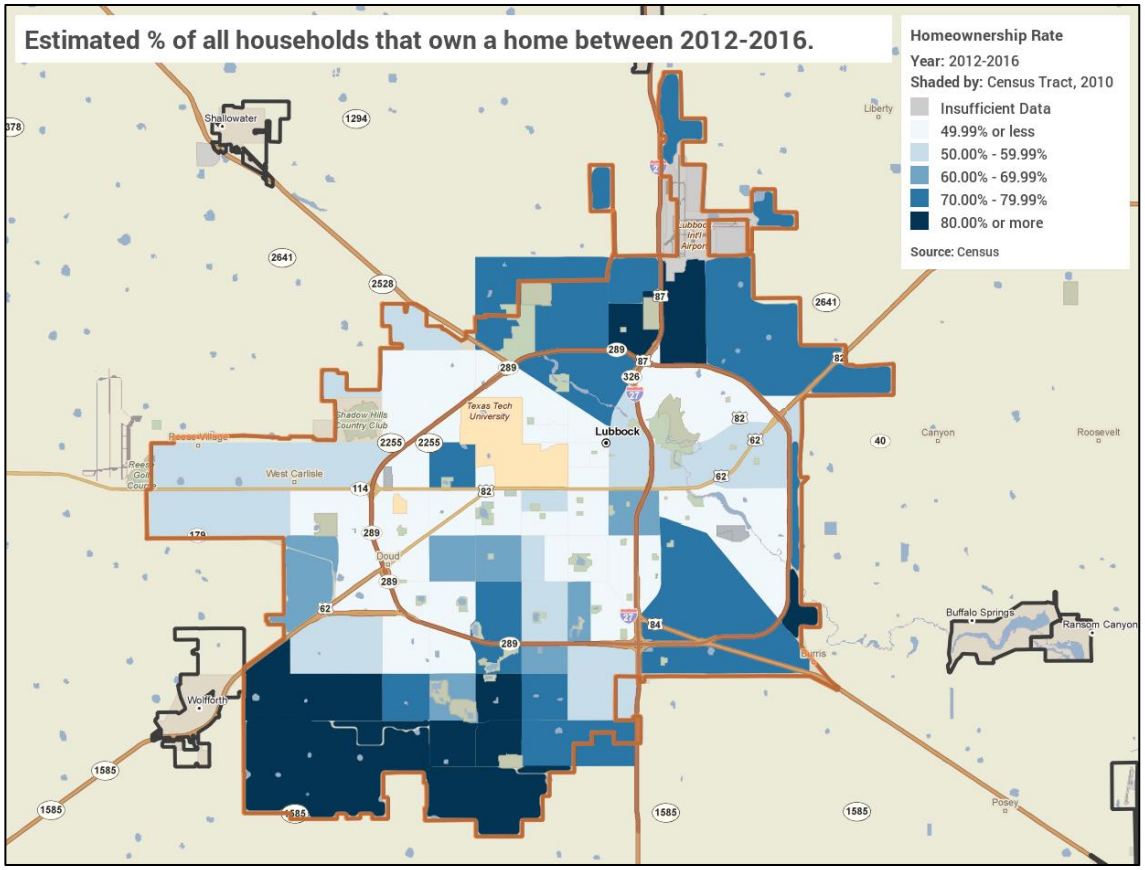
	Lubbock, TX (Jurisdiction)				Lubbock, TX (Region)			
	1990	**2000**	**2010**	**Current**	**1990**	**2000**	**2010**	**Current**
Non-White/White	52.48	48.32	38.22	41.61	46.50	42.89	35.04	39.17
Black/White	63.22	56.82	47.38	52.25	58.59	53.33	46.14	53.63
Hispanic/White	52.15	48.70	39.16	42.00	46.37	43.42	35.90	39.04
Asian or Pacific Islander/White	33.48	29.90	29.09	36.25	38.10	34.90	33.23	40.39

Source: Brown Longitudinal Tract Database based on Decennial Census 2010, Decennial Census 2000 and Decennial Census 1990, ACS (HUD AFFHT0004, Table 3 - Racial/Ethnic Dissimilarity Trends)

d. **Consider and describe the location of owner and renter occupied housing in the jurisdiction and region in determining whether such housing is located in segregated or integrated areas, and describe trends over time.**

The following two maps show the distribution of housing in Lubbock and the surrounding region. The first map displays the percentage of owner-occupied housing by census tract. The tracts with the most owner-occupied housing is in the southwest part of the city and in the northeast, just south of the airport. The southern tracts are somewhat segregated and have an above average White population. The tract to the south of the airport is much more integrated.

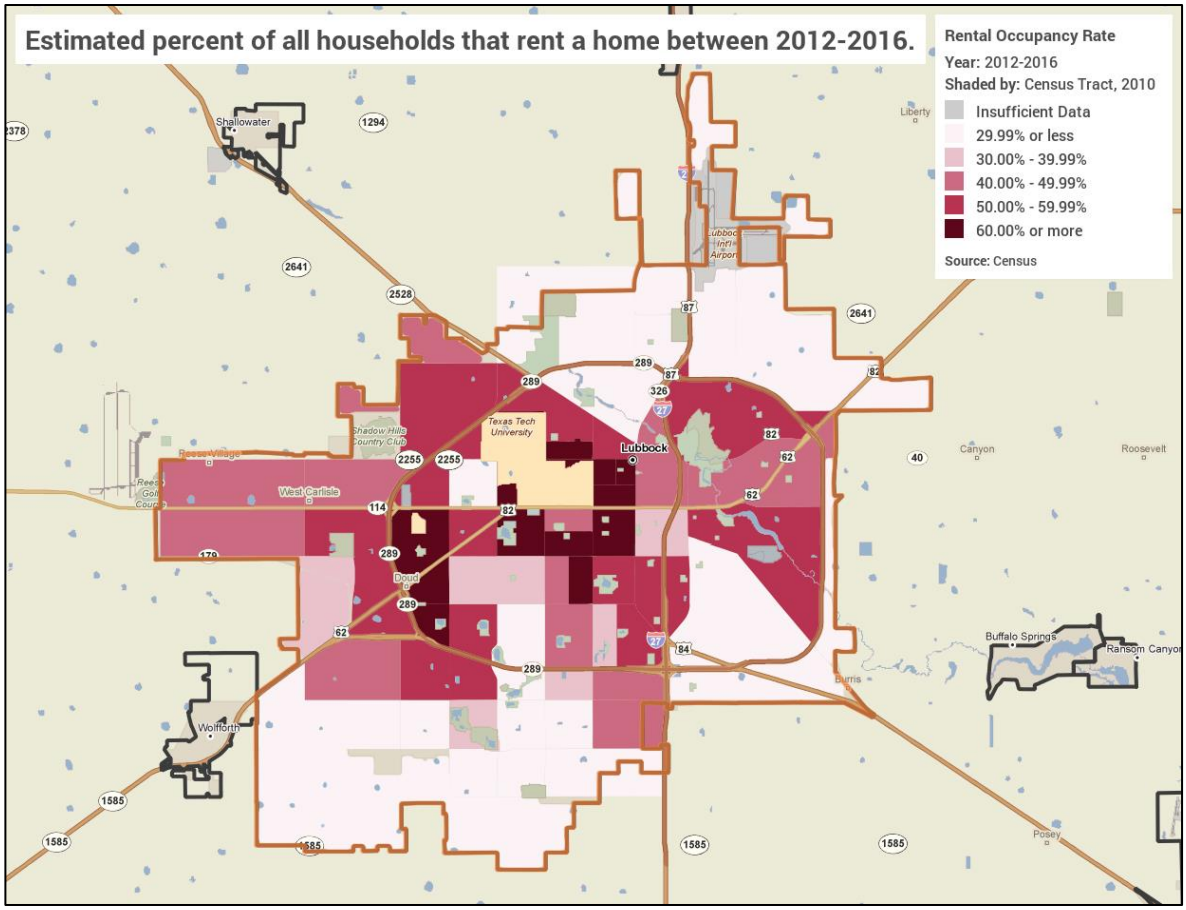
MAP: Owner-occupied Housing



Source: 2012-2016 ACS via PolicyMap

The second map shows renter-occupied housing with the reverse pattern. The areas with a large renter population (over 60%) tend to be around Texas Tech University and are not particularly segregated.

MAP: Renter-occupied Housing



Source: 2012-2016 ACS via PolicyMap

Between 2000 and 2016, the rates of homeownership has decreased slightly throughout the area. Within the City of Lubbock and the tri-county region (Lubbock, Crosby, and Lynn) homeownership has decreased approximately 2-3 percent since 2000.

Table: Percent of Housing Occupied by Renters and Owners						
	2000		**2010**		**2016**	
	Renter	**Owner**	**Renter**	**Owner**	**Renter**	**Owner**
Lubbock, TX (city)	44.2	55.8	45.4	54.6	47.8	52.2
Lubbock County	40.8	59.2	41.8	58.2	43.7	56.3
Crosby County	30.7	69.3	30.7	69.3	32.3	67.7
Lynn County	25.7	74.3	26.8	73.2	29.0	71.0
Source: 2000 Decennial Census DP-1, 2010 Decennial Census DP-1, 2012-2016 ACS 5-Year Estimates B25003						

Over the last 16 years the proportion of the population that is cost burdened has increased. Across the area there has been an increase of approximately 10 percent for renter-occupied units, except in Lynn County where the rate has skyrocketed from 16.8 percent to 49.4 percent. Owner-

occupied households have also seen an increase in cost-burden by 5-10 percent throughout the region.

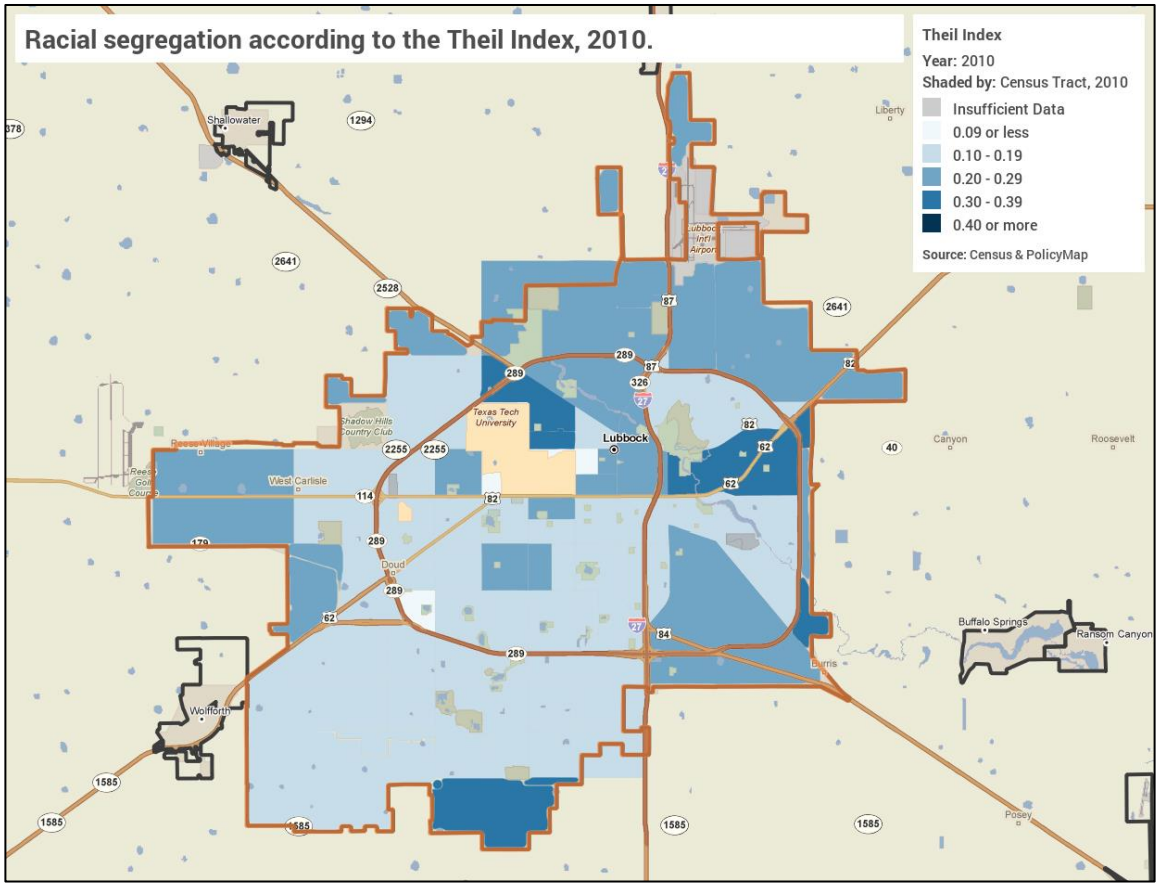
Table: Cost Burdened Households						
	2000		2010		2016	
	Renter	Owner	Renter	Owner	Renter	Owner
Lubbock, TX (city)	44.1	17.8	55.1	27.3	54.5	25.4
Lubbock County	42.7	17.6	54.3	27.3	53.3	24.5
Crosby County	21.7	17.1	46.4	21.0	32.2	26.9
Lynn County	16.8	15.0	42.1	30.7	49.4	27.0
Source: 2000 Decennial Census, 2006-2010 ACS 5-Year Estimates, 2012-2016 ACS 5-Year Estimates (DP04)						

e. **Discuss whether there are any demographic trends, policies, or practices that could lead to higher segregation in the jurisdiction in the future. Participants should focus on patterns that affect the jurisdiction and region rather than creating an inventory of local laws, policies, or practices.**

Looking at HUD-provided data the demographic trends do not appear to be encouraging greater segregation in the future. There has been growth in the non-White population, but the segregation levels have been declining since 1990. However, the location of publicly supported housing can potentially lead to higher segregation in the future. If publicly supported housing is located primarily in R/ECAP tracts or other tracts with segregated populations, it can reinforce segregation. Local jurisdictions generally have control over where public housing is placed and often higher-income (who are also often White) have a "Not in My Backyard" (NIMBY) view of public housing. It is important that housing assistance is available in all census tracts to provide opportunities outside of segregated areas of the city.

The following map uses the Theil Index to measure racial segregation. Lower values (below .20) are areas of less segregation and higher values (above .40) are areas of more segregation. Throughout the city there are no tracts with high segregation and only two small tracts with low segregation.

MAP: Theil Index



Source: 2010 Census via PolicyMap

2. Additional Information

a. **Beyond the HUD-provided data, provide additional relevant information, if any, about segregation in the jurisdiction and region affecting groups with other protected characteristics.**

The Texas Fair Housing Act and the United States Fair Housing Act both prohibit housing discrimination based on race, color, religion, sex, national origin, disability, or familial status. Race, color, national origin, disability, and familial status are all discussed throughout this document. There is no additional relevant information that the remaining protected classes (religion and sex) are segregated in the City or Region. The importance of identifying and addressing segregation was noted in the 2014 City of Lubbock Analysis of Impediments to Fair Housing Choice (AI), but segregation in any forms was not identified as an Impediment for the jurisdiction.

b. **The program participant may also describe other information relevant to its assessment of segregation, including activities such as place-based investments and geographic mobility options for protected class groups.**

While segregation was not noted as an issue in the 2014 AI, protected classes were noted as facing additional impediments to fair housing that could impact segregation. Poverty is often linked to race, ethnicity or limited English proficiency, and minority populations tend to have significantly lower median household incomes than White households. To address this issue, the City of Lubbock identified three actions:

1. Provide language assistance to persons with limited English proficiency
2. Continue to Implement an Affirmative Fair Housing Marketing Plan to create fair and open access to affordable housing
3. Continue to encourage recruitment of industry and job creation.

The City recognizes that it is necessary that these programs to not unintentionally encourage segregation by opening access to affordable housing only in areas with large minority populations. Access to homes and economic opportunities for protected classes must exist throughout the city.

3. Contributing Factors of Segregation

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of segregation.

- **Community opposition**
- **Displacement of residents due to economic pressures**
- **Lack of community revitalization strategies**
- **Lack of private investments in specific neighborhoods**
- **Lack of public investments in specific neighborhoods, including services or amenities**
- **Lack of regional cooperation**
- **Land use and zoning laws**
- **Lending discrimination**
- **Location and type of affordable housing**
- **Loss of Affordable Housing**
- **Occupancy codes and restrictions**
- **Private discrimination**
- **Source of income discrimination**
- **Other**

Community opposition to integration is a difficult thing to accurately judge. There are often stereotypes that low-income residents will bring down the property value of a neighborhood and may attract crime. Low-income residents often lack a voice in policy decisions and even when communities recognize the need for publicly supported housing there is a "NIMBY" view of the issue.

Rising housing costs can lead to the ***displacement of residents due to economic pressures*** and ***loss of affordable housing.*** As the costs of housing rises, low-income residents are pushed out of the community. This is particularly true for renters who do not see rising housing costs as an increase in value of their investment. When income is linked to race or ethnicity this can lead to racial segregation. The following table displays economic changes in the City over time. Housing costs, rent and the percentage of cost-burdened residents have grown more quickly than median household income. If this pattern is not addressed, more residents may be displaced or face living in substandard housing conditions.

Table: Economic Changes Over Time (Lubbock, TX)

	2000	2016	Percent Change
Median Gross Rent	514	854	66.2
Median Owner Housing Costs (with Mortgage)	799	1245	55.8
Median Owner Housing Costs (without Mortgage)	275	476	73.1
Home Value	69,500	118,300	70.2
Cost Burdened Renters	44.1	54.5	23.6
Cost Burdened Home Owners	17.8	25.4	42.7
Median Household Income	31,844	45,499	42.9

Source: 2012-2016 American Community Survey 5-Year Estimates, 2000 Decennial Census

Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)

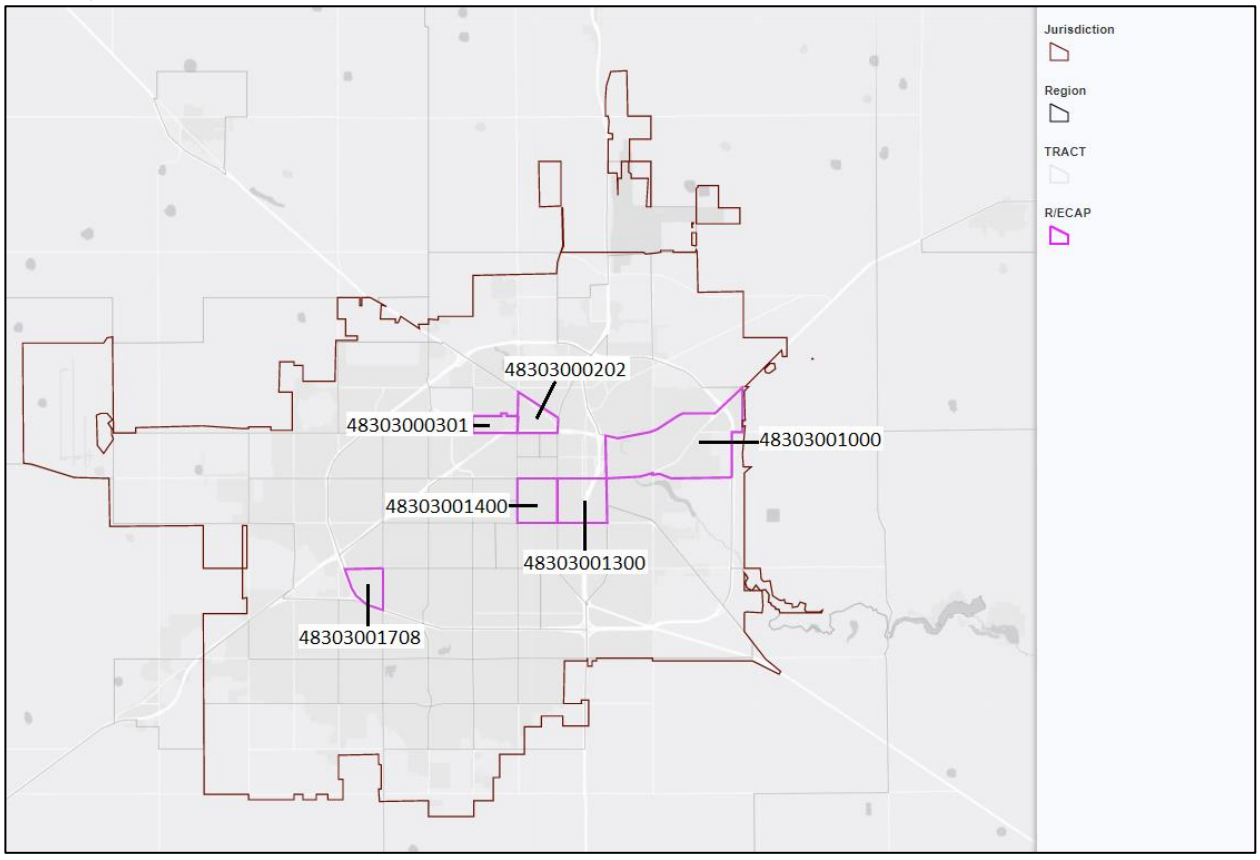
1. Analysis

a. Identify any R/ECAPs or groupings of R/ECAP tracts within the jurisdiction and region.

HUD has developed a census tract based, dual threshold definition for R/ECAP to assist identifying racially/ethnically concentrated areas of poverty. The first threshold is that the tract must have a non-White population of 50 percent or more. The second threshold requires either a tract have 40 percent or more of the population living in poverty or three times the average poverty rate for the area, whichever threshold is lower.

According to HUD, there are six census tracts that meet the R/ECAP definition. Five are in the northeastern quadrant of the city and one is in the southwestern quadrant.

MAP: R/ECAP Tracts



Source: Decennial Census, 2010 and 2009-2013 ACS (HUD AFFHT0004)

b. Describe and identify the predominant protected classes residing in R/ECAPs in the jurisdiction and region. How do these demographics of the R/ECAPs compare with the demographics of the jurisdiction and region?

Approximately one-sixth of the population, or nearly 20,000 residents live in R/ECAP tracts. These tracts have disproportionately high Hispanic and Black, non-Hispanic populations. Hispanic residents make up 32.23 percent of the City of Lubbock but over 50 percent of R/ECAP tracts. Black, non-Hispanic residents make up approximately 8 percent of the City but over 12 percent of the R/ECAP tract. Additionally, over 4 percent of the R/ECAP tract identify as Asian while they represent 2.37 percent of the total City population.

Table: R/ECAP Demographics

	Lubbock, TX (Jurisdiction)		Lubbock, TX (Region)	
	#	%	#	%
R/ECAP Race & Ethnicity				
Total Population in R/ECAPS	19,700	-	19,700	-
White, Non-Hispanic	5,583	28.34%	5,583	28.34%
Black, Non-Hispanic	2,455	12.46%	2,455	12.46%
Hispanic	10,550	53.55%	10,550	53.55%
Asian or Pacific Islander, Non-Hispanic	805	4.09%	805	4.09%
Native American, Non-Hispanic	60	0.30%	60	0.30%
Other, Non-Hispanic	39	0.20%	39	0.20%
R/ECAP Family Type				
Total Families in R/ECAPs	3,929	-	3,929	-
Families with children	1,820	46.32%	1,820	46.32%

Source: 2010 Decennial Census, 2009-2013 ACS
(HUD AFFHT0004, Table 4 – R/ECAP Demographics)

Residents in R/ECAPs are also more likely to be foreign-born than the general population of Lubbock. Nearly 7.5 percent of the R/ECAP population was born in Mexico while only 2.68 percent of the total Lubbock population was from Mexico. Over 2 percent of the R/ECAP population is from India but this group only represents 0.56 percent of Lubbock's total population. It is important that foreign-born residents have access to housing opportunities throughout the City to prevent segregation and the development of R/ECAPs.

Table: Comparison of Jurisdiction Population and Jurisdiction R/ECAPs

	Lubbock, TX (Jurisdiction)			Lubbock, TX (Region)		
National Origin	**Nation**	**#**	**%**	**Nation**	**#**	**%**
Total Population in R/ECAPS		19,700	-		19,700	-
#1 country of origin	Mexico	1,473	7.48%	Mexico	1,473	7.48%
#2 country of origin	India	434	2.20%	India	434	2.20%
#3 country of origin	Other Northern Africa	93	0.47%	Other Northern Africa	93	0.47%
#4 country of origin	Sri Lanka	83	0.42%	Sri Lanka	83	0.42%
#5 country of origin	Philippines	55	0.28%	Philippines	55	0.28%
#6 country of origin	Canada	30	0.15%	Canada	30	0.15%
#7 country of origin	Cuba	28	0.14%	Cuba	28	0.14%

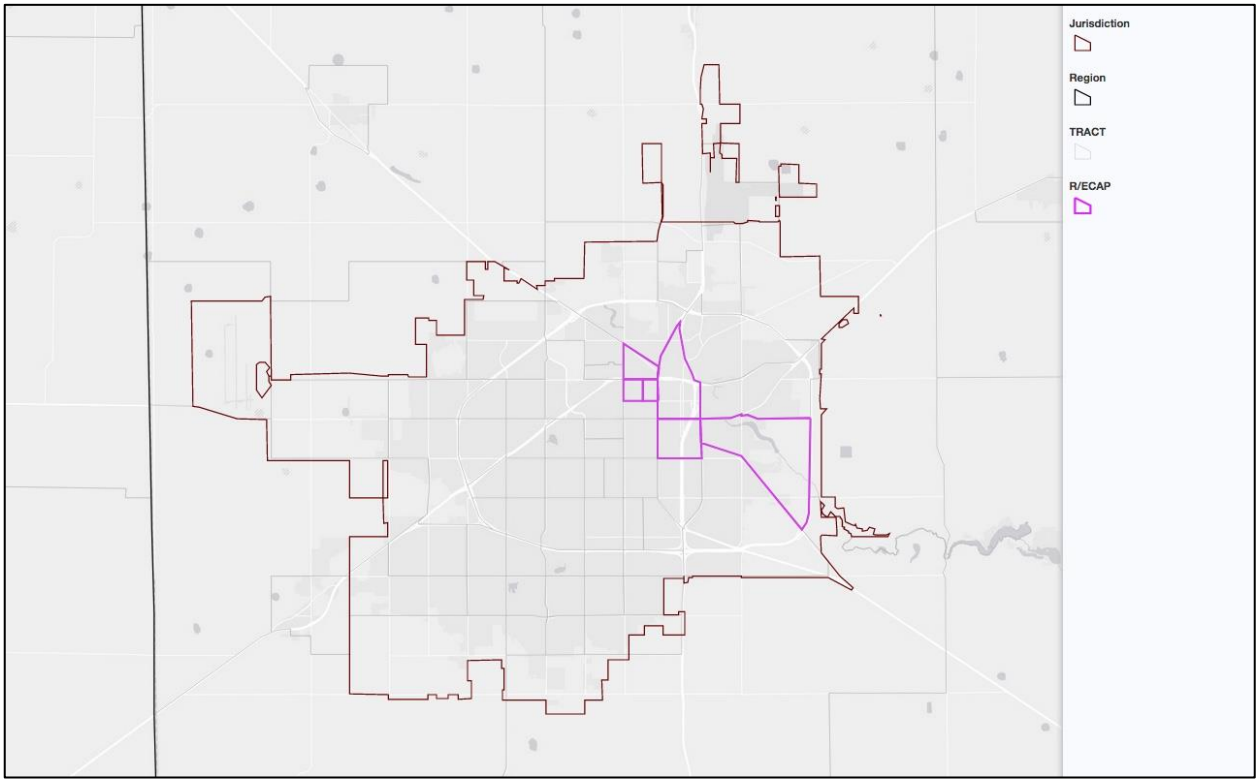
#8 country of origin	Kuwait	23	0.12%	Kuwait	23	0.12%
#9 country of origin	El Salvador	22	0.11%	El Salvador	22	0.11%
#10 country of origin	Iraq	21	0.11%	Iraq	21	0.11%
Source: 2010 Decennial Census, 2009-2013 ACS (HUD AFFHT0004, Table 4 – R/ECAP Demographics)						

c. Describe how R/ECAPs have changed over time in the jurisdiction and region (since 1990).

Within the City of Lubbock R/ECAPs have undergone significant change over time. There is only one tract (which was two separate tracts in 1990) that has consistently remained a R/ECAP since 1990. This tract, 48303000301, is located to the north of 4th Street, east of Indiana Avenue, south of 1st Street, and west of University Avenue.

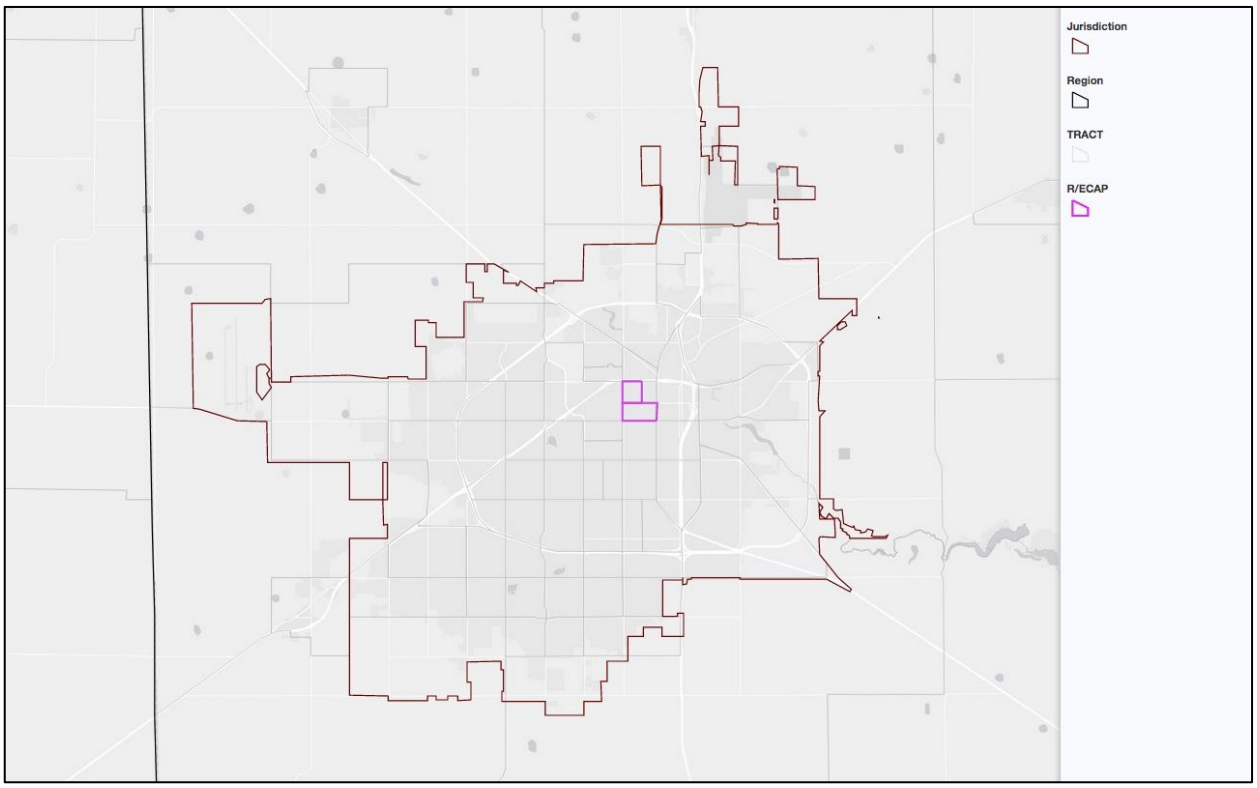
In 1990, there were six R/ECAP tracts, all of which were on the east side of the town. In 2000, only two R/ECAP tracts remained, and they were made up of previous R/ECAP tracts but by 2010 there were again six census tracts identified that were primarily in the eastern part of town. Finally, the most recent data shows six census tracts, one of which is on the western half of town. The following four maps show the location of R/ECAP tracts over time.

MAP: R/ECAP Tracts, 1990



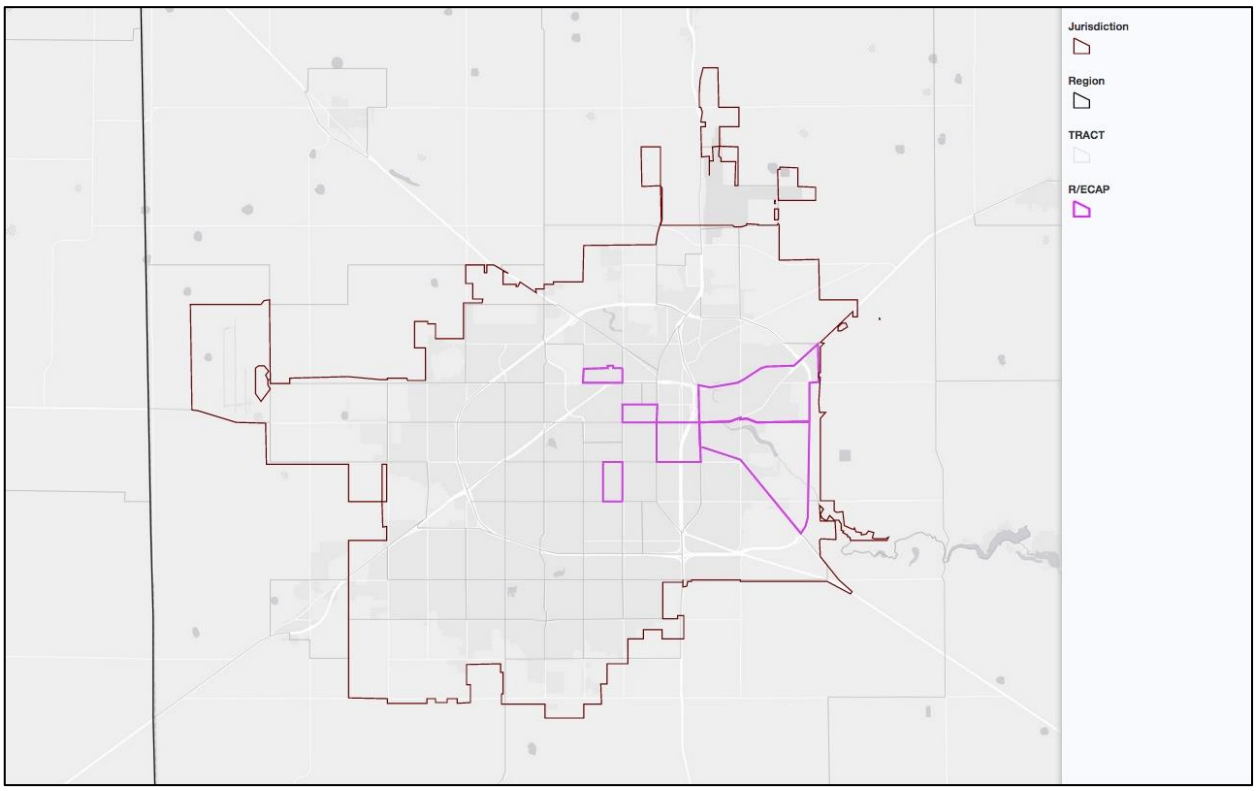
Source: 2009-2013 ACS, Decennial Census (1990, 2000, 2010), Brown Longitudinal Tract Database (HUD AFFHT0004)

MAP: R/ECAP Tracts, 2000



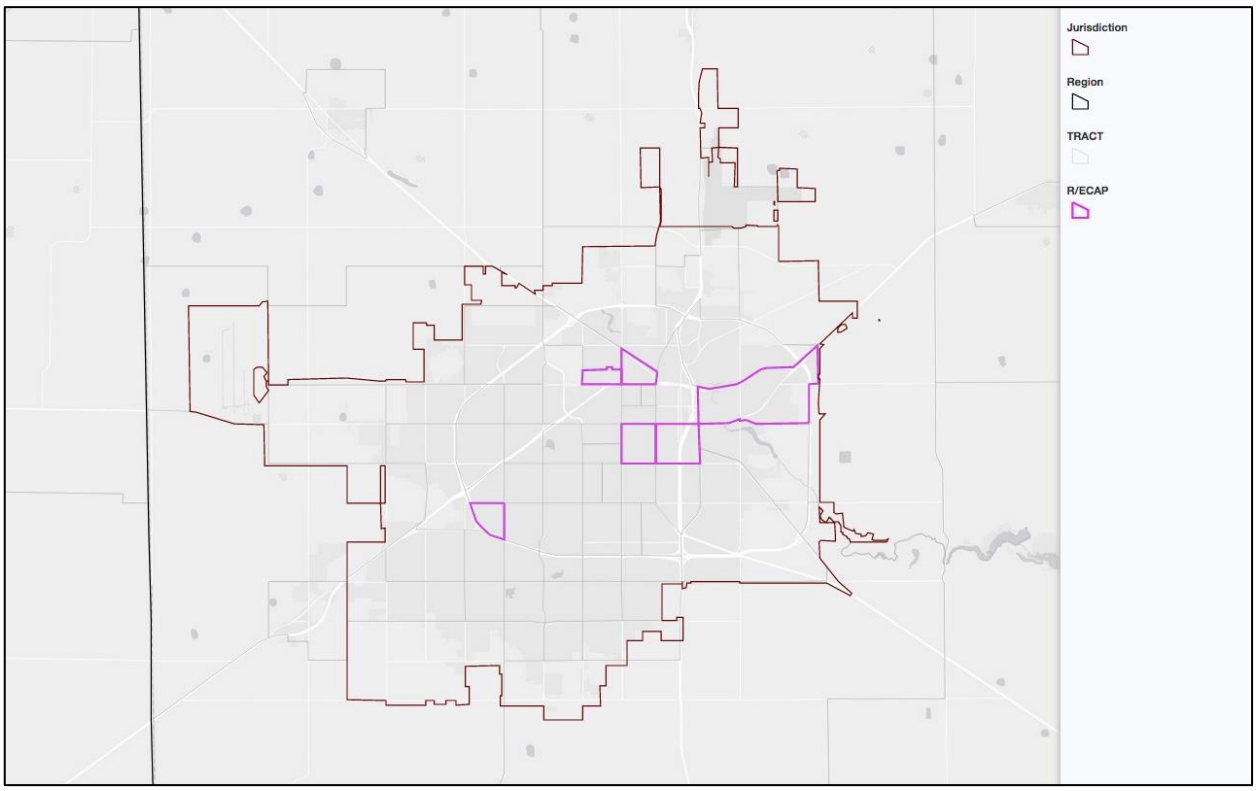
Source: 2009-2013 ACS, Decennial Census (1990, 2000, 2010), Brown Longitudinal Tract Database (HUD AFFHT0004)

MAP: R/ECAP Tracts, 2010



Source: 2009-2013 ACS, Decennial Census (1990, 2000, 2010), Brown Longitudinal Tract Database (HUD AFFHT0004)

MAP: R/ECAP Tracts, Current

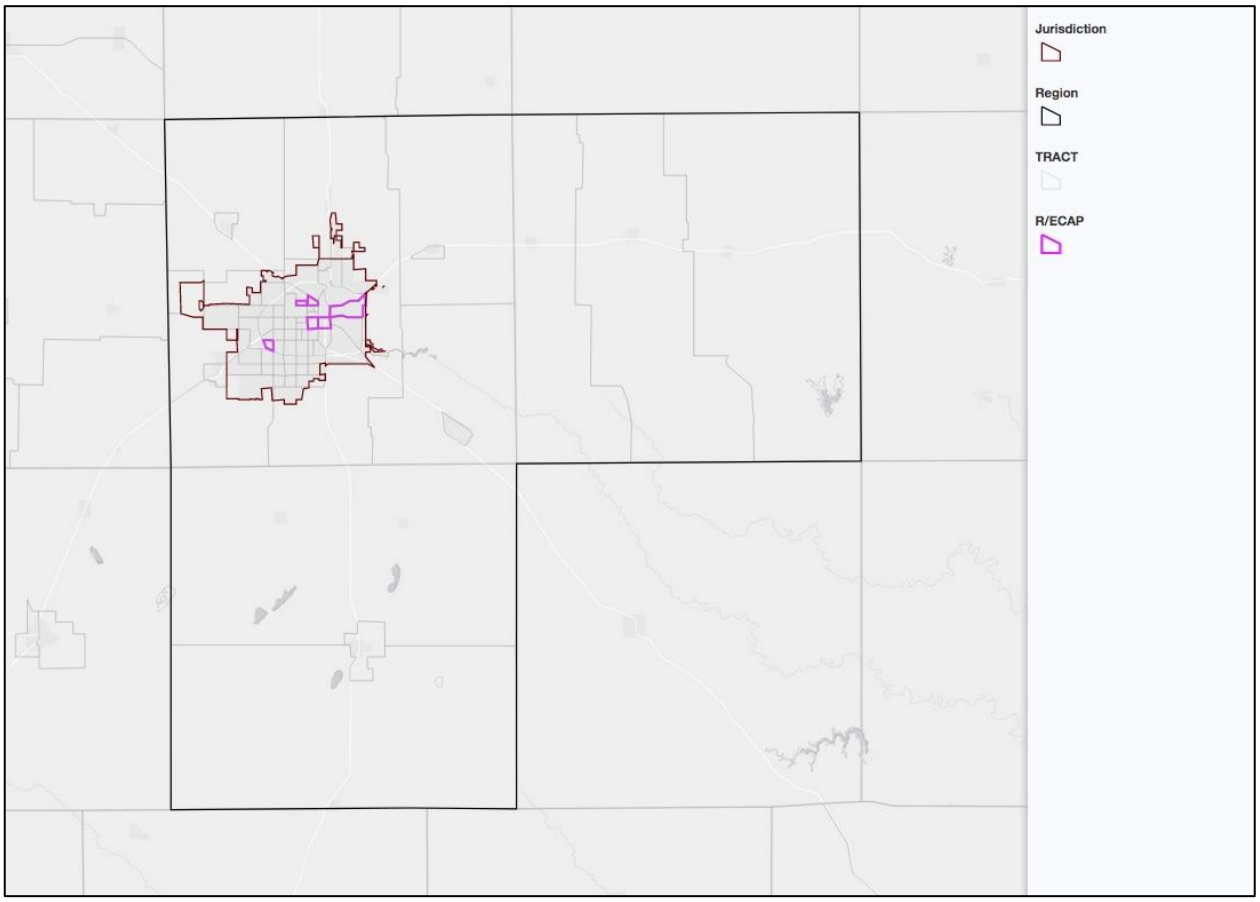


Source: 2009-2013 ACS, Decennial Census (1990, 2000, 2010), Brown Longitudinal Tract Database (HUD AFFHT0004)

R/ECAP Tracts (Region)

There are no additional R/ECAP tracts in the region outside of the City of Lubbock, currently or since 1990.

MAP: R/ECAP Tracts, Current (Region)



Source: 2009-2013 ACS, Decennial Census (1990, 2000, 2010), Brown Longitudinal Tract Database (HUD AFFHT0004)

2. Additional Information

a. **Beyond the HUD-provided data, provide additional relevant information, if any, about R/ECAPs in the jurisdiction and region affecting groups with other protected characteristics.**

The 2012-2016 American Community Survey 5-Year estimates provide a more updated demographic view of the city and R/ECAP tracts. Of note is the relatively high poverty rate in R/ECAP tracts which is between 10-30 percent higher than the city. The R/ECAP tracts have disproportionately large Hispanic populations and one tract (48303001000) has a disproportionately high Black population.

Table: Race and Poverty in R/ECAP Tracts					
	Poverty Rate		**% White Population**	**% Black Population**	**% Hispanic Population**
Lubbock, TX (city)	20.9%		78.7%	7.9%	34.5%
48303001708	30.9%		85.7%	2.0%	32.1%
48303000301	48.1%		67.5%	6.7%	43.9%
48303000202	42.2%		73.1%	1.6%	91.0%
48303001400	34.4%		77.9%	2.9%	36.8%
48303001300	30.8%		71.3%	2.1%	84.4%
48303001000	33.3%		36.2%	45.5%	42.2%
Source: 2012-2016 ACS via PolicyMap (Census Tracts), 2012-2016 ACS, DP05 (City)					

b. **The program participant may also describe other information relevant to its assessment of R/ECAPs, including activities such as place-based investments and geographic mobility options for protected class groups.**

Using HUD's R/ECAP definition and the most recent data four additional census tracts have been identified as potentially R/ECAPs now, or in the near future.

TABLE: Race and Poverty in Potential R/ECAPs			
	Poverty Rate	**% Non-White Population**	**% Hispanic Population**
48303000603	76.7%	22.7%	13.9%
48303000605	83.0%	19.2%	22.1%
48303000607	44.2%	32.4%	18.3%
48303001502	45.5%	5.1%	10.9%
Source: 2012-2016 ACS via PolicyMap			

According to the HUD provided data, there are some publicly supported housing policies that may be encouraging the creation of R/ECAPs. One-third of the project-based Section 8 projects are in one census tract (48303001708) which is a R/ECAP.

3. Contributing Factors of R/ECAPs

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of R/ECAPs.

- **Community opposition**
- **Deteriorated and abandoned properties**
- **Displacement of residents due to economic pressures**
- **Lack of community revitalization strategies**
- **Lack of local or regional cooperation**
- **Lack of private investments in specific neighborhoods**
- **Lack of public investments in specific neighborhoods, including services or amenities**
- **Land use and zoning laws**
- **Location and type of affordable housing**
- **Loss of Affordable Housing**
- **Occupancy codes and restrictions**
- **Private discrimination**
- **Source of income discrimination**
- **Other**

The factors that contribute to R/ECAP tracts are similar to those stated above that may contribute to segregation, though the influence of publicly supported housing may play a greater role.

The expansion of public housing into new areas would help alleviate the segregation found in R/ECAPs but may face significant ***community opposition.*** The ***location and type of affordable housing*** available outside the R/ECAPs is important and currently the voucher program seems to be spread throughout the city, though there are pockets of publicly supported housing near R/ECAP tracts.

As mentioned earlier, there is a high potential for ***displacement of residents due to economic pressure*** out of many neighborhoods and into R/ECAP tracts. The presence of a university can put upward pressure on the housing market as students, who have access to co-signers and disposable income, compete with residents for housing (particularly rental housing). According to the Texas Tech University "2020 Strategic Priorities" the university expects an enrollment growth of at least 2.25% per year. By 2020 there may be over 40,000 students competing for housing in Lubbock and many of these students will be competing with low-income residents for housing.

Disparities in Access to Opportunity

1. Analysis

To analyze and address disparities in access to opportunity, HUD provides seven indices across a variety of subjects by race and poverty status. Each of these indices will be discussed in detail in this section. According to HUD, a higher score on each of the indices is seen as positive and "would indicate: lower neighborhood poverty rates; higher levels of school proficiency; higher levels of labor engagement; closer proximity to jobs; lower transportation costs; closer access to public transportation; and greater neighborhood environmental quality (i.e., lower exposure to harmful toxins)."

Table: Opportunity Indicators by Race/Ethnicity (Lubbock, TX) Jurisdiction

	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environ-mental Health Index
Total Population							
White, Non-Hispanic	58.53	67.64	67.03	46.08	50.22	50.94	80.67
Black, Non-Hispanic	28.93	31.78	38.78	45.41	48.33	43.46	79.31
Hispanic	37.10	42.60	49.95	46.85	50.91	49.59	77.95
Asian/Pacific Islander	59.89	63.63	65.78	51.49	53.43	49.06	80.37
Native American	50.09	57.45	58.93	45.79	50.68	52.39	79.67
Population Below Federal Poverty Line							
White, Non-Hispanic	48.21	55.93	57.52	51.66	54.67	51.83	78.22
Black, Non-Hispanic	24.93	33.13	38.09	46.87	49.64	43.66	78.39
Hispanic	30.28	34.93	43.76	50.04	52.57	50.16	77.00
Asian/Pacific Islander	51.85	48.38	61.31	61.55	61.45	44.48	79.49
Native American	46.52	61.11	56.16	53.97	58.01	57.67	76.24

Low Poverty Index Source: 2009-2013 American Community Survey 5-Year Estimates
School Proficiency Index Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016
Labor Market Engagement Index Source: 2009-2013 American Community Survey 5-Year Estimates
Low Transportation Cost Index Source: Location Affordability Index (LAI) data, 2008-2012
Transit Index Source: Location Affordability Index (LAI) data, 2008-2012
Jobs Proximity Index Source: Longitudinal Employer-Household Dynamics (LEHD), 2014
Environmental Health Index Source: National Air Toxics Assessment (NATA) data, 2011
(HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)

a. Education

i. For the protected class groups HUD has provided data, describe any disparities in access to proficient schools in the jurisdiction and region.

In Lubbock there are two protected classes that have a significant disparity in access to proficient schools. The Black, non-Hispanic and Hispanic populations all scored significantly lower on the School Proficiency Index than the other racial/ethnic groups. These two populations are also the most populous minorities in the City.

The population below the poverty line in Lubbock also reflects the scores for the total population. The Black, non-Hispanic and Hispanic populations have lower scores that are 20-30 points below the groups with higher scores. The region is very similar to the city, and there is a noticeable disparity in access to proficient schools for the two largest minority populations in the jurisdiction.

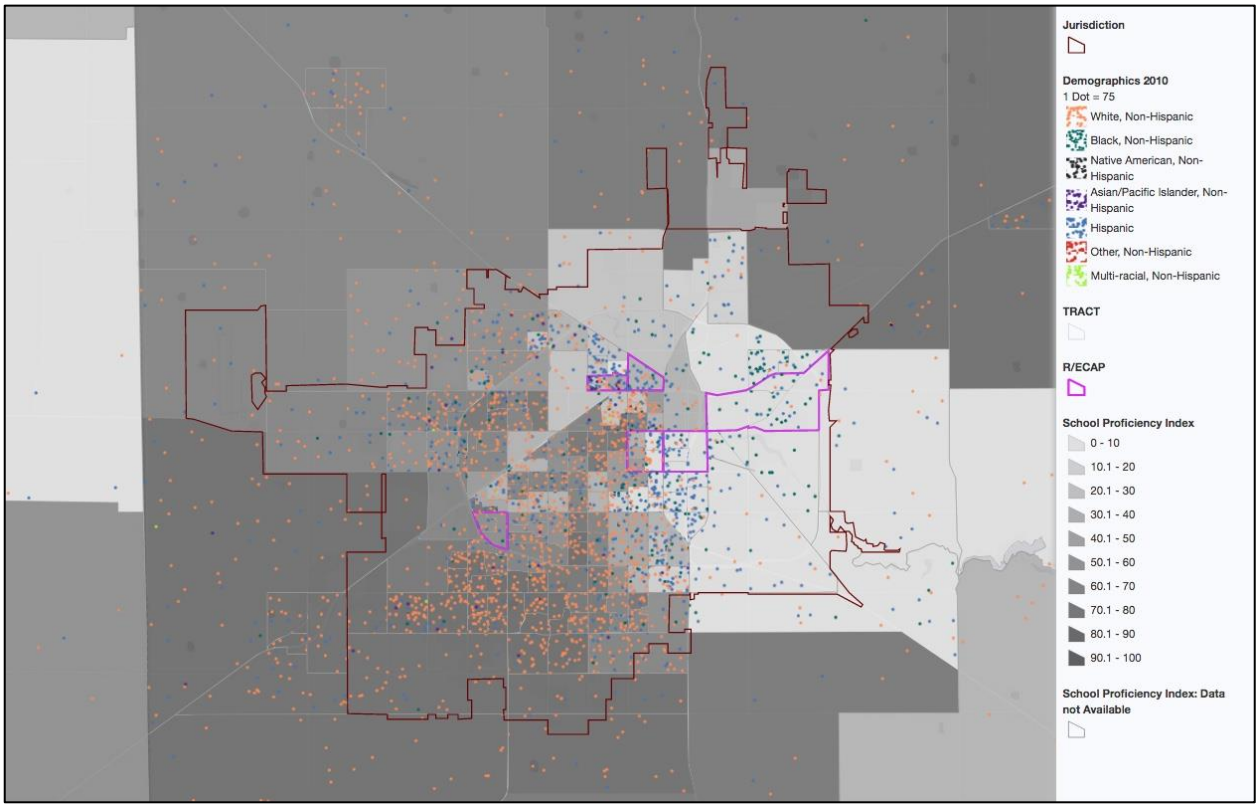
Table: Opportunity Indicators by Race/Ethnicity – School Proficiency Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	67.64	67.57
Black, Non-Hispanic	31.78	32.68
Hispanic	42.60	45.80
Asian/Pacific Islander	63.63	64.52
Native American	57.45	59.49
Population Below Federal Poverty Line		
White, Non-Hispanic	55.93	56.04
Black, Non-Hispanic	33.13	34.13
Hispanic	34.93	37.87
Asian/Pacific Islander	48.38	49.01
Native American	61.11	59.82

School Proficiency Index Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016
(HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)

ii. For the protected class groups HUD has provided data, describe how the disparities in access to proficient schools relate to residential living patterns in the jurisdiction and region.

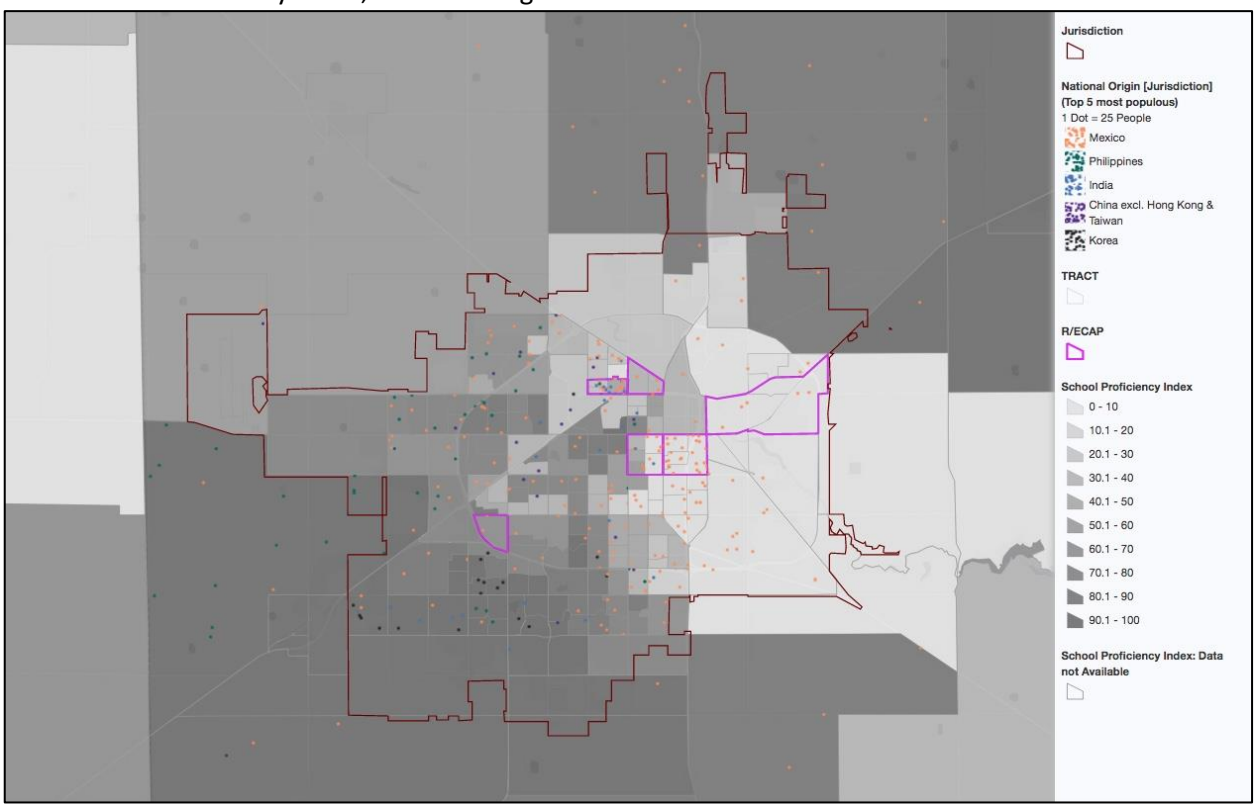
School proficiency is heavily related to residential living patterns. The eastern part of the city has significantly lower School Proficiency Index scores than the western half, particularly the southwestern corner. The areas with high School Proficiency scores have a relatively high White, non-Hispanic population and the areas with low scores have several R/ECAPs and relatively high Hispanic and Black, non-Hispanic populations. A similar pattern exists for foreign-born residents, particularly residents from Mexico who are more likely to live in the tracts with a low School Proficiency scores.

MAP: School Proficiency Index, Race/Ethnicity



Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016 (HUD AFFHT0004)

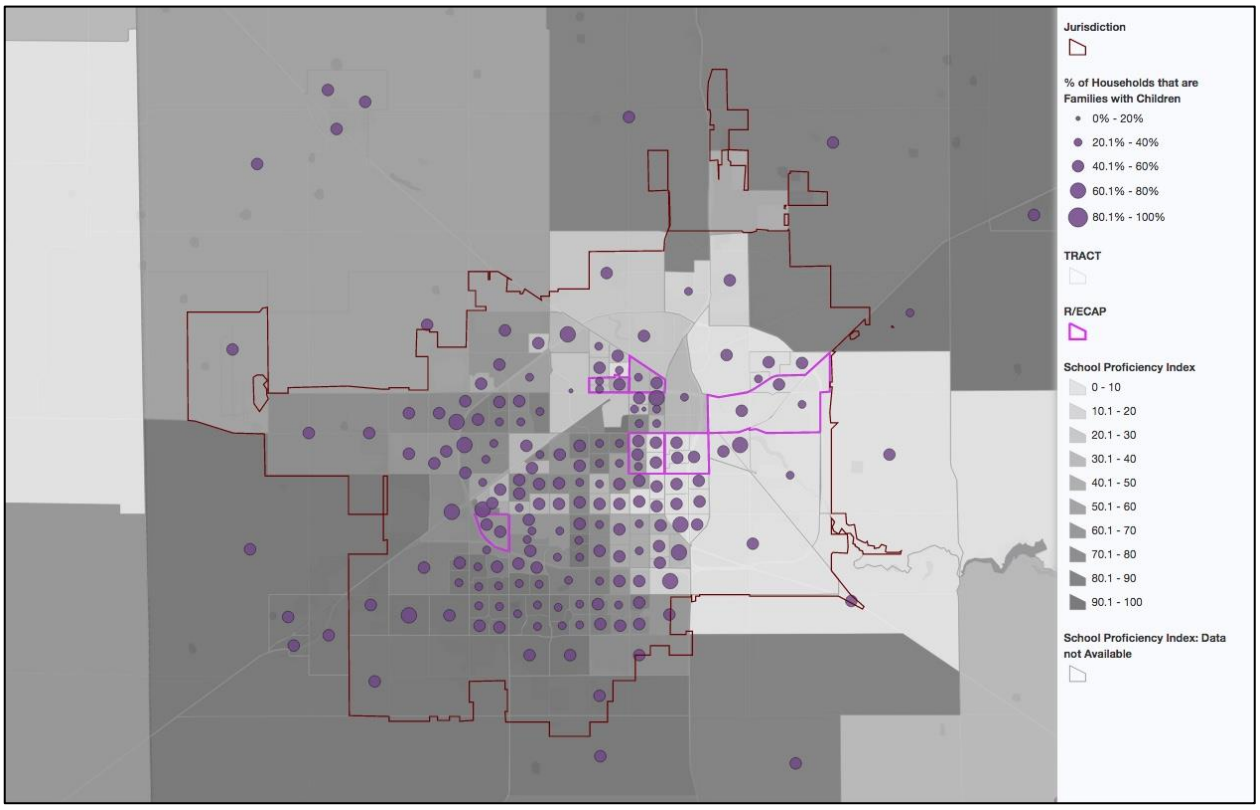
MAP: School Proficiency Index, National Origin



Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016 **(**HUD AFFHT0004)

HUD also provides information on School Proficiency and Family Type. There does not appear to be a clear relationship between residential living patterns, school proficiency, and family type.

MAP: School Proficiency Index, Family Status

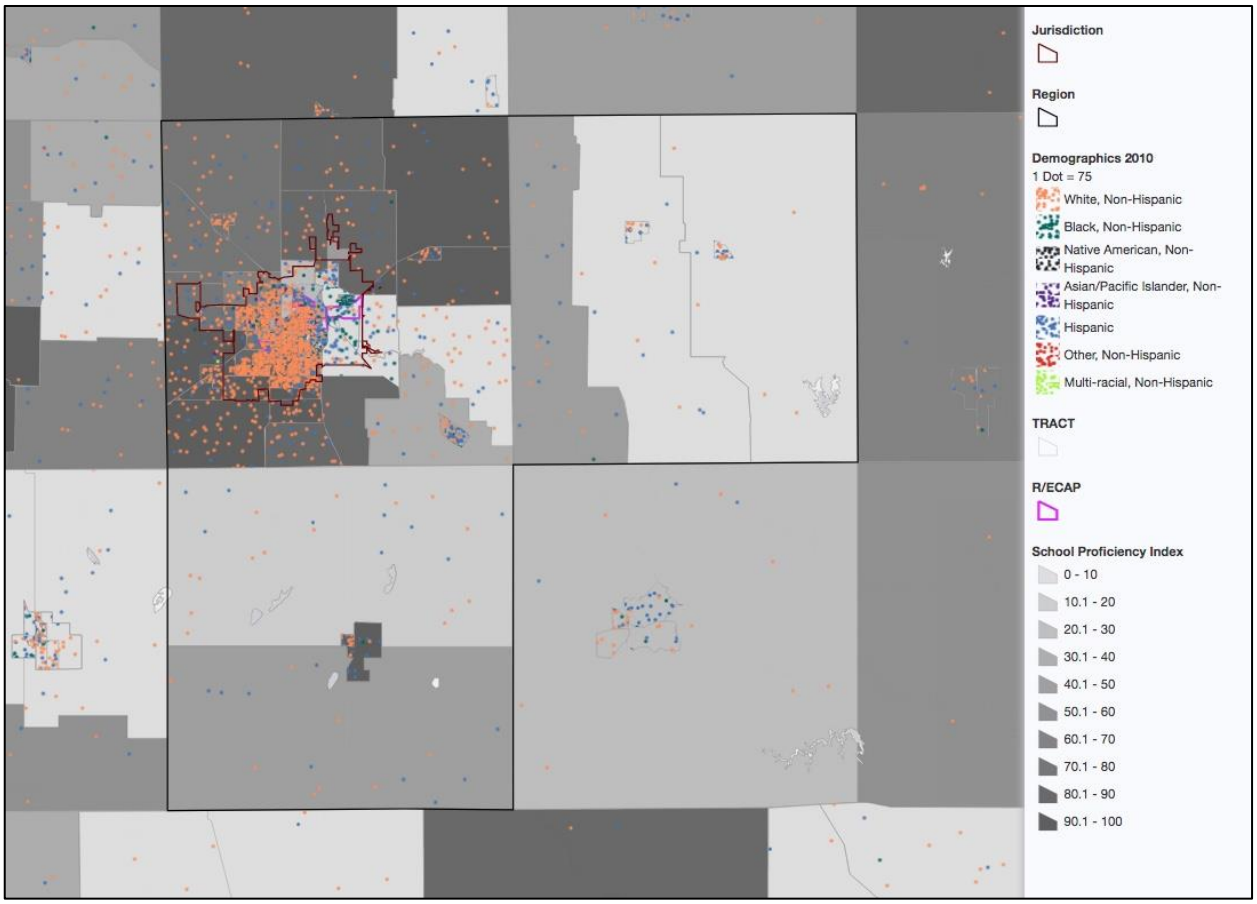


Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016 **(**HUD AFFHT0004)

School Proficiency (Region)

School proficiency at the regional level does not seem to be related to race and residential patterns. Instead, stronger schools appear to be closer to urban centers while rural tracts have lower School Proficiency scores.

MAP: School Proficiency Index, Race/Ethnicity (Region)



Source: Great Schools, 2013-2014; Common Core of Data (4th Grade Enrollment & School Addresses), 2013-2014; Maptronics School Attendance Zone database, 2016 (HUD AFFHT0004)

iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss programs, policies, or funding mechanisms that affect disparities in access to proficient schools.

No concerns were raised in the focus groups about lack of access to proficient schools.

b. Employment

i. For the protected class groups HUD has provided data, describe any disparities in access to jobs and labor markets by protected class groups in the jurisdiction and region.

Access to employment opportunities is analyzed using two indices: The Labor Market Index and the Jobs Proximity Index. The Labor Market Index is a measure of unemployment rate, labor-force participation rate, and the percent of the population over the age of 25 with a Bachelor's degree. The Jobs Proximity Index measures the physical distance between where someone lives and their jobs. In both cases scores are broken down by race/ethnicity.

The Labor Market Index shows a disparity in access to labor markets based on race or ethnicity. Again, the Black, non-Hispanic and Hispanic populations have disproportionately low scores. This means they are less likely to be involved in the labor market or have college degrees. The Jobs Proximity Index does not show much variety based on race or ethnicity. The Black, non-Hispanic population has the lowest score, but the difference is only approximately 10 points below the highest score (Native American). This seems to imply that the entire Lubbock population lives near jobs, but there is something preventing Hispanic and Black, non-Hispanic residents from accessing these jobs.

The population below the poverty line in Lubbock has very similar scores to the total population. Again, the Black, non-Hispanic population and Hispanic population have disproportionately low scores in the Labor Market index. The same pattern is present in the region with relatively low scores for these two minority populations.

For the Jobs Proximity Index, the scores are relatively uniform for all populations measured by HUD. The total City, City population below the poverty level, total region, and region below the poverty level all have scores near 50 for all ethnic and racial groups.

Table: Opportunity Indicators by Race/Ethnicity – Labor Market Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	67.03	63.94
Black, Non-Hispanic	38.78	38.99
Hispanic	49.95	49.23
Asian/Pacific Islander	65.78	65.94
Native American	58.93	57.02
Population Below Federal Poverty Line		
White, Non-Hispanic	57.52	56.51
Black, Non-Hispanic	38.09	38.46
Hispanic	43.76	44.32
Asian/Pacific Islander	61.31	61.40
Native American	56.16	52.14
Labor Market Engagement Index Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)		

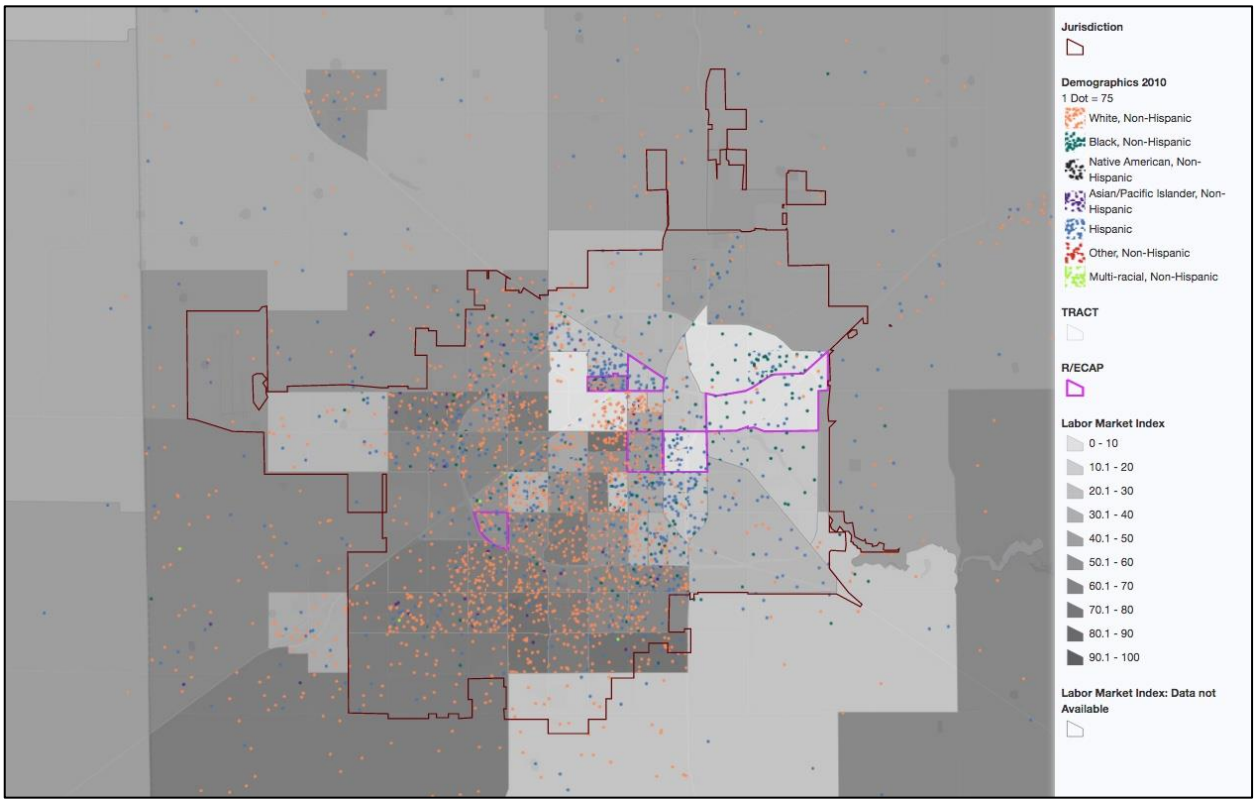
Table: Opportunity Indicators by Race/Ethnicity – Jobs Proximity Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	50.94	51.06
Black, Non-Hispanic	43.46	43.34
Hispanic	49.59	49.62
Asian/Pacific Islander	49.06	49.07
Native American	52.39	52.25
Population Below Federal Poverty Line		
White, Non-Hispanic	51.83	49.85
Black, Non-Hispanic	43.66	43.77
Hispanic	50.16	46.94
Asian/Pacific Islander	44.48	44.76
Native American	57.67	55.15
Jobs Proximity Index Source: Longitudinal Employer-Household Dynamics (LEHD), 2014 (HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)		

ii. For the protected class groups HUD has provided data, describe how disparities in access to employment relate to residential living patterns in the jurisdiction and region.

Labor Market Index

Residents who live in the southwestern quadrant of the city have significantly higher Labor Market Index scores. The opposite is true for residents living in the northeastern quadrant where scores are disproportionately low. As mentioned before, the eastern part of town tends to have larger Hispanic and Black, non-Hispanic populations.

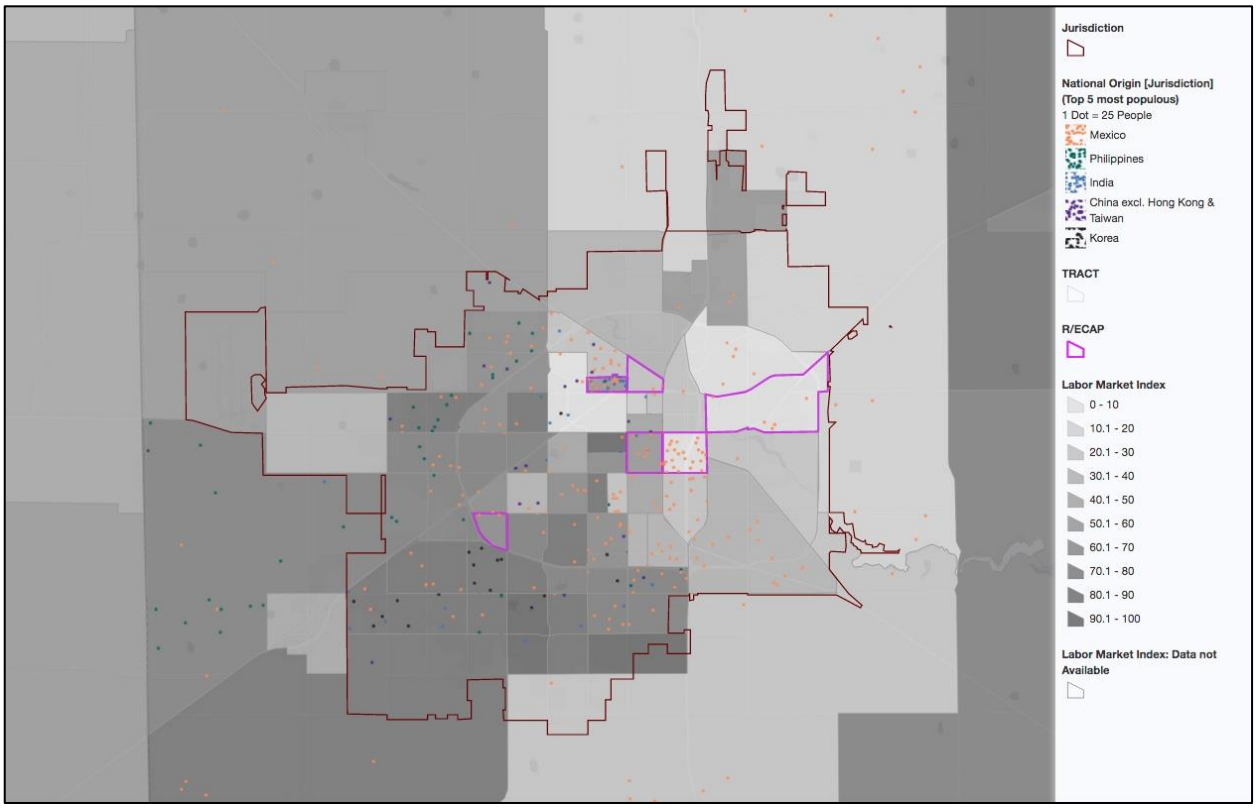
MAP: Labor Market Index, Race/Ethnicity



Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

The only foreign-born population that appears to be affected by the low Labor Market index scores are those born in Mexico. The Mexico-born population tends to live in census tracts on the eastern part of the City near R/ECAP tracts.

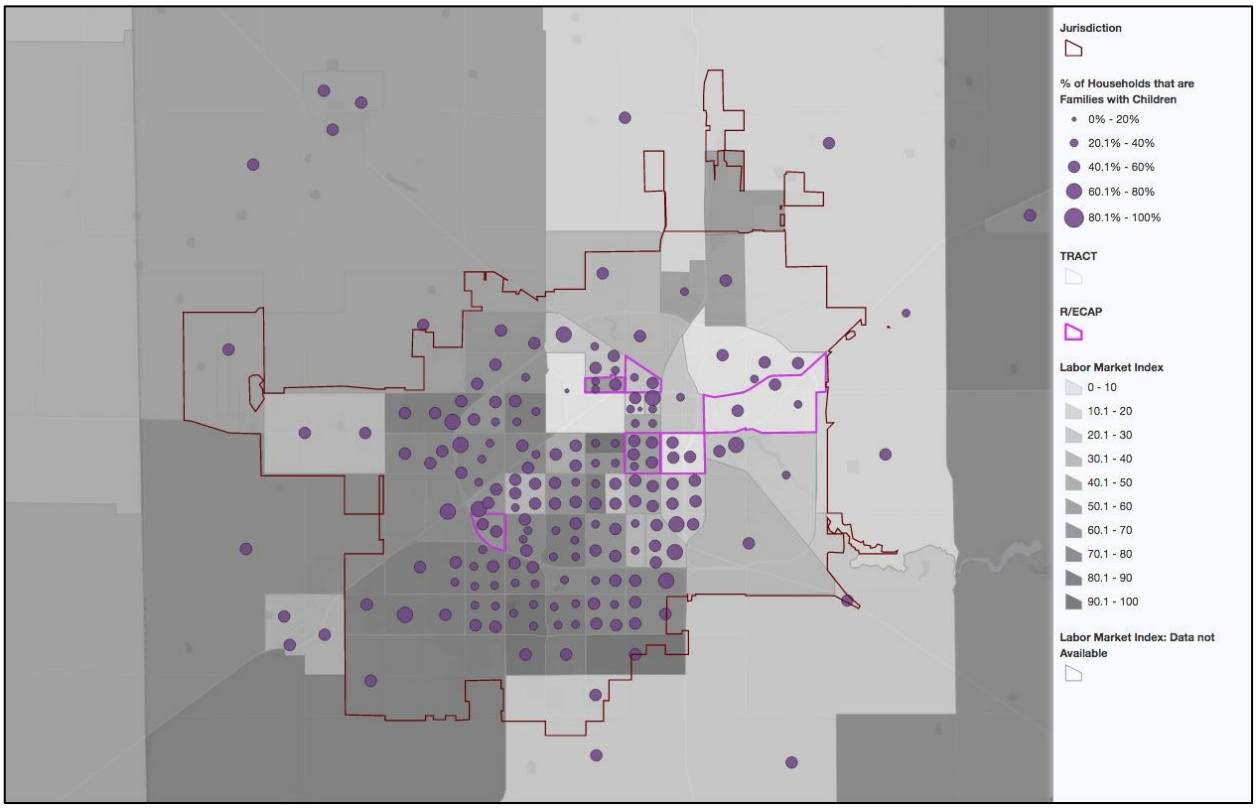
MAP: Labor Market Index, National Origin



Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

There does not appear to be a link between living patterns, labor market index scores, and household type.

MAP: Labor Market Index, Family Status

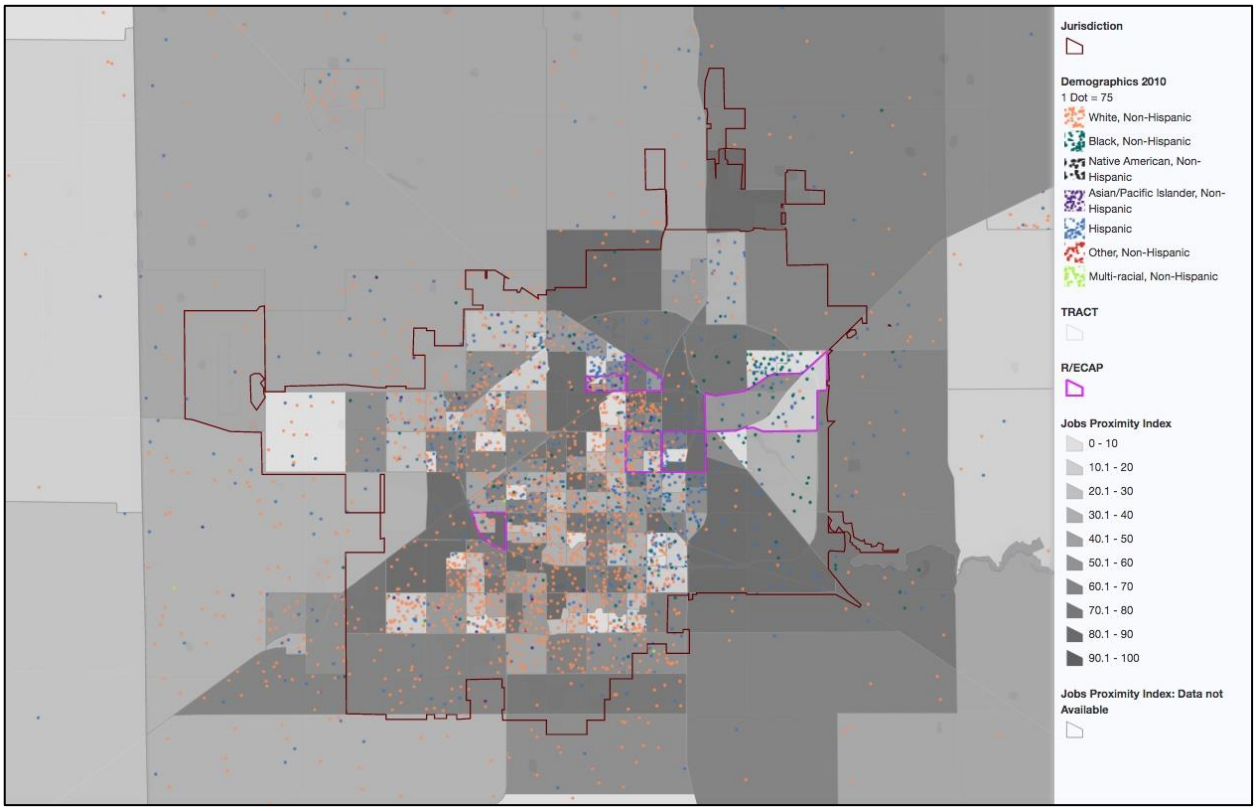


Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

Jobs Proximity Index

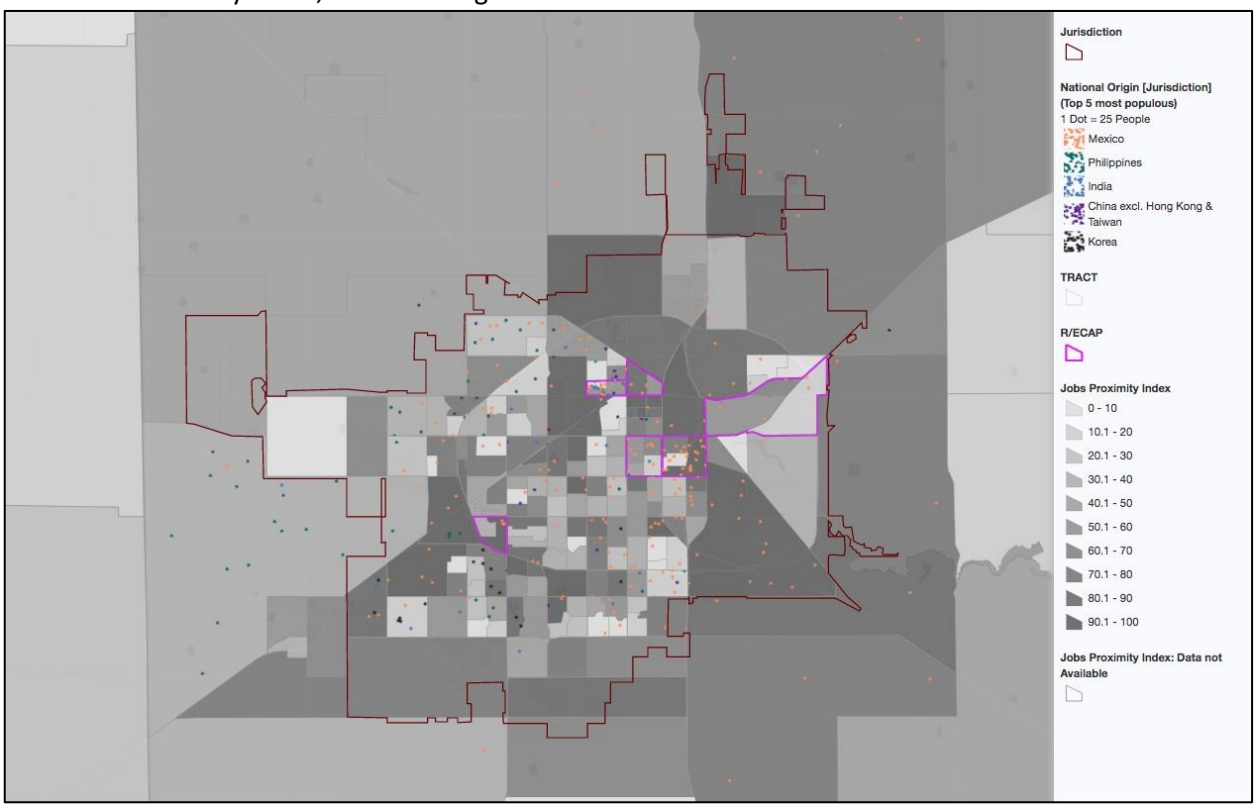
The Jobs Proximity Index map shows that access to jobs is not nearly as concentrated as the Labor Market index. Tracts with high and low scores are present in all areas of the City. Residential living patterns are not associated with this index score for race, ethnicity, national origin, or family type.

MAP: Jobs Proximity Index, Race/Ethnicity



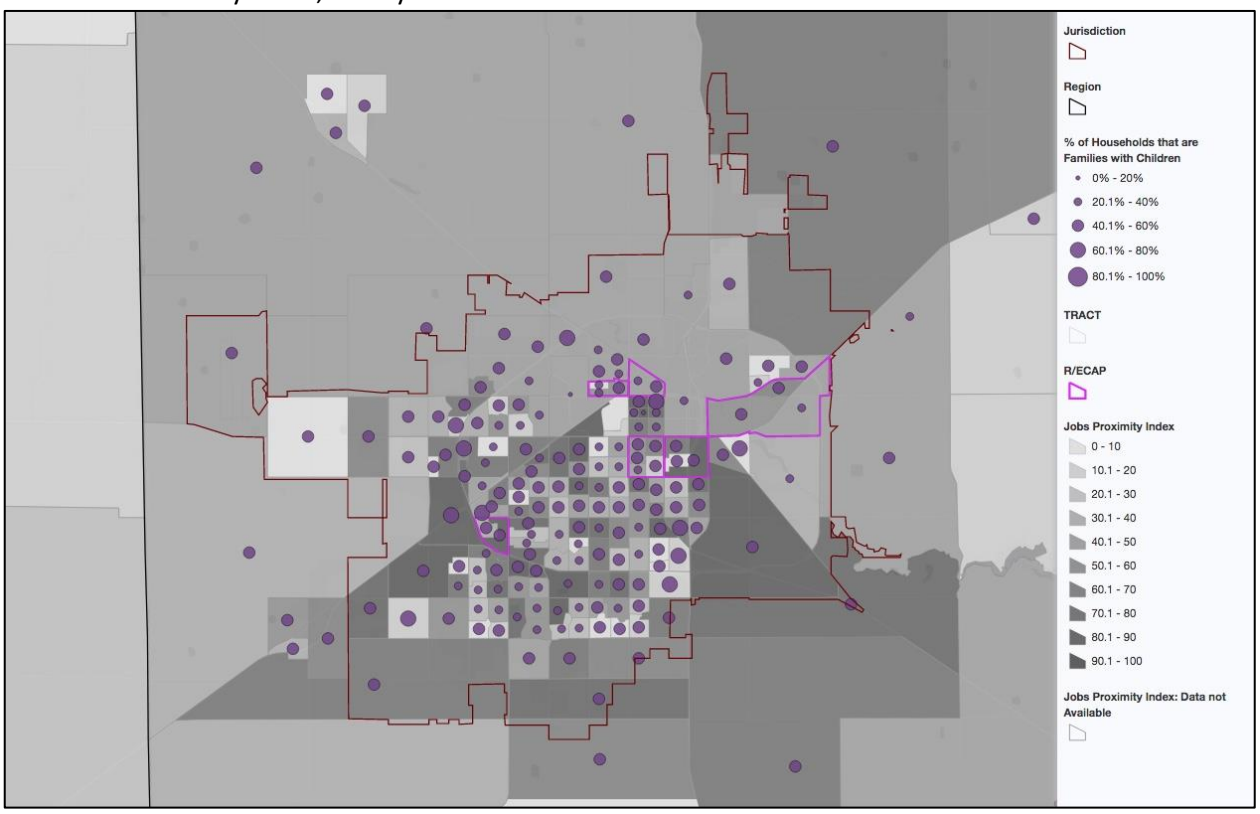
Source: Longitudinal Employer-Household Dynamics (LEHD), 2014 (HUD AFFHT0004)

MAP: Jobs Proximity Index, National Origin



Source: Longitudinal Employer-Household Dynamics (LEHD), 2014 (HUD AFFHT0004)

MAP: Jobs Proximity Index, Family Status

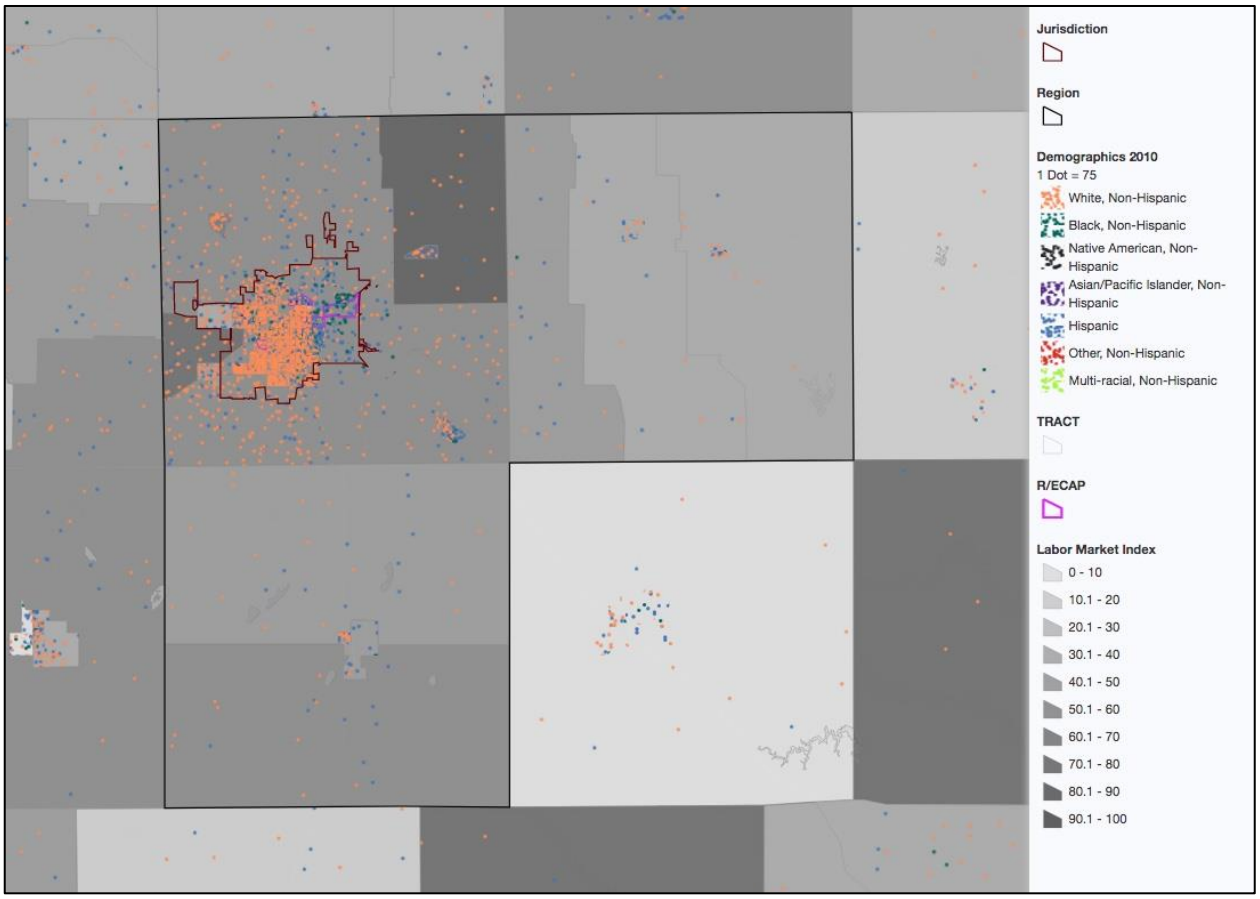


Source: Longitudinal Employer-Household Dynamics (LEHD), 2014 (HUD AFFHT0004)

Labor Market Index (Region)

The Lubbock Region has a variety of Labor Market Index scores by Census Tract. The two tracts with the highest score are outside the City of Lubbock. Generally, rural tracts have slightly lower scores for the Labor Market Index than tracts closer to the City.

MAP: Labor Market Index, Race/Ethnicity (Region)

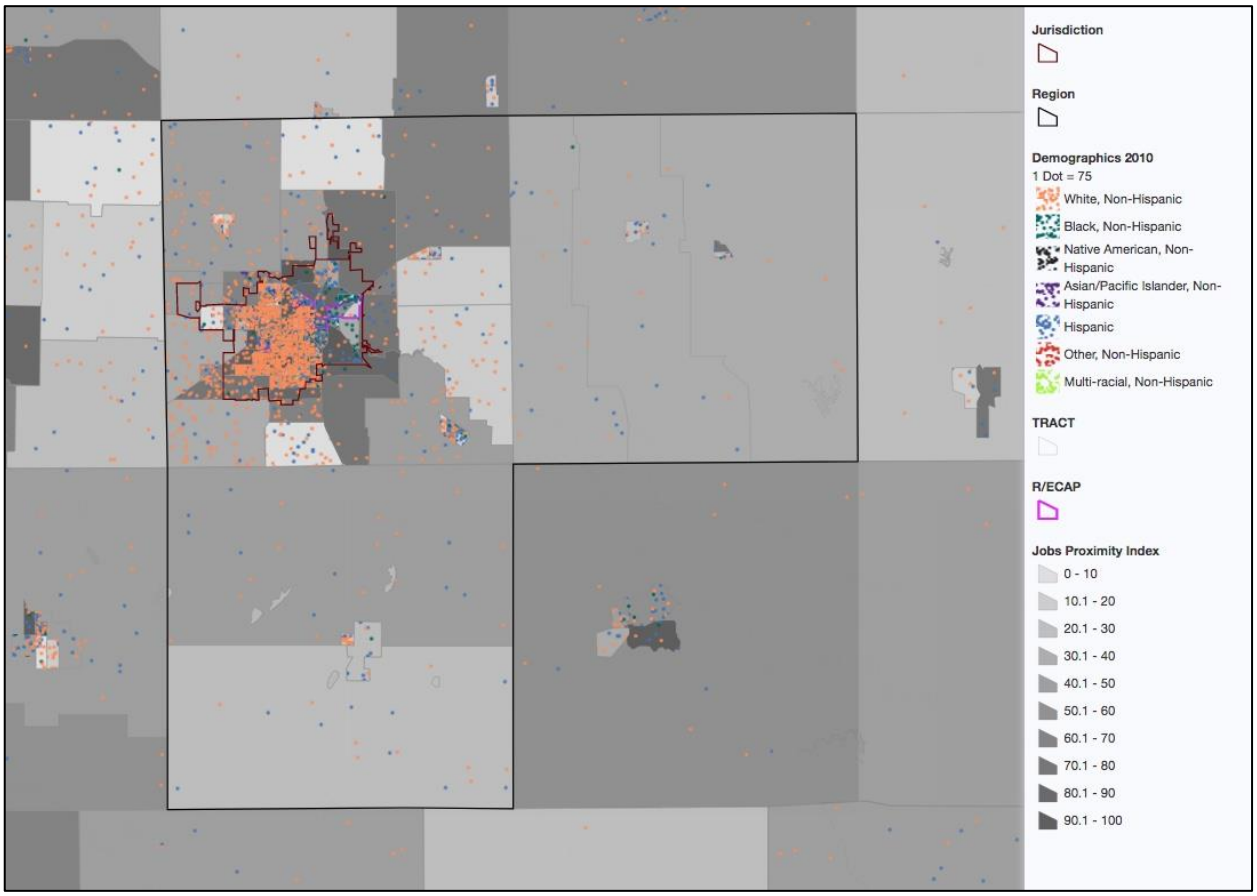


Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

Jobs Proximity Index (Region)

Unsurprisingly, the Jobs Proximity Index scores tend to be higher near the Lubbock Urban Center. Race and Ethnicity do not seem to be linked to Jobs Proximity at the regional level.

MAP: Jobs Proximity Index, Race/Ethnicity (Region)



Source: Longitudinal Employer-Household Dynamics (LEHD), 2014 (HUD AFFHT0004)

iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to employment.

The biggest disparity in access to employment relates to high cost housing in areas where the most jobs are located coupled with a lack of sufficient and accessible pubic transportation.

c. Transportation

i. For the protected class groups HUD has provided data, describe any disparities in access to transportation related to costs and access to public transit in the jurisdiction and region.

Disparities in access to transportation is measured using two indices, the Transit Index and Low Transportation Cost Index. The Transit Index measures how often low-income families use public transportation and the Low Transportation Cost Index measures the cost of transportation and proximity to public transportation.

According to the Transit Index there is very little disparity in access to transportation based on race or ethnicity for the total population in Lubbock. The difference between the group with the lowest score (Black, non-Hispanic) and highest score (Asian/Pacific Islander) is approximately six points. The scores themselves are not particularly strong but there is relative equality among the population for this index.

There are similar uniform scores for the other populations tracked by HUD. The population below the poverty level in Lubbock all had scores within 15 points of each other, with the Black, non-Hispanic population having the lowest score. For the region, all scores were within 10 points of each other for the total population and ten points of each other for the population below the poverty level.

Table: Opportunity Indicators by Race/Ethnicity – Transit Index

	Lubbock, TX (Jurisdiction)	Lubbock, TX (Region)
Total Population		
White, Non-Hispanic	46.08	38.34
Black, Non-Hispanic	45.41	43.04
Hispanic	46.85	39.58
Asian/Pacific Islander	51.49	48.51
Native American	45.79	38.71
Population Below Federal Poverty Line		
White, Non-Hispanic	51.66	46.03
Black, Non-Hispanic	46.87	45.42
Hispanic	50.04	42.47
Asian/Pacific Islander	61.55	59.10
Native American	53.97	48.11

Transit Index Source: Location Affordability Index (LAI) data, 2008-2012
(HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)

The Low Transportation Cost also shows a relatively small disparity in access to transportation based on race or ethnicity. The population with the lowest score (Black, non-Hispanic) is only five points lower than the group with the highest score (Asian/Pacific Islander). While it is a positive sign that the scores are very similar, the fact that the same population has the lowest score in both indices points to a potential problem that should be investigated.

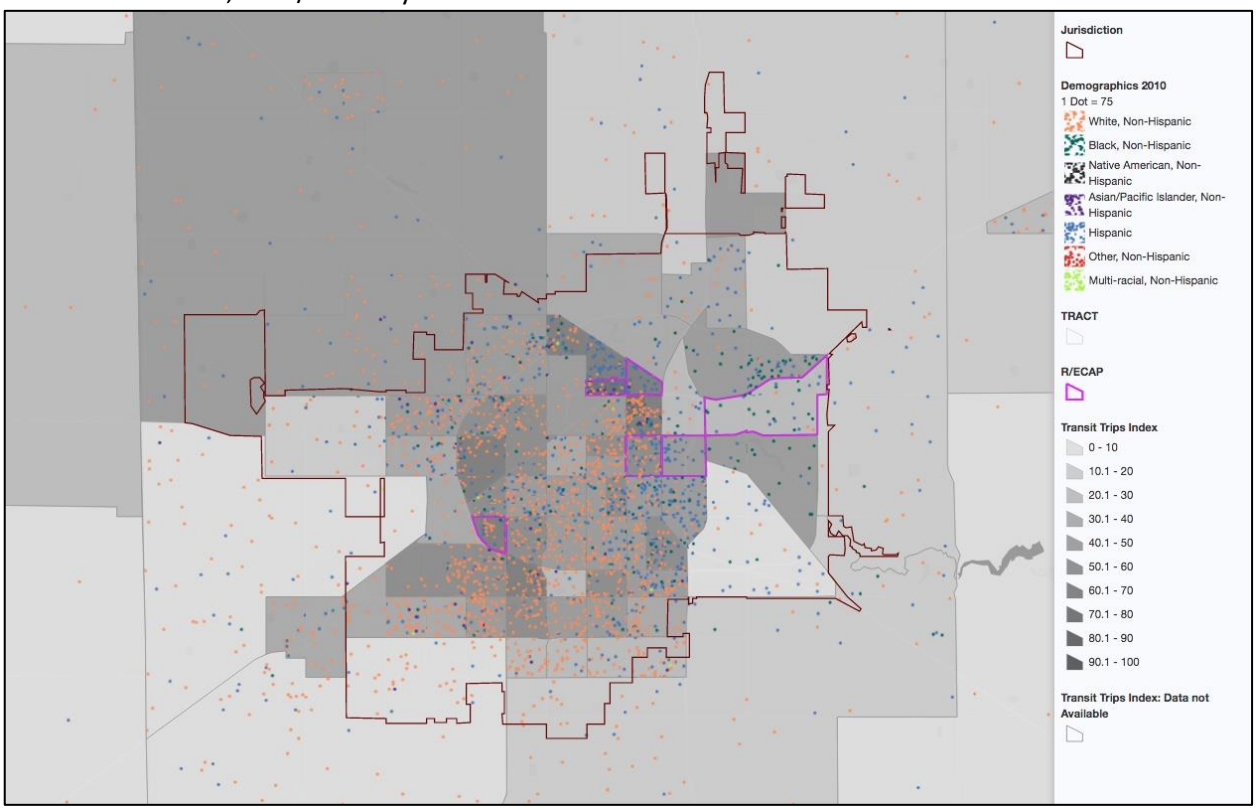
Table: Opportunity Indicators by Race/Ethnicity – Low Transportation Cost Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	50.22	43.71
Black, Non-Hispanic	48.33	46.23
Hispanic	50.91	44.13
Asian/Pacific Islander	53.43	51.63
Native American	50.68	44.78
Population Below Federal Poverty Line		
White, Non-Hispanic	54.67	49.82
Black, Non-Hispanic	49.64	48.26
Hispanic	52.57	45.59
Asian/Pacific Islander	61.45	59.99
Native American	58.01	51.93
Low Transportation Cost Index Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)		

ii. For the protected class groups HUD has provided data, describe how disparities in access to transportation related to residential living patterns in the jurisdiction and region.

Transit Index

Within the City of Lubbock, there is a relationship between residential living patterns and the Transit Index score. Residents who live closer to downtown have consistently higher scores on this index while those who live in the suburban and rural tracts have lower scores. There is not a strong link specifically between race and access to transportation but many tracts on the eastern part of the City have both relatively high Black, non-Hispanic populations and low transit index scores.

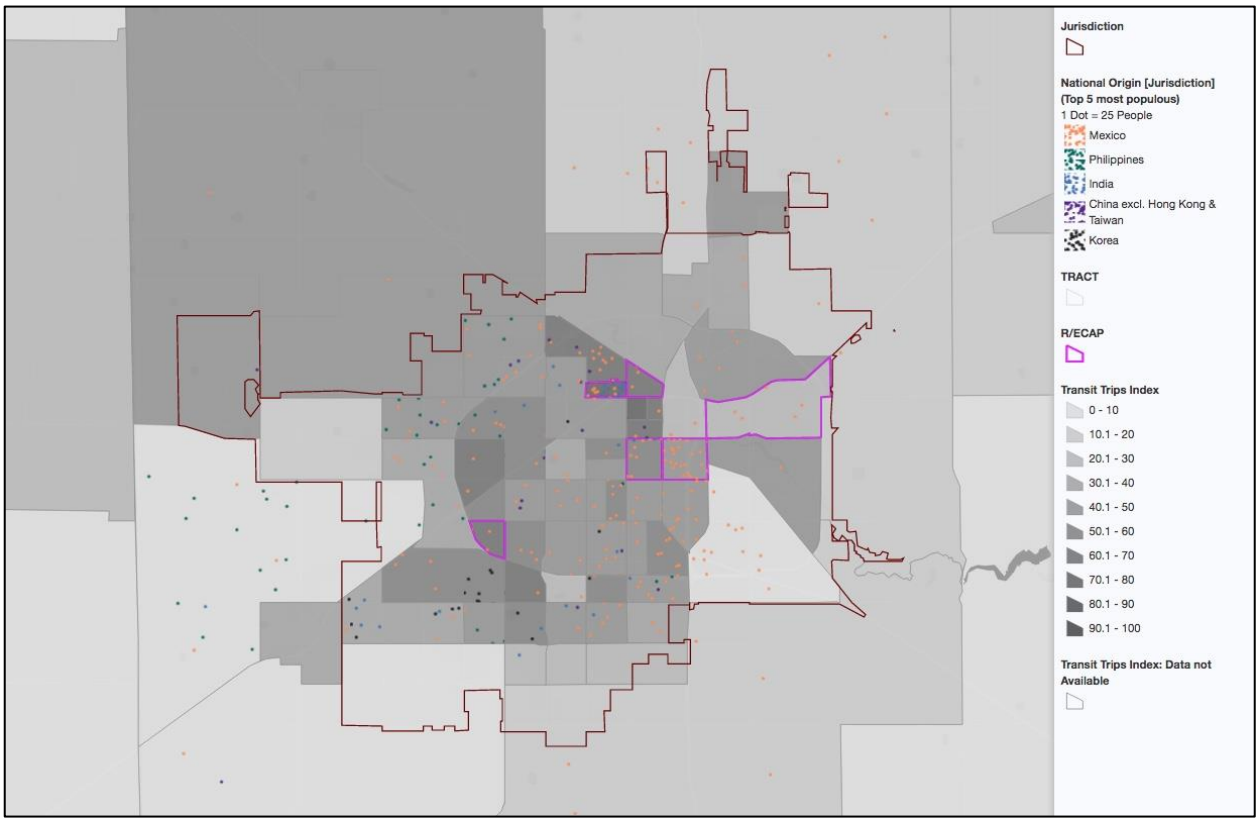
MAP: Transit Index, Race/Ethnicity



Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

There is no apparent disparity in access to transportation by residential living patterns, national origin, and the Transit Index.

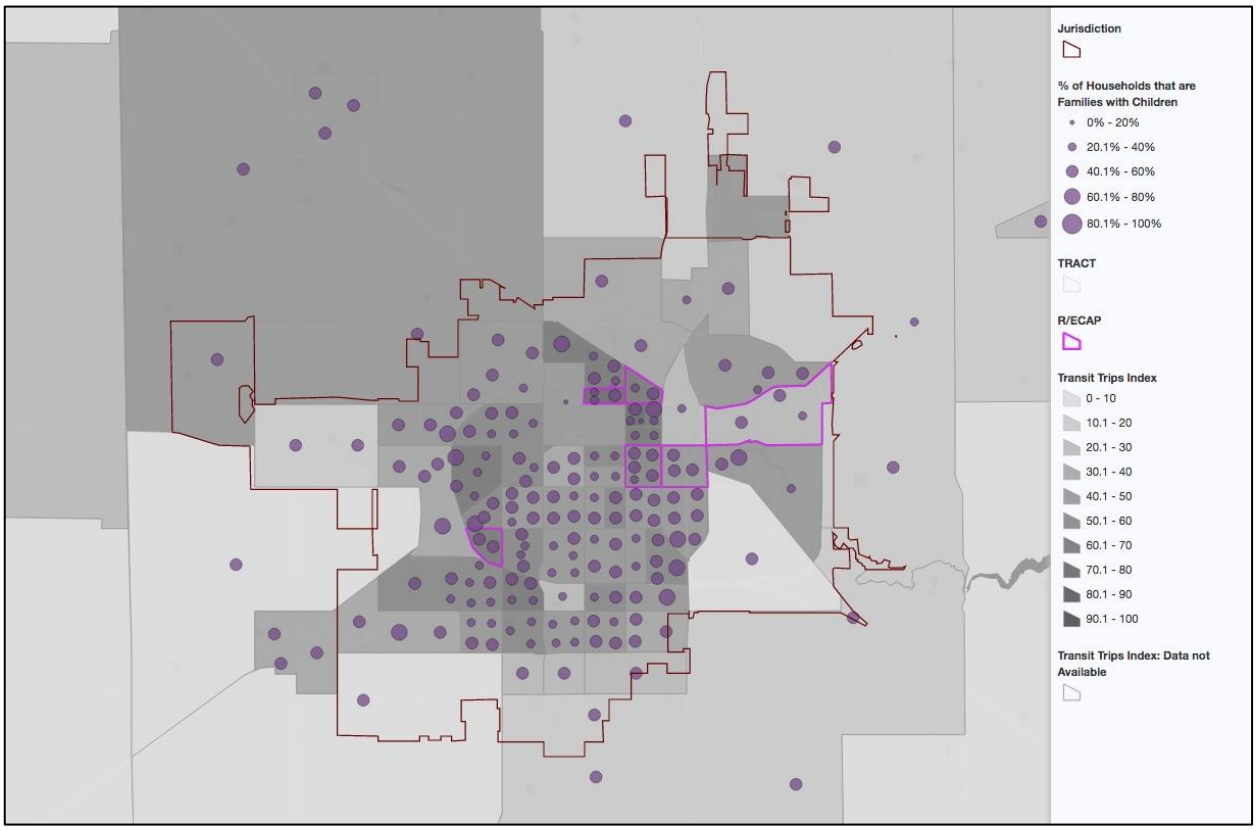
MAP: Transit Index, National Origin



Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

There does not appear to be any disparity in access to transportation opportunity based on family size, residential living patterns, and transit index.

MAP: Transit Index, Family Status

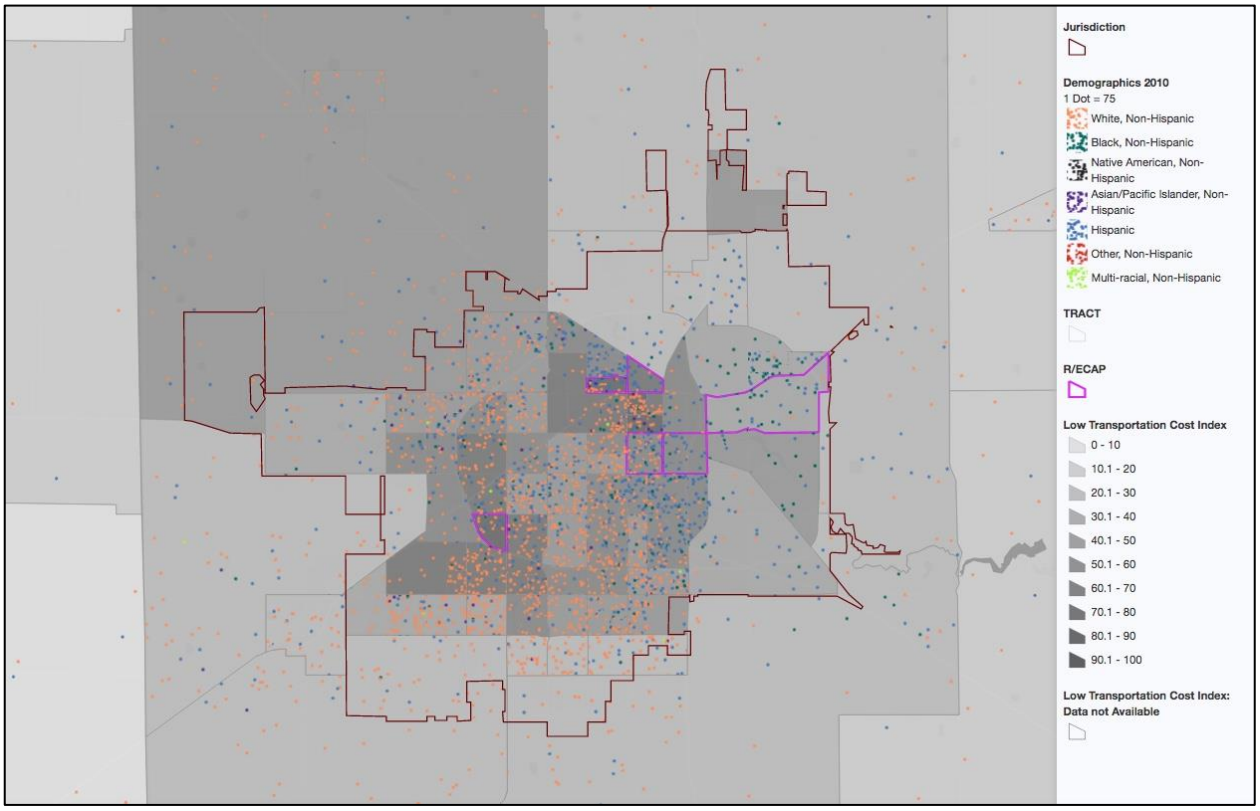


Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

Low Transportation Cost Index

The Low Transportation Cost Index shows a similar pattern to the Transit Index. Residents who live outside the city center have lower scores on this index, while residents closer to the downtown area have higher scores. Census tracts on the eastern part of the city have a relatively large Black, non-Hispanic population and have some of the lowest scores in the City.

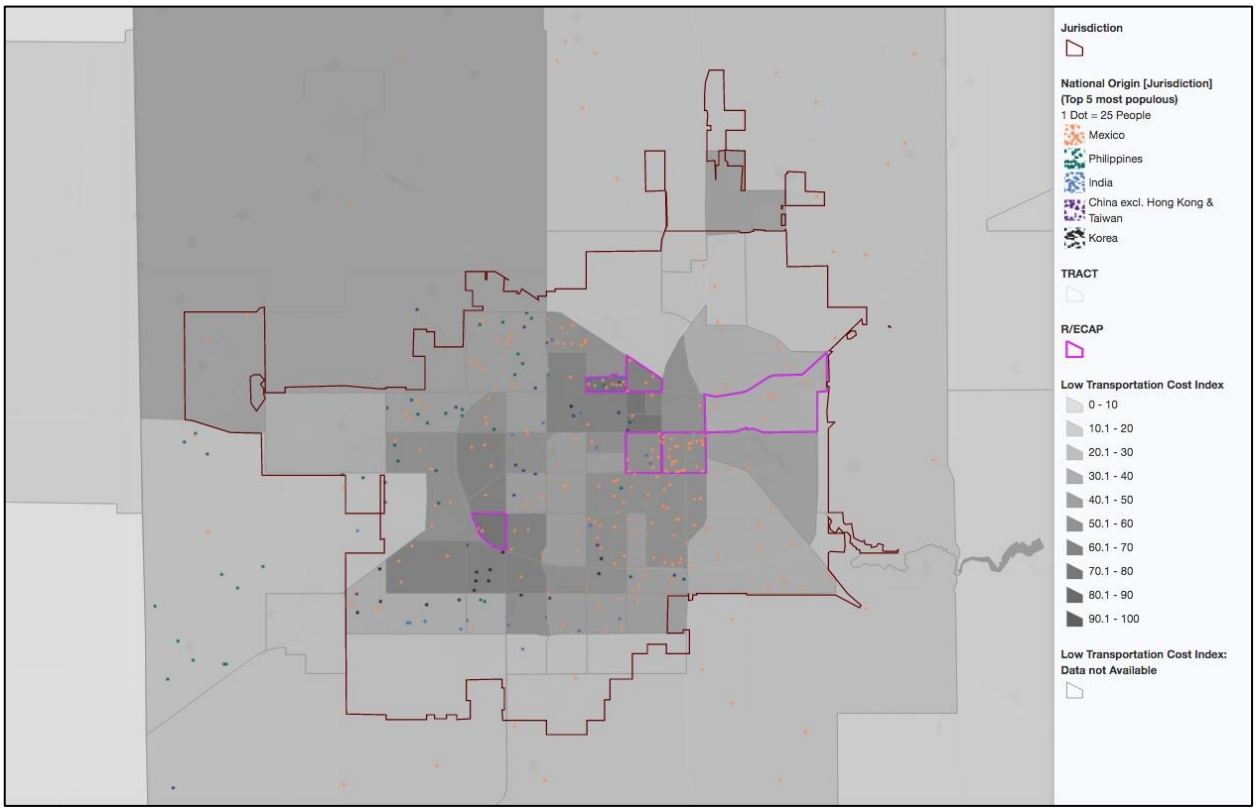
MAP: Low Transportation Cost Index, Race/Ethnicity



Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

There is no disparity in access to transportation based on national origin, the Low Transportation Cost Index, and residential living patterns.

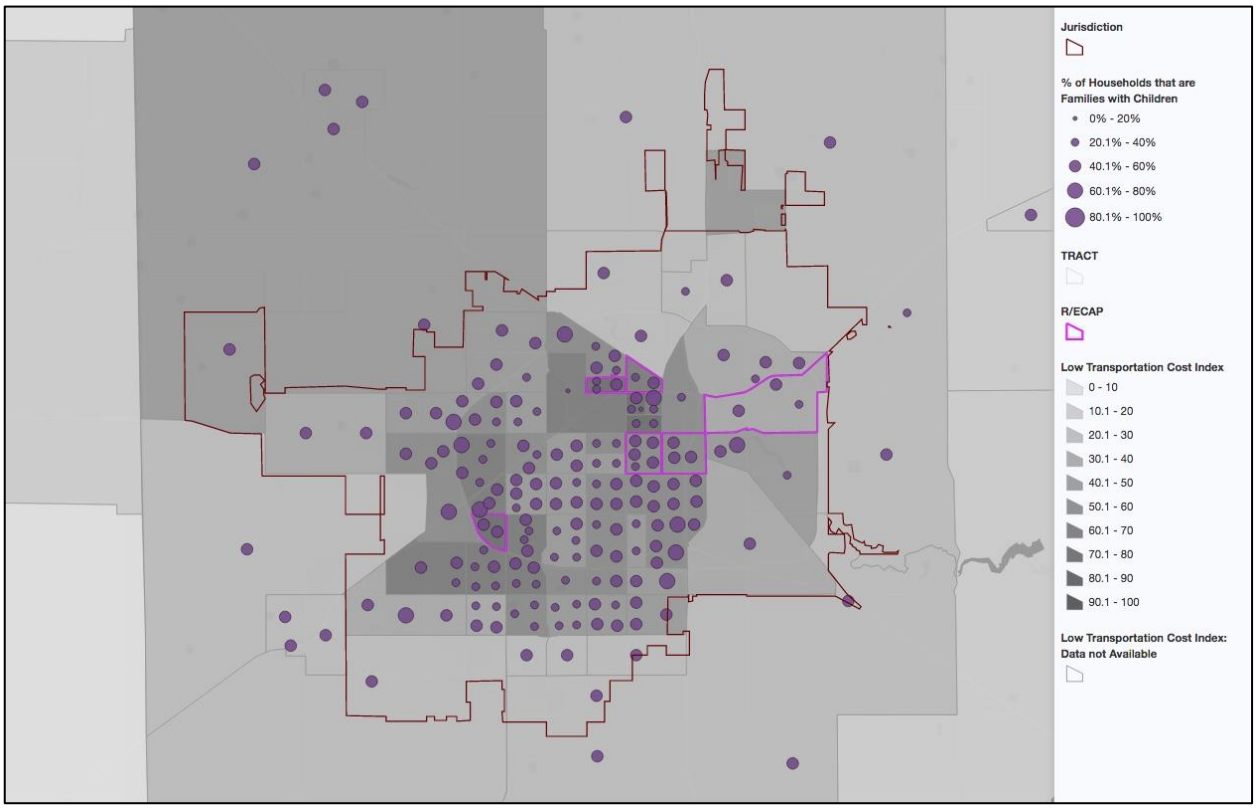
MAP: Low Transportation Cost Index, National Origin



Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

There is no clear relationship between Low Transportation Cost Index, family type, and residential living pattern.

MAP: Low Transportation Cost Index, Family Status

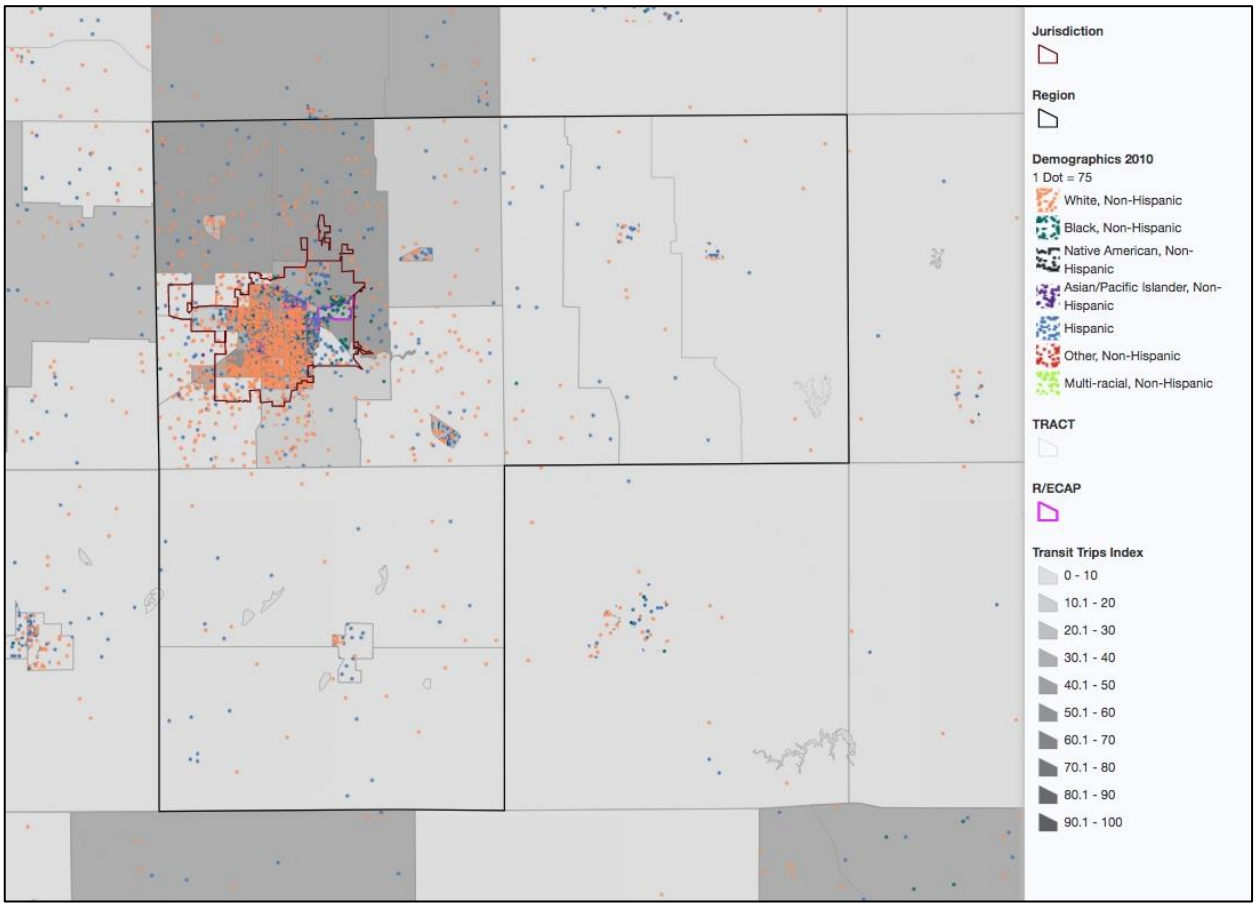


Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

Transit Index (Region)

The Transit Index for the region shows greater access to transportation near the City of Lubbock. The census tracts in the neighboring counties have significantly lower scores on the Transit Index.

MAP: Transit Index, Race/Ethnicity (Region)

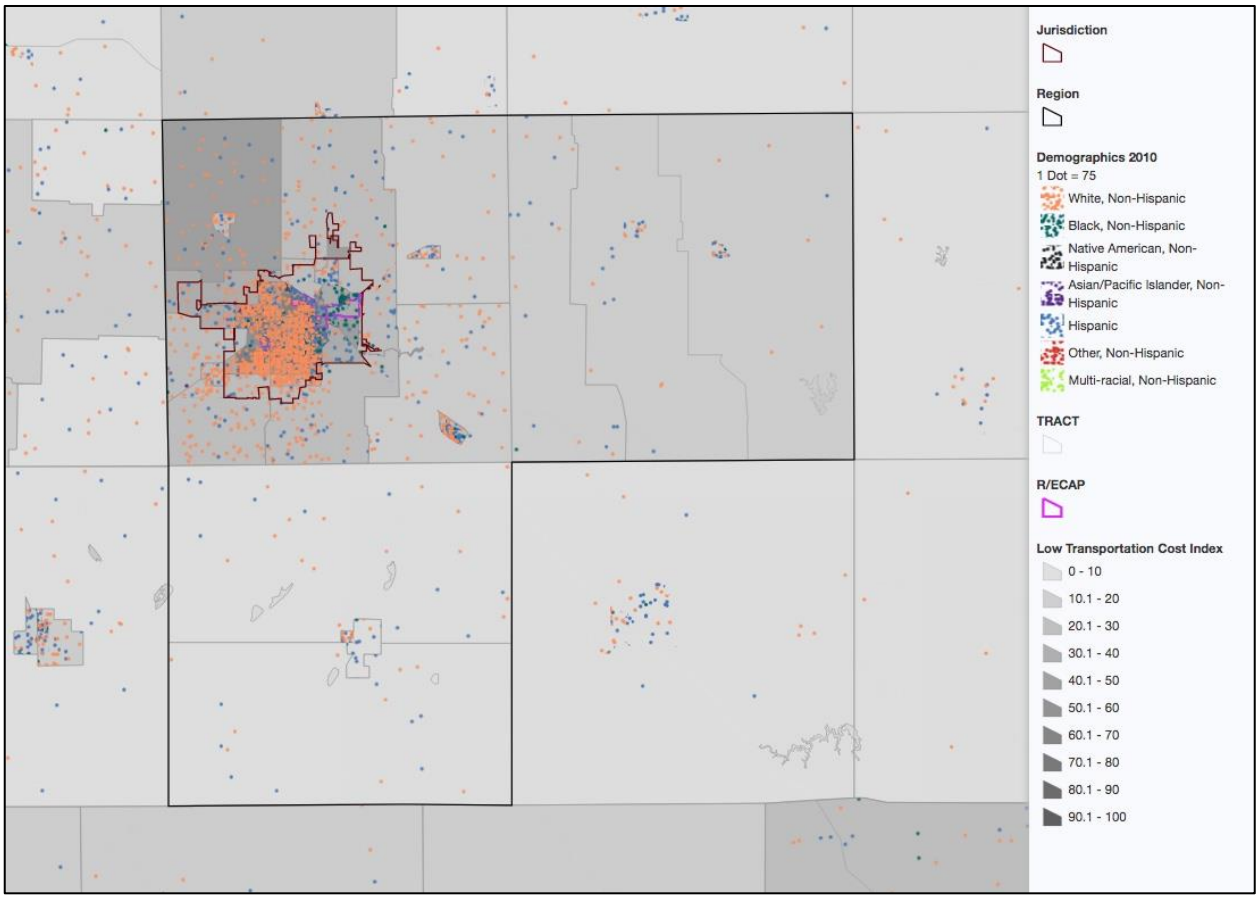


Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

Low Transportation Cost Index (Region)

Living patterns are closely related to Low Transportation Cost in the region. Residents near Lubbock have higher scores on the Low Transportation Index and residents in the rural tracts away from the city have lower scores, particularly to the south.

MAP: Low Transportation Cost Index, Race/Ethnicity (Region)

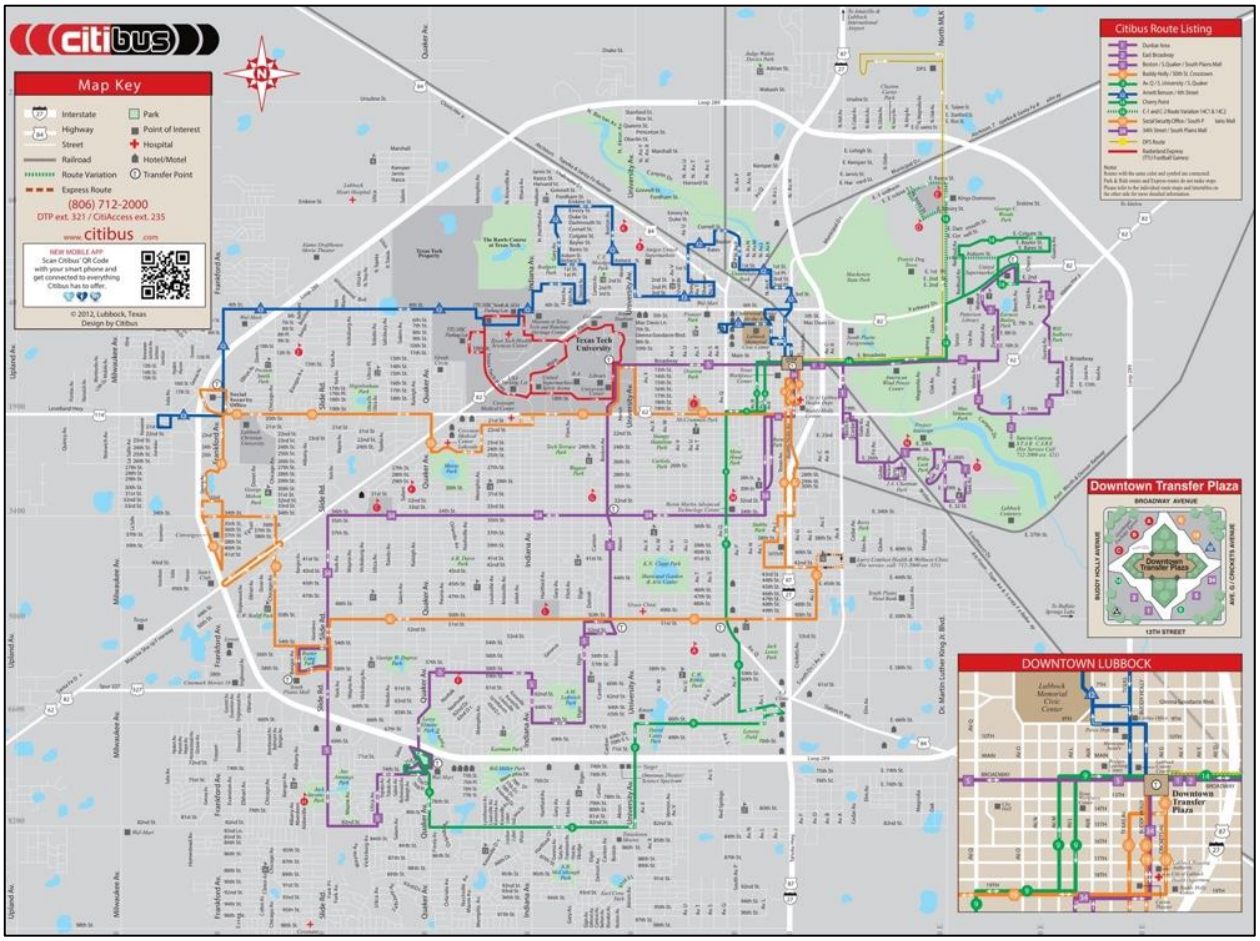


Source: Location Affordability Index (LAI) data, 2008-2012 (HUD AFFHT0004)

iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to transportation.

Citibus operates an extensive system in Lubbock that is fully accessible to persons with disabilities. While the bus system covers a significant geographic region the hours of operation may not be enough to assist residents, particularly low-income residents. Many low-income residents work non-traditional hours and the bus system stops running before 8pm each weeknight. Additionally, it does not run on major holidays or Sundays, which are often workdays for low-income residents. Further, as Lubbock expands, bus routes are not being updated to ensure access to new job centers. This schedule limitation and the lack of a reduced cost low-income bus pass option may affect disparities in access to transportation. One funding limitation is that Citibus is funded by State and Federal funds with just approximately 10 – 15% from the City of Lubbock General Fund. This limits the City's influence on changes to routes and schedules.

MAP: Citibus Fixed Routes



Source: Citibus, Lubbock System Map, 2017

d. Access to Low Poverty Neighborhoods

i. For the protected class groups HUD has provided data, describe any disparities in access to low poverty neighborhoods in the jurisdiction and region.

HUD provides a Low Poverty Index to help measure any disparities in access to low poverty neighborhoods. This index uses rates of family poverty by household to measure exposure to poverty and a higher score indicates less exposure to poverty. In the City of Lubbock two racial or ethnic groups stand out as having a disparity in access to low poverty neighborhoods, Black, non-Hispanic and Hispanic. The Black, non-Hispanic score was very low, over 30 points below the population with the highest score (Asian/Pacific Islander).

The same pattern exists for the population below the poverty line in Lubbock and the Lubbock region. In all cases, the Black, non-Hispanic population and Hispanic population had disproportionately low access to low poverty areas.

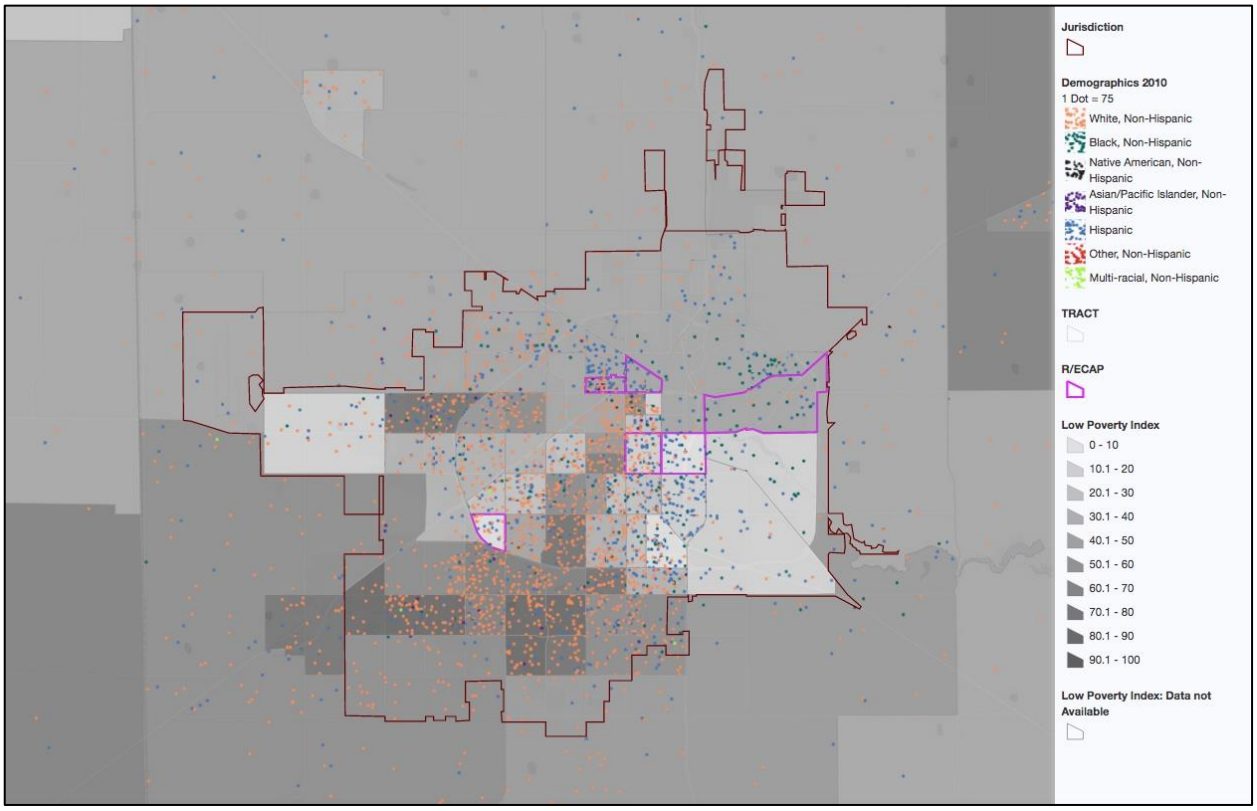
Table: Opportunity Indicators by Race/Ethnicity – Low Poverty Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	58.53	56.33
Black, Non-Hispanic	28.93	30.00
Hispanic	37.10	37.82
Asian/Pacific Islander	59.89	59.92
Native American	50.09	49.33
Population Below Federal Poverty Line		
White, Non-Hispanic	48.21	47.11
Black, Non-Hispanic	24.93	25.71
Hispanic	30.28	30.48
Asian/Pacific Islander	51.85	52.20
Native American	46.52	43.15
Low Poverty Index Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)		

ii. For the protected class groups HUD has provided data, describe how disparities in access to low poverty neighborhoods relate to residential living patterns of those groups in the jurisdiction and region.

Low Poverty Index

Access to low poverty neighborhoods is very closely related to residential living patterns. The southeastern part of the city has low Low Poverty Index scores and the southwestern part of the city has high Low Poverty Index scores, one exception being a R/ECAP tract near the southwest area of town. The area with low Low Poverty Index scores have a disproportionately higher number of Hispanic residents and the area with high Low Poverty Index scores have a disproportionately high number of White, non-Hispanic residents.

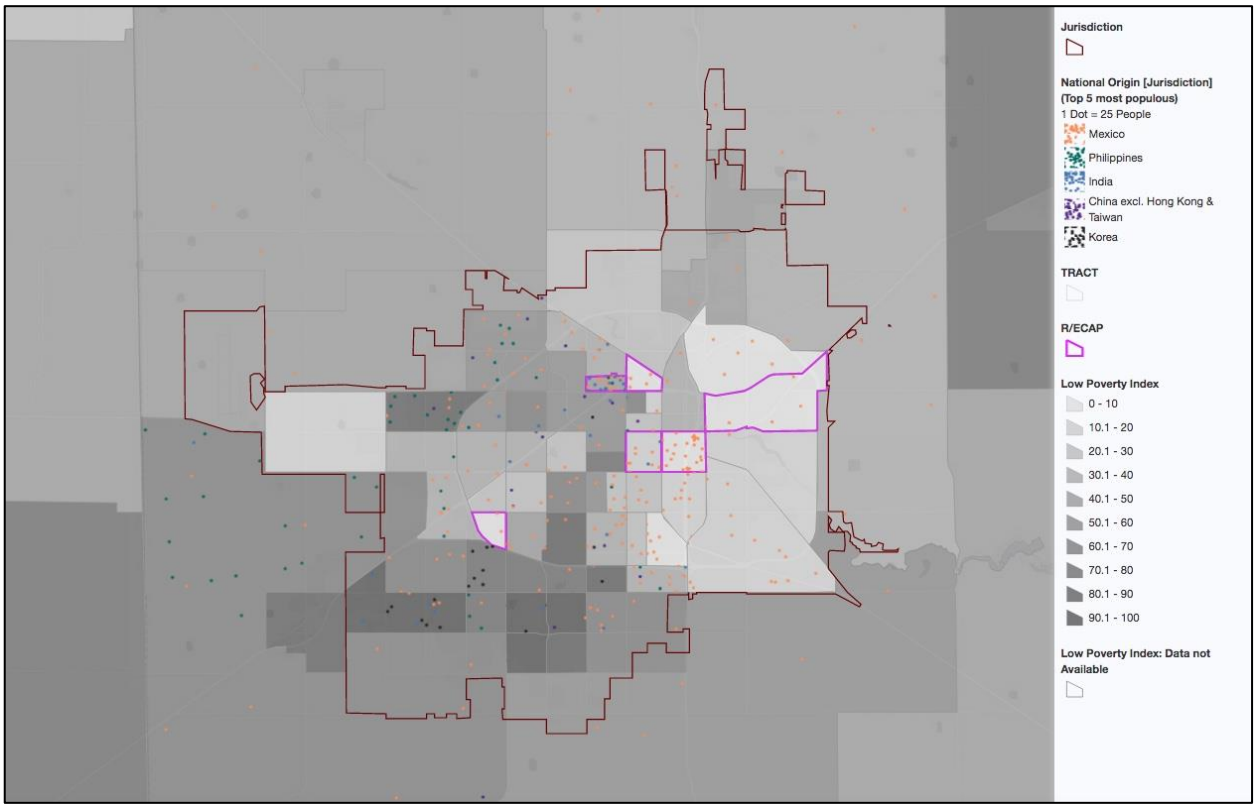
MAP: Low Poverty Index, Race/Ethnicity



Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

There is a weaker correlation between national origin, low poverty index scores, and residential living patterns than race and ethnic groups. However, there does appear to be a disproportionately large population from Mexico that lives in census tracts with lower Low Poverty Index scores.

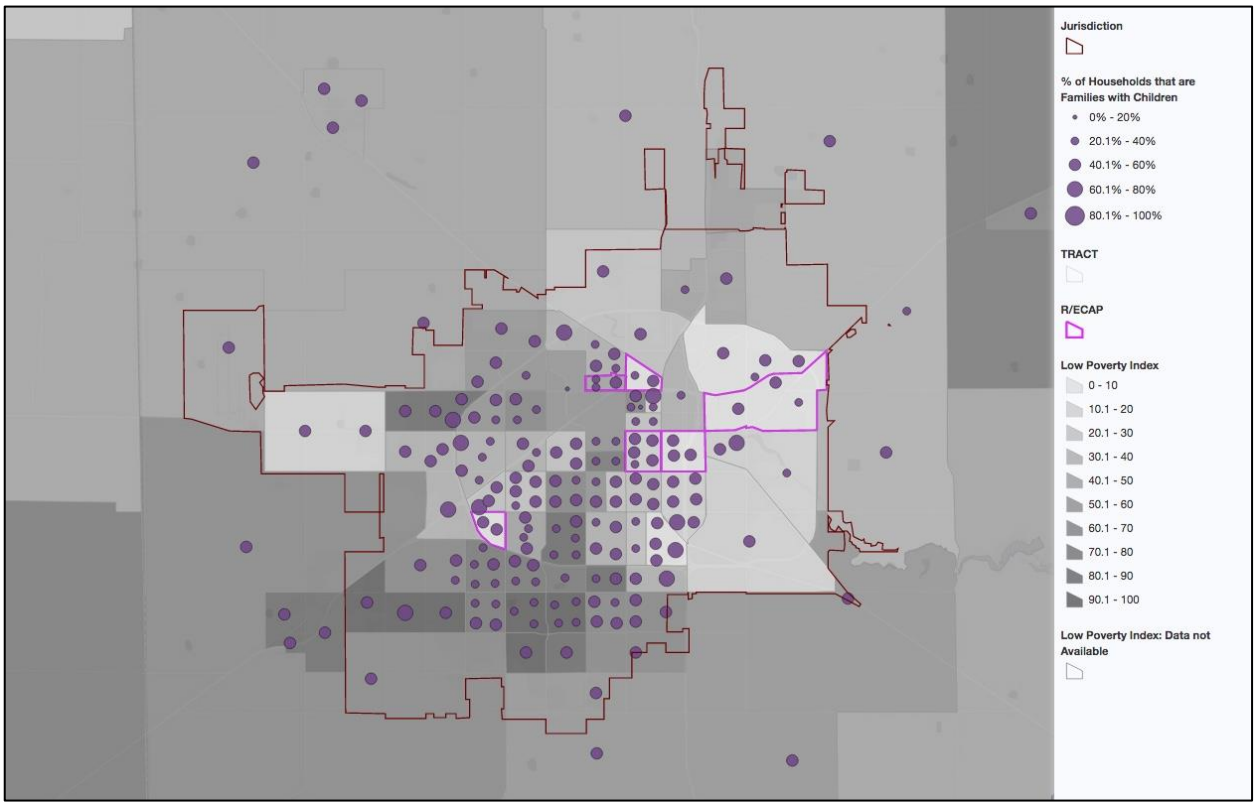
MAP: Low Poverty Index, National Origin



Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

There does not appear to be a disparity in access to low poverty areas based on family type and residential living patterns.

MAP: Low Poverty Index, Family Status

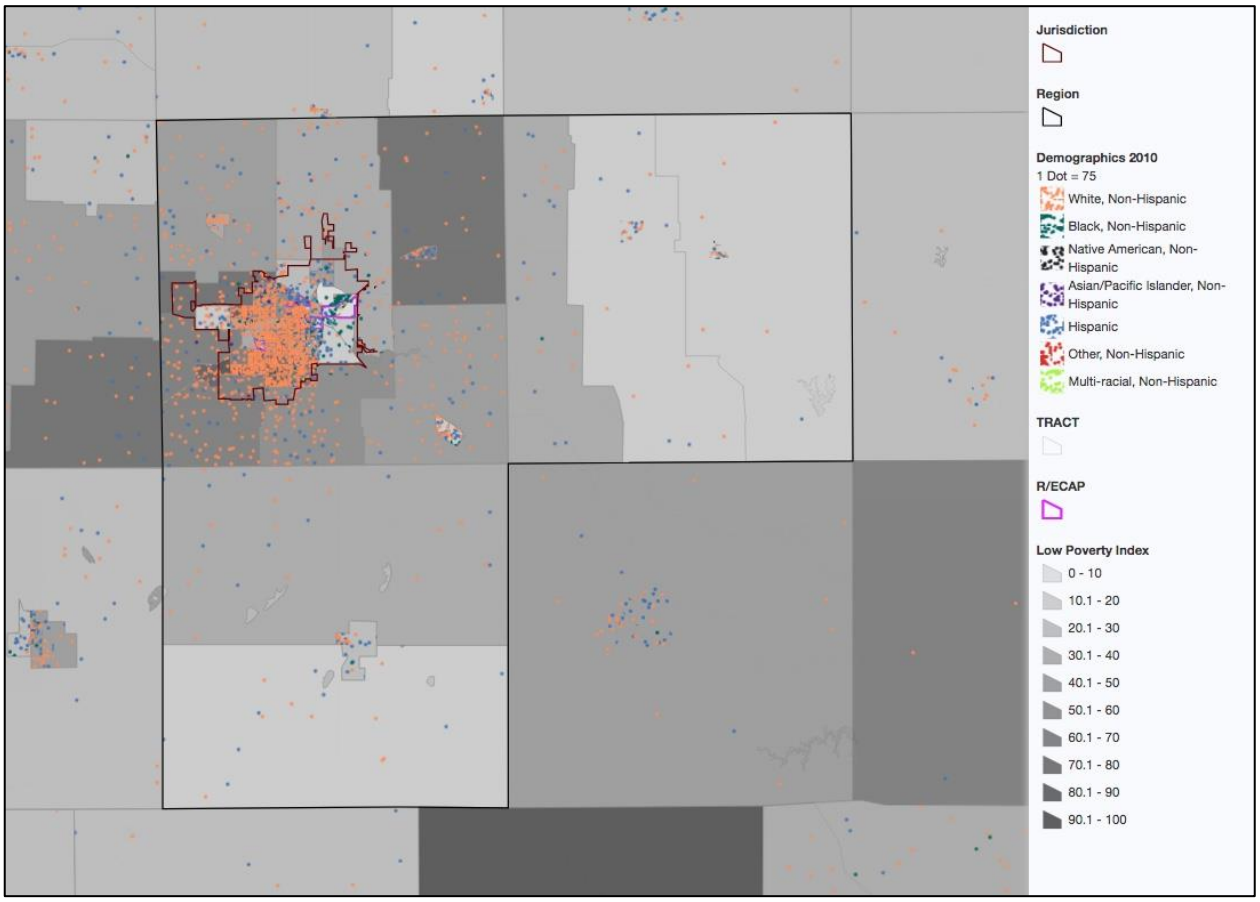


Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

Low Poverty Index (Region)

In general, the region shows lower access to Low Poverty areas in rural census tracts further away from the City of Lubbock.

MAP: Low Poverty Index, Race/Ethnicity (Region)



Source: 2009-2013 American Community Survey 5-Year Estimates (HUD AFFHT0004)

iii. Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to low poverty neighborhoods.

As noted in the Community Outreach section, citizens reported that poorly mapped and infrequent public transportation routes and schedules are a major barrier to connecting low income neighborhoods to job centers. Further, there is a lack of financial institutions in lower income communities, which results in lower income individuals relying on predatory products like payday lending.

e. Access to Environmentally Healthy Neighborhoods

i. For the protected class groups HUD has provided data, describe any disparities in access to environmentally healthy neighborhoods in the jurisdiction and region.

The Environmental Health Index measures exposure based on EPA estimates of air quality carcinogenic, respiratory, and neurological toxins. In Lubbock, there is no disparities in access to environmentally healthy neighborhoods based on race, ethnicity, or poverty status. Similarly, there are no disparities in access to healthy neighborhoods at the regional level. All scores for the jurisdiction and the region are very similar with the lowest score of 77 and highest score of 82.49.

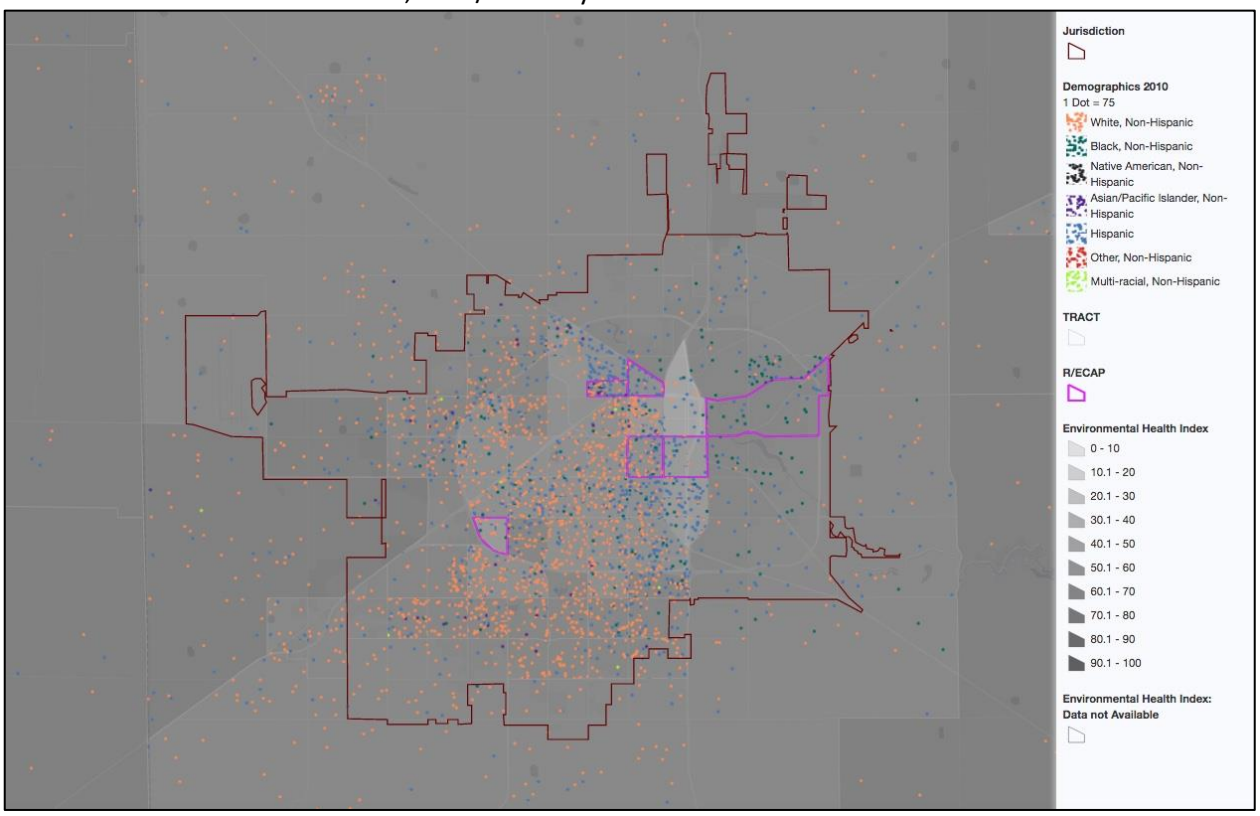
Table: Opportunity Indicators by Race/Ethnicity – Environmental Health Index		
	Lubbock, TX (Jurisdiction)	**Lubbock, TX (Region)**
Total Population		
White, Non-Hispanic	80.67	82.49
Black, Non-Hispanic	79.31	79.91
Hispanic	77.95	80.03
Asian/Pacific Islander	80.37	80.95
Native American	79.67	81.45
Population Below Federal Poverty Line		
White, Non-Hispanic	78.22	79.50
Black, Non-Hispanic	78.39	78.76
Hispanic	77.00	79.04
Asian/Pacific Islander	79.49	79.93
Native American	76.24	77.48
Environmental Health Index Source: National Air Toxics Assessment (NATA) data, 2011 (HUD AFFHT0004, Table 12 - Opportunity Indicators, by Race/Ethnicity)		

ii. For the protected class groups HUD has provided data, describe how disparities in access to environmentally healthy neighborhoods relate to residential living patterns in the jurisdiction and region.

Environmental Health Index

The above table does not show any significant disparity in access to environmentally healthy neighborhoods, but residential living patterns show something different. There is a pillar of tracts in eastern Lubbock that have noticeably lower scores in the Environmental Health Index. These tracts run north to south along I-27 and have a relatively high Hispanic population. The downtown area of the city also has lower Environmental Health Index scores than the suburban tracts.

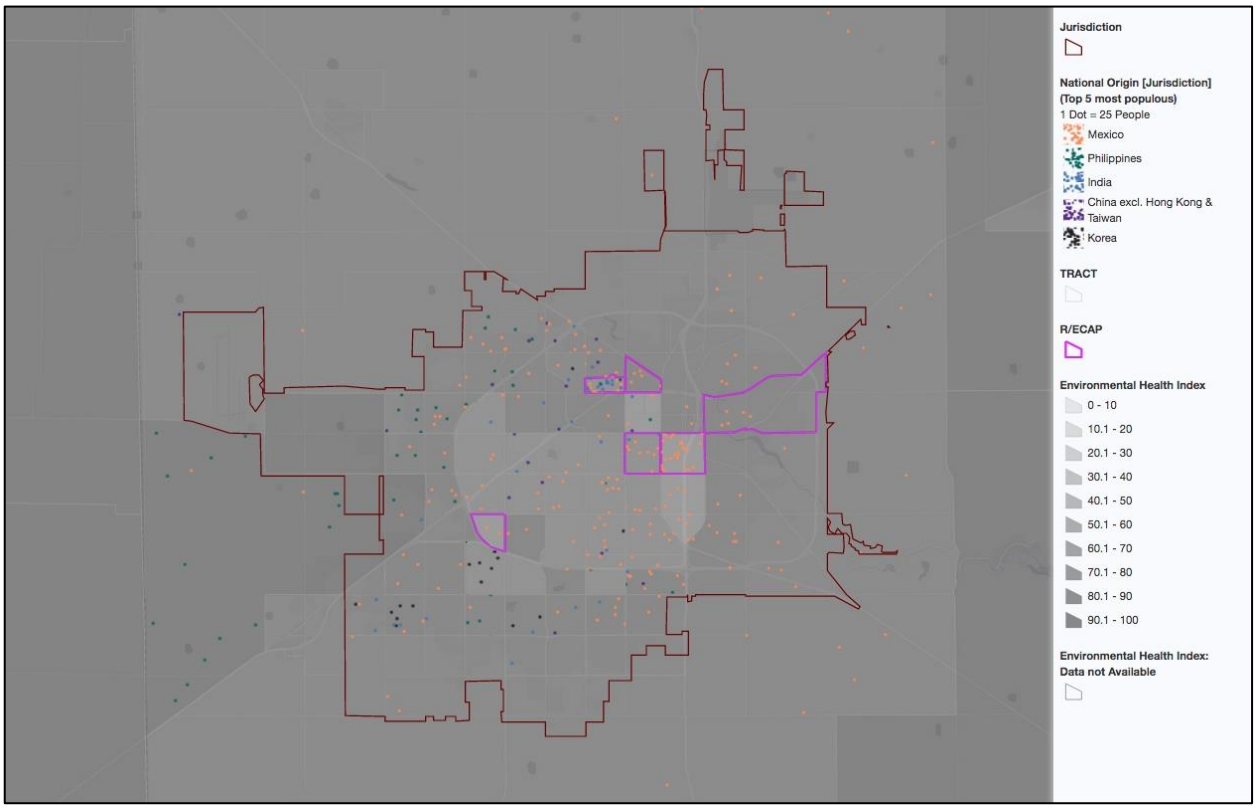
MAP: Environmental Health Index, Race/Ethnicity



Source: National Air Toxics Assessment (NATA) data, 2011 (HUD AFFHT0004)

The census tracts with the lowest Environmental Health Index score also have a relatively high foreign-born population from Mexico.

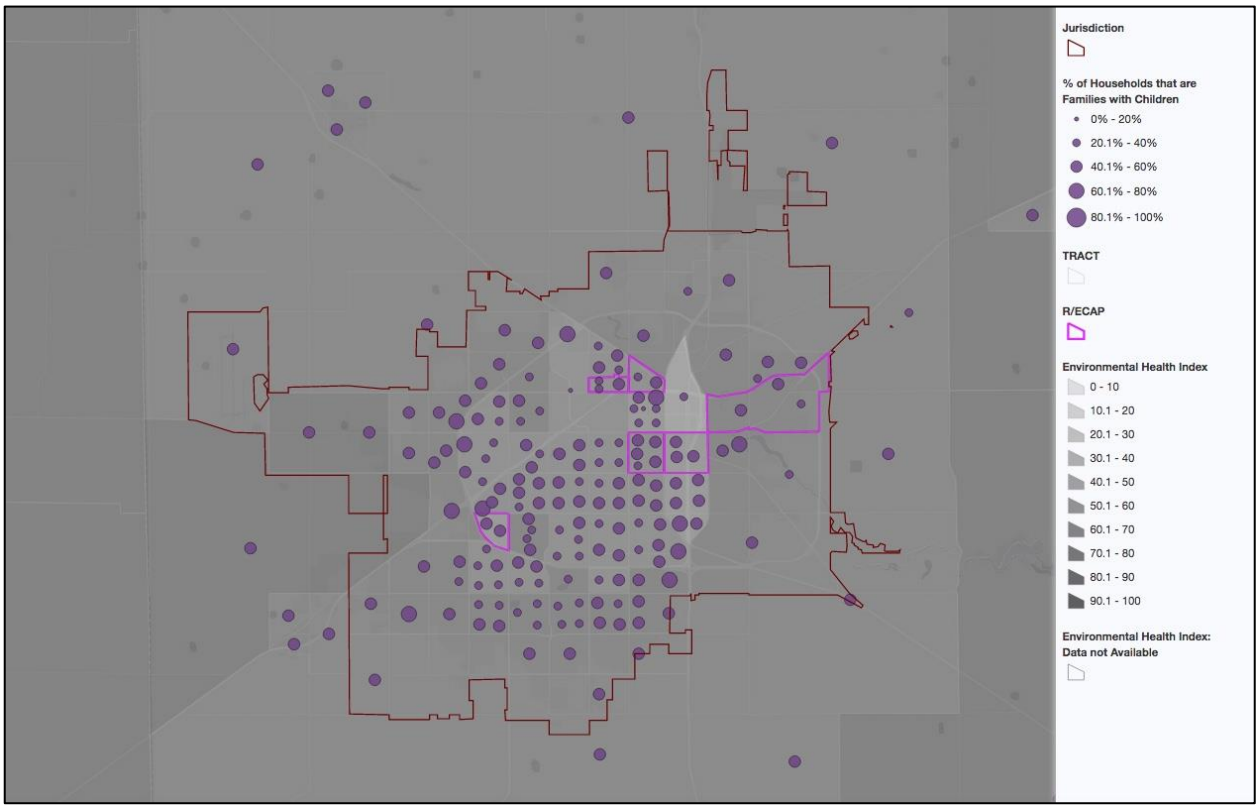
MAP: Environmental Health Index, National Origin



Source: National Air Toxics Assessment (NATA) data, 2011 (HUD AFFHT0004)

There does not appear to be any disparity in access to environmentally healthy neighborhoods based on family size and living patterns.

MAP: Environmental Health Index, Family Status

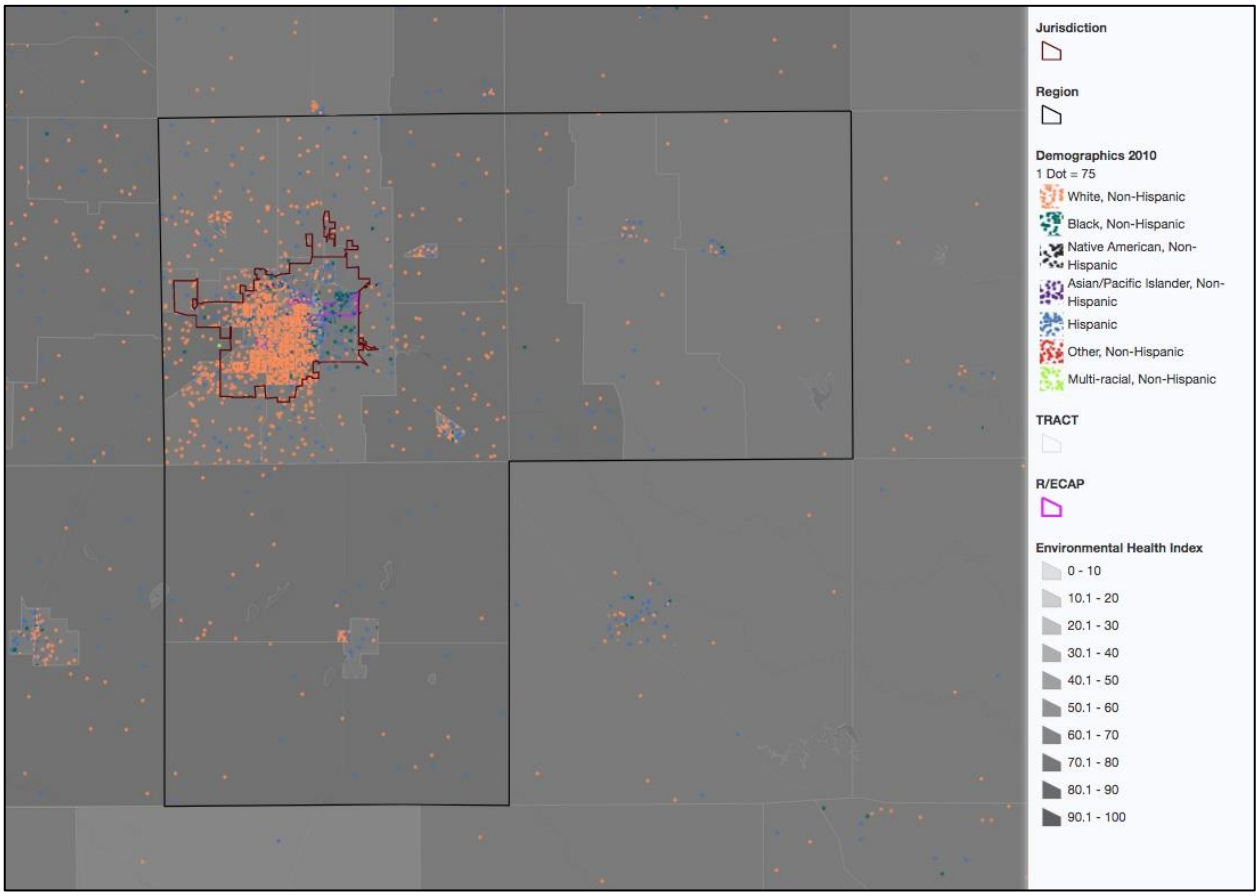


Source: National Air Toxics Assessment (NATA) data, 2011 (HUD AFFHT0004)

Environmental Health Index (Region)

Environmental Health Index scores throughout the region are relatively uniform but there is some variation based on residential living patterns. Rural areas tend to have higher Environmental Index scores than more urban areas. The census tracts on the eastern edge of the region are an exception, the Environmental Health scores in those tracts are like city and suburban tracts.

MAP: Environmental Health Index, Race/Ethnicity (Region)



Source: National Air Toxics Assessment (NATA) data, 2011 (HUD AFFHT0004)

iii. **Informed by community participation, any consultation with other relevant government agencies, and the participant's own local data and local knowledge, discuss whether there are programs, policies, or funding mechanisms that affect disparities in access to environmentally healthy neighborhoods.**

f. Patterns in Disparities in Access to Opportunity

i. For the protected class groups HUD has provided data, identify and discuss any overarching patterns of access to opportunity and exposure to adverse community factors. Include how these patterns compare to patterns of segregation, integration, and R/ECAPs. Describe these patterns for the jurisdiction and region.

For the protected class groups HUD has provided data there are two groups that have disproportionately low access to opportunity areas. The Black, non-Hispanic population and the Hispanic population consistently score lower on the indices provided by HUD. These indicators show a pattern of relative segregation throughout the city. The eastern part of the City of Lubbock has the majority of the R/ECAPs and a relatively large Black, non-Hispanic, Hispanic, and Mexico-born populations.

ii. Based on the opportunity indicators assessed above, identify areas that experience: (a) high access; and (b) low access across multiple indicators.

The southwestern Census tracts have high access across multiple indicators. These tracts have high access to low poverty neighborhoods, labor markets, and high quality educational opportunities. Census tracts on the southeast side of the city are the opposite. These tracts have low access to low poverty neighborhoods, labor markets, and high quality educational opportunities.

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about disparities in access to opportunity in the jurisdiction and region affecting groups with other protected characteristics.

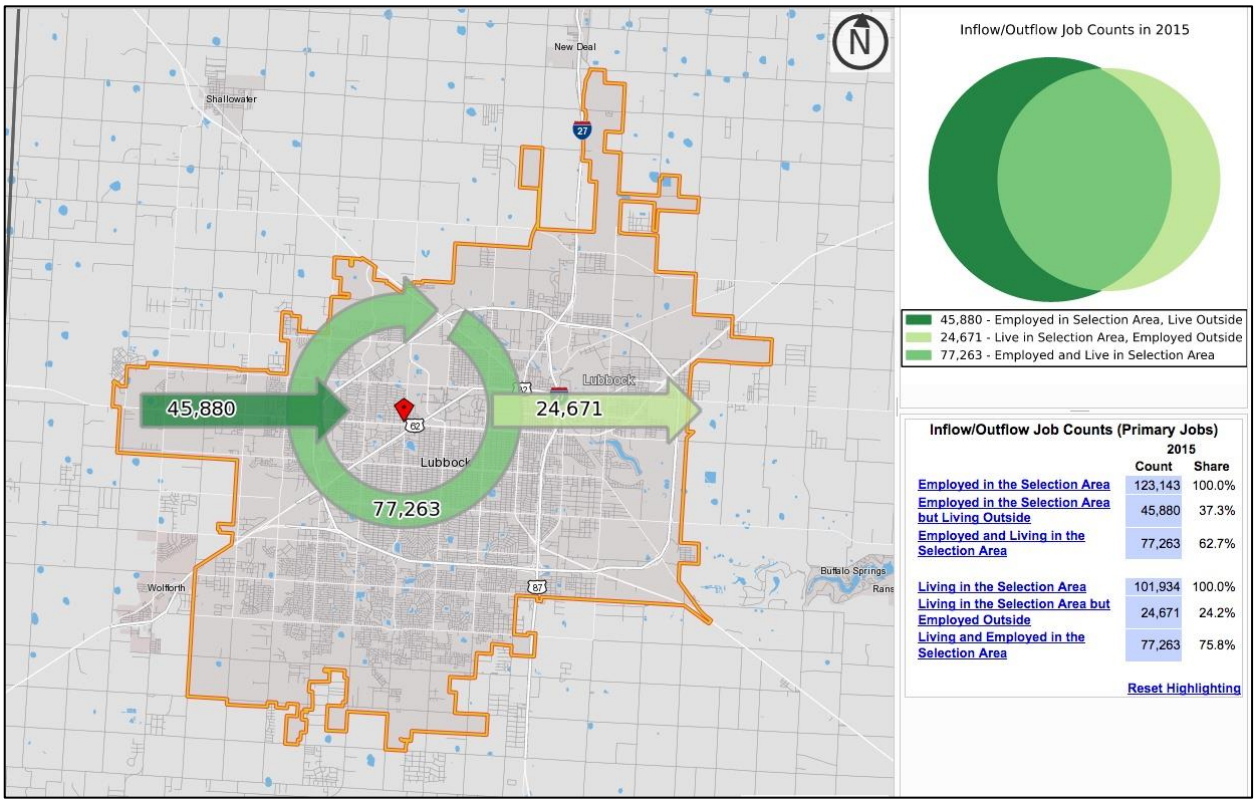
The Texas Fair Housing Act and the United States Fair Housing Act both prohibit housing discrimination based on race, color, religion, sex, national origin, disability, or familial status. Race, color, national origin, disability, and familial status are all discussed throughout this document. There is no additional relevant information that the remaining protected classes (religion and sex) face disparities in access to opportunity in the City or Region.

b. The program participant may also describe other information relevant to its assessment of disparities in access to opportunity, including any activities aimed at improving access to opportunities for areas that may lack such access, or in promoting access to opportunity (e.g., proficient schools, employment opportunities, and transportation).

An analysis of commuting patterns within Lubbock shows that providing greater housing and employment activities within the City can help with transportation issues. Individuals who cannot afford housing near their work must commute, which increases traffic, pollution, and strain on public investments. Long commutes have been linked to serious health problems including increased blood sugar, cholesterol, anxiety, and depression. Workers with shorter commutes are happier, have greater productivity and more likely to stay at their jobs. Long distance commuting also reduces opportunities for non-private vehicle commuting such as public transportation, cycling, and walking. In Lubbock, 93 percent of workers commuted by car, truck, or van, and the vast majority of which commuted alone. Less than 4 percent used public transportation, walked, or bicycled.

The following map shows the number of people who commute into Lubbock, out of Lubbock, and those who both work and live in Lubbock. Nearly 40 percent of Lubbock employees live outside the City and nearly 25 percent of residents living in Lubbock commute out of the City for work. In total, over 70,000 people have a work/residence disconnect.

MAP: Inflow/Outflow Job Counts, Lubbock City, 2015



Source: Longitudinal Employer-Household Dynamics (LEHD), 2015

3. Contributing Factors of Disparities in Access to Opportunity

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disparities in access to opportunity.

- **Access to financial services**
- **Availability, type, frequency, and reliability of public transportation**
- **Impediments to mobility**
- **Lack of access to opportunity due to high housing costs**
- **Lack of private investments in specific neighborhoods**
- **Lack of public investments in specific neighborhoods, including services or amenities**
- **Lack of local or regional cooperation**
- **Land use and zoning laws**
- **Lending discrimination**
- **Location and type of affordable housing**
- **Location of employers**
- **Location of environmental health hazards**
- **Location of proficient schools and school assignment policies**
- **Loss of Affordable Housing**
- **Occupancy codes and restrictions**
- **Private discrimination**
- **Source of income discrimination**
- **Other**

The availability, type, frequency, and reliability of public transportation is an area of concern in Lubbock. A significant portion of the population commutes into or out of Lubbock. Reliable transportation that is available when and where workers need it, particularly low-income workers, is essential to the community.

The ***location of employers*** and ***location and type of affordable housing*** are interrelated issues that contribute to disparities in opportunity. Areas with economic opportunities lack the housing necessary for the workforce, which increases commute times and limits opportunities for low-income individuals.

The ***location of proficient schools*** contributes to disparities in access to opportunities. High quality schools are necessary for residents to build the skills necessary for economic stability. In Lubbock, there is a disparity in access to educational opportunities for Black, non-Hispanic and Hispanic residents.

Disproportionate Housing Needs

1. Analysis

a. Which protected class groups (by race/ethnicity and familial status) experience higher rates of housing problems (cost burden, overcrowding, or substandard housing) when compared to other groups for the jurisdiction and region? Which groups also experience higher rates of severe housing cost burdens when compared to other groups?

As defined by HUD, there are four housing problems and a household is said to have a housing problem if they have 1 or more of the following problems:

1. Housing unit lacks complete kitchen facilities
2. Housing unit lacks complete plumbing facilities
3. Household is overcrowded, meaning there is more than 1 person per room
4. Household is cost burdened which is defined as spending more than 30 percent of monthly income on housing costs

HUD also identifies four severe housing problems:

1. Housing unit lacks complete kitchen facilities
2. Housing unit lacks complete plumbing facilities
3. Household is severely overcrowded, meaning there are more than 1.5 people per room
4. Household is severely cost burdened, spending more than 50 percent of monthly income on housing costs

Within the City of Lubbock, three groups experience disproportionate housing problems by race/ethnicity. Black, non-Hispanic, Hispanic, and residents who identify as "Other, non-Hispanic" all have higher rates of housing problems than the overall city population. These same populations experience greater housing problems at the regional level. Additionally, Family households with five or more people and non-family households also experience housing problems at a higher rate in the City and Region.

For households experiencing severe housing problems there is again a disproportionately high rate of problems for the same three racial/ethnic groups. Black, non-Hispanic, Hispanic, and "Other, non-Hispanic" households all experience severe housing problems at a rate higher than other groups in the City of Lubbock.

Table: Disproportionate Housing Needs

	(Lubbock, TX) Jurisdiction			(Lubbock, TX) Region		
Households experiencing any of 4 housing problems	**# with problems**	**# households**	**% with problems**	**# with problems**	**# households**	**% with problems**
Race/Ethnicity						
White, Non-Hispanic	17,700	55,590	31.84%	20,479	70,269	29.14%
Black, Non-Hispanic	3,075	6,365	48.31%	3,266	6,854	47.65%
Hispanic	9,775	23,290	41.97%	11,888	29,080	40.88%
Asian or Pacific Islander	592	1,885	31.41%	617	1,950	31.64%
Native American, Non-Hispanic	75	253	29.64%	93	298	31.21%
Other, Non-Hispanic	494	968	51.03%	598	1,164	51.37%
Total	31,725	88,345	35.91%	36,955	109,620	33.71%
Household Type and Size						
Family households, <5 people	11,270	45,325	24.86%	13,799	58,641	23.53%

Family households, 5+ people	3,645	7,450	48.93%	4,868	10,458	46.55%
Non-family households	16,810	35,580	47.25%	18,290	40,527	45.13%
Households experiencing any of 4 Severe Housing Problems	**# with severe problems**	**# households**	**% with severe problems**	**# with severe problems**	**# households**	**% with severe problems**
Race/Ethnicity						
White, Non-Hispanic	9,925	55,590	17.85%	11,225	70,269	15.97%
Black, Non-Hispanic	1,660	6,365	26.08%	1,753	6,854	25.58%
Hispanic	5,995	23,290	25.74%	7,281	29,080	25.04%
Asian or Pacific Islander	360	1,885	19.10%	370	1,950	18.97%
Native American, Non-Hispanic	44	253	17.39%	62	298	20.81%
Other, Non-Hispanic	265	968	27.38%	370	1,164	31.79%
Total	18,255	88,345	20.66%	21,035	109,620	19.19%

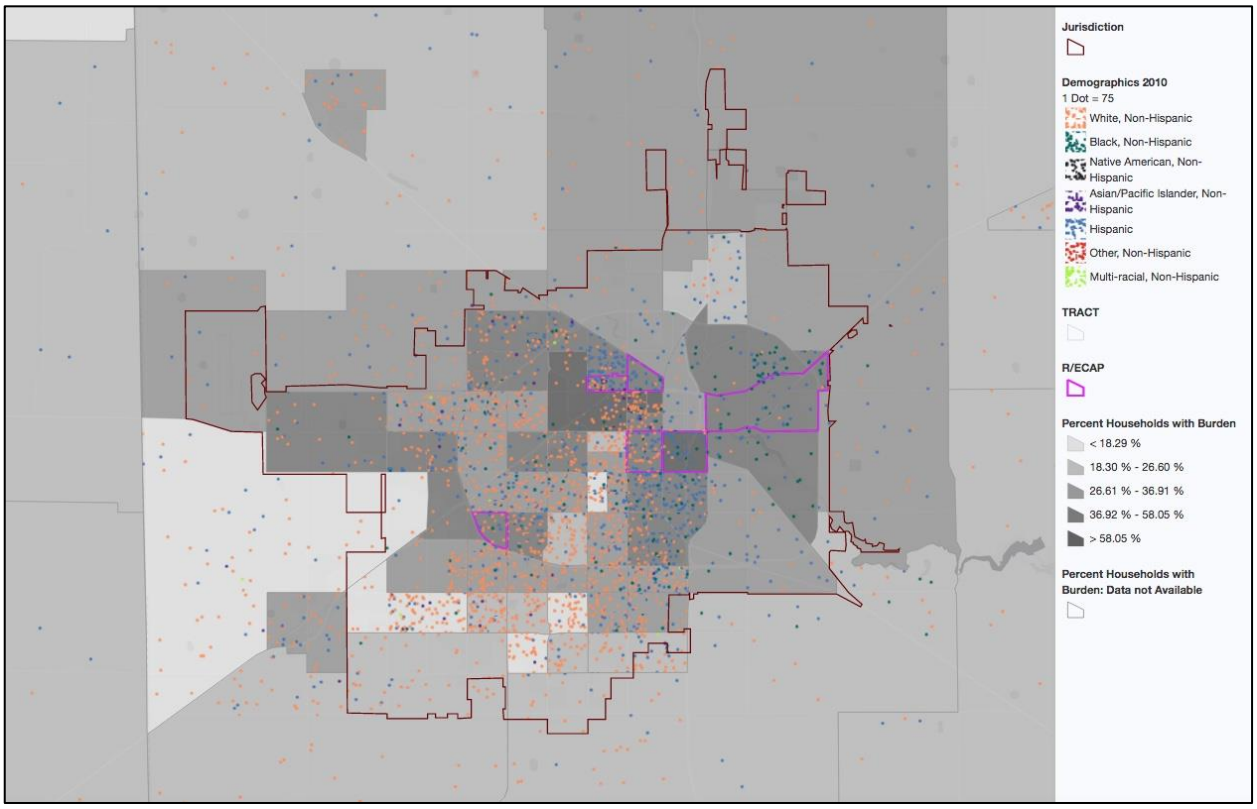
Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS)
(HUD AFFHT0004, Table 9 - Demographics of Households with Disproportionate Housing Needs)
Note 1: The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%.
Note 2: All % represent a share of the total population within the jurisdiction or region, except household type and size, which is out of total households.

b. Which areas in the jurisdiction and region experience the greatest housing burdens? Which of these areas align with segregated areas, integrated areas, or R/ECAPs and what are the predominant race/ethnicity or national origin groups in such areas?

Housing Problems by Race/Ethnicity

Households with housing problems are distributed across the city throughout many census tracts. Looking at the HUD-provided map with percentage of households with housing problems by race or ethnicity it is difficult to notice any particular patterns. For that reason, it is necessary to look at each race or ethnicity in isolation.

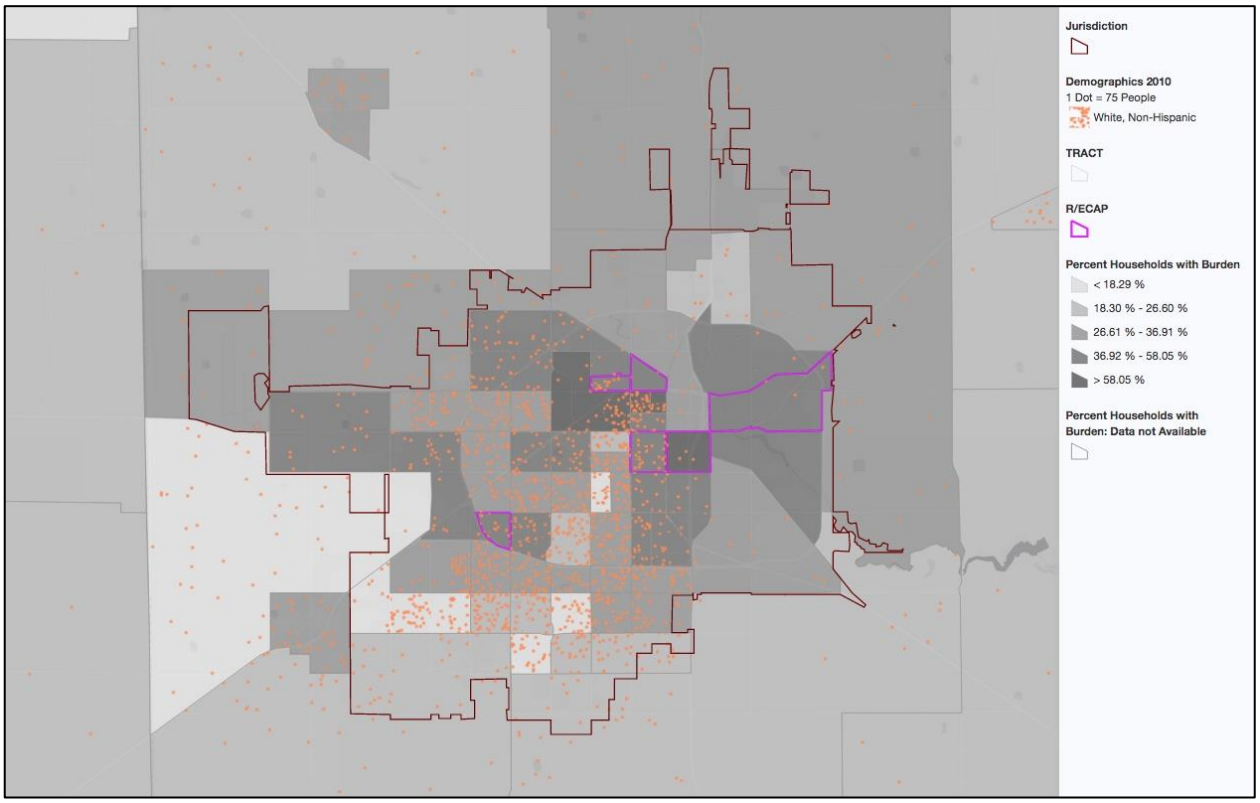
MAP: Housing Problems, Race/Ethnicity



Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

The White, non-Hispanic population is most heavily concentrated in the central and southern parts of the City of Lubbock. The census tracts with large groups of White, non-Hispanic households include both tracts with a high and low percentage of households with housing problems.

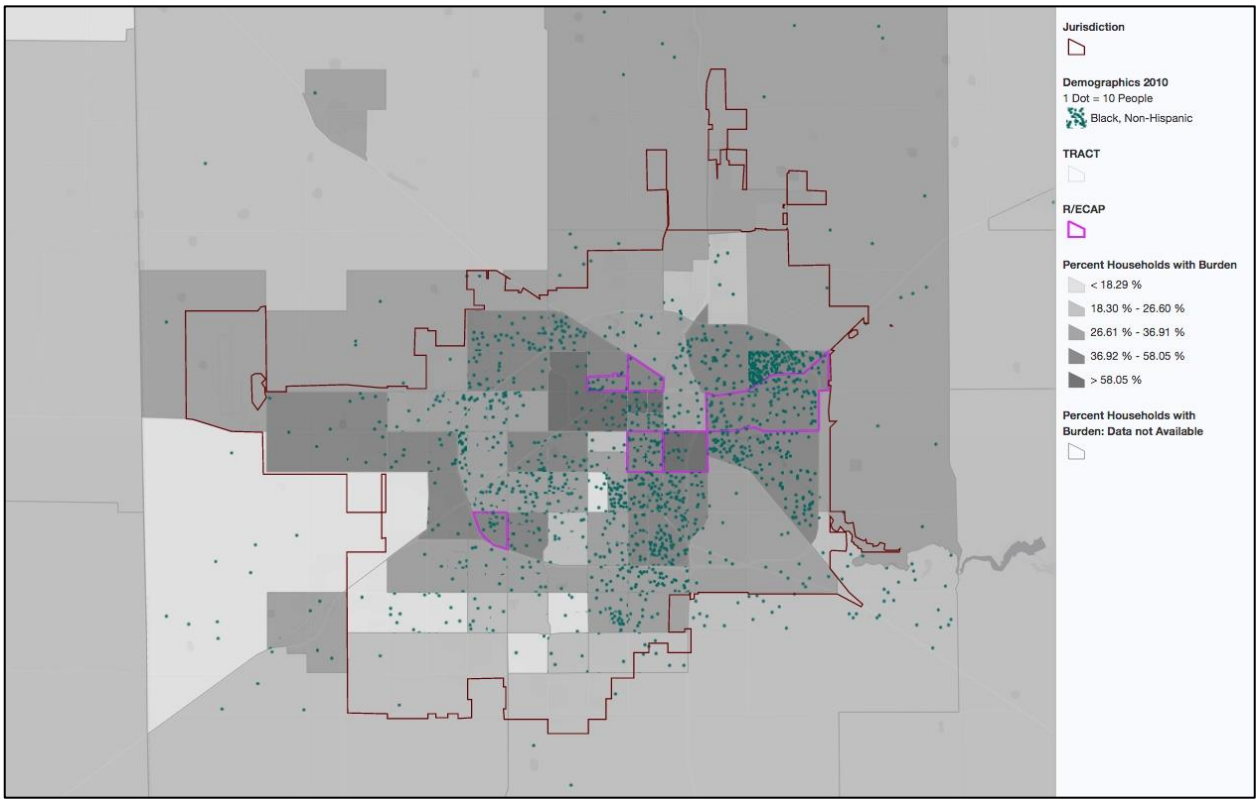
MAP: Housing Problems, White Population



Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

The Black, non-Hispanic population lives throughout the city but has some areas of concentration in census tracts in the eastern part of the city. Generally, there are fewer Black, non-Hispanic households in tracts with lower levels of housing problems.

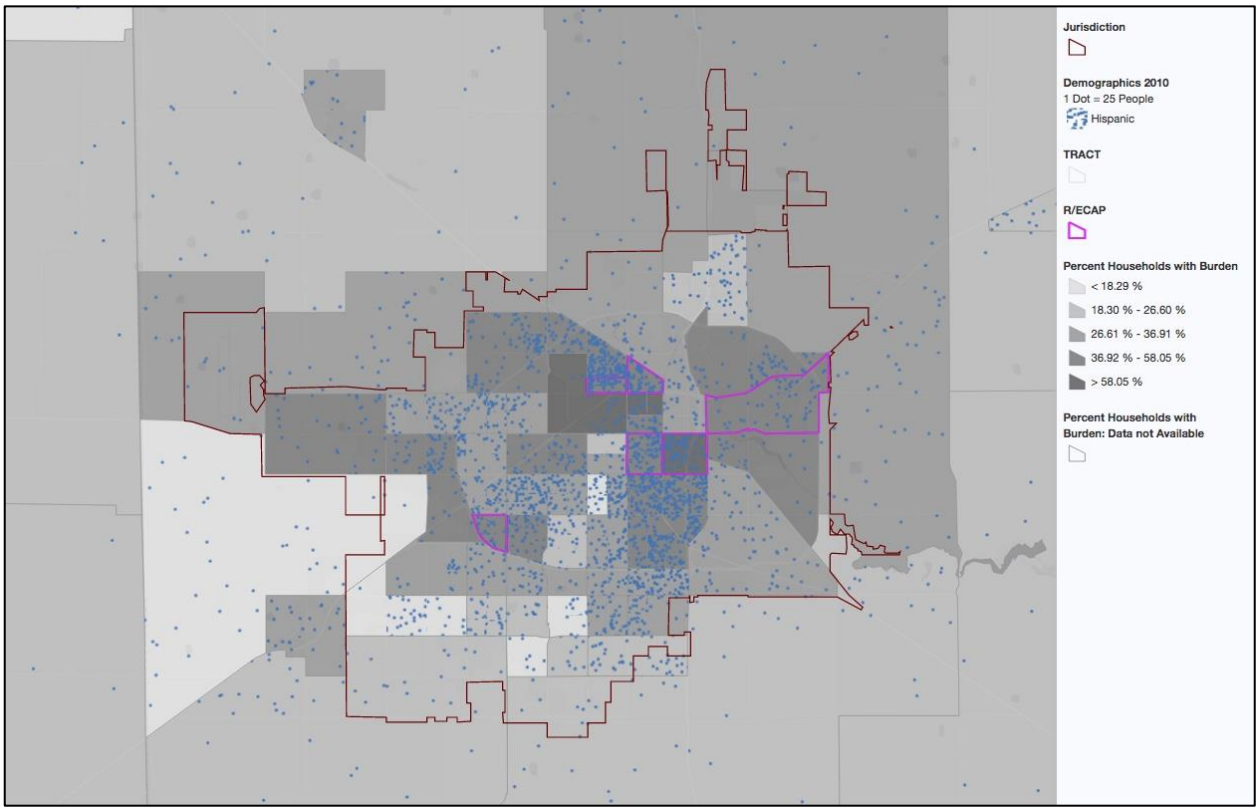
MAP: Housing Problems, Black Population



Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

The Hispanic population in Lubbock is spread throughout the city, but there are some concentrations in census tracts with a high rate of housing problems. This is particularly true for those living in R/ECAP tracts.

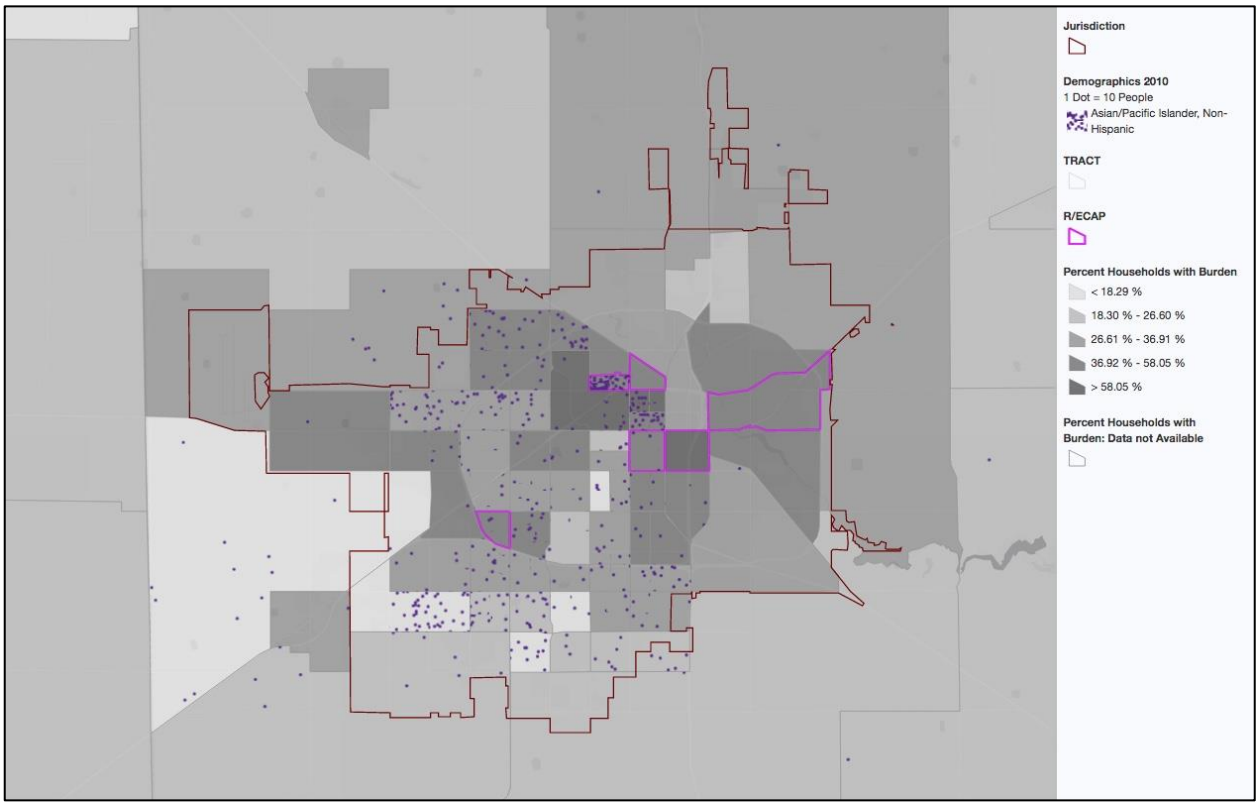
MAP: Housing Problems, Hispanic Population



Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

The Asian population in Lubbock lives primarily in the central and western parts of the city. There is not a large population of Asian households in areas with significantly high rates of housing problems. An exception being those that live in the downtown area near R/ECAP tracts.

MAP: Housing Problems, Asian Population

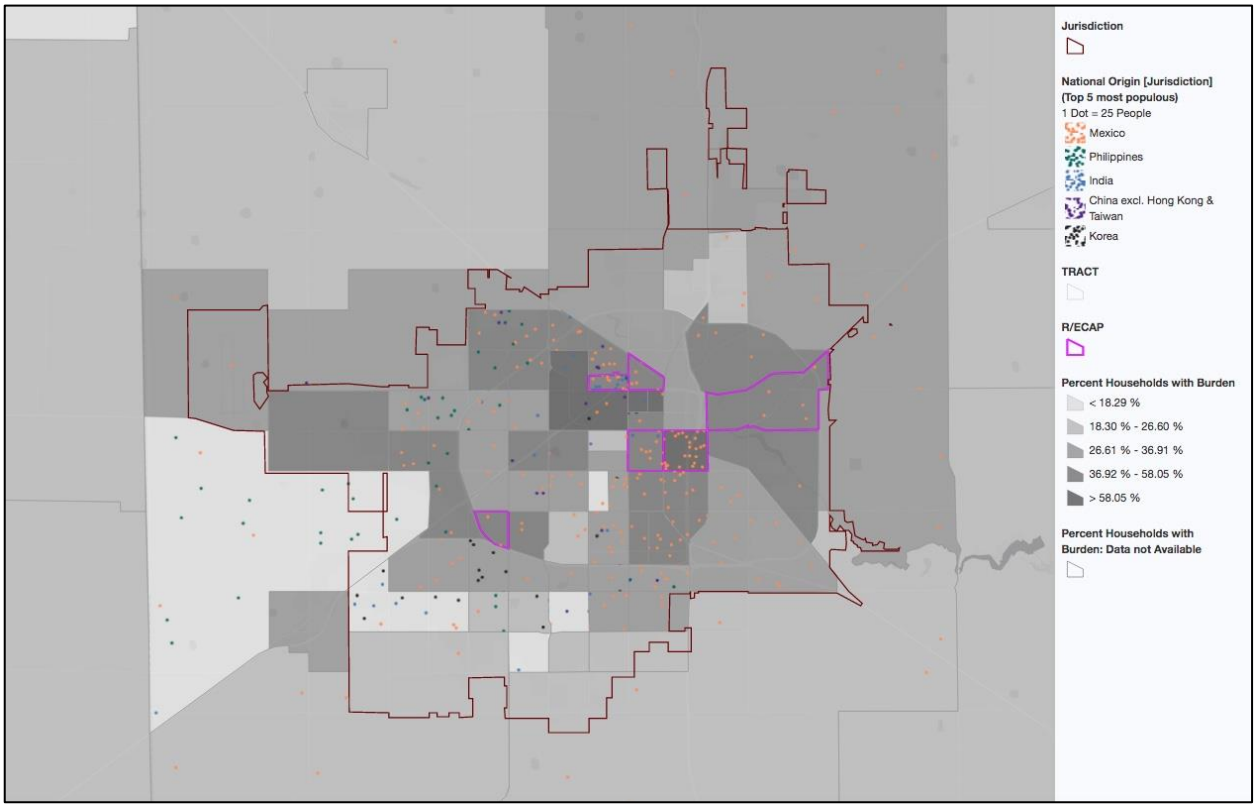


Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

Housing Problems by National Origin

Foreign-born residents are often at greater risk to live in homes with housing problems. According to the HUD-provided map there is only one area of concern in this area. One R/ECAP tract in the eastern part of the city has a relatively large Mexico-born population and has a high percentage of homes with housing problems.

MAP: Housing Problems, National Origin

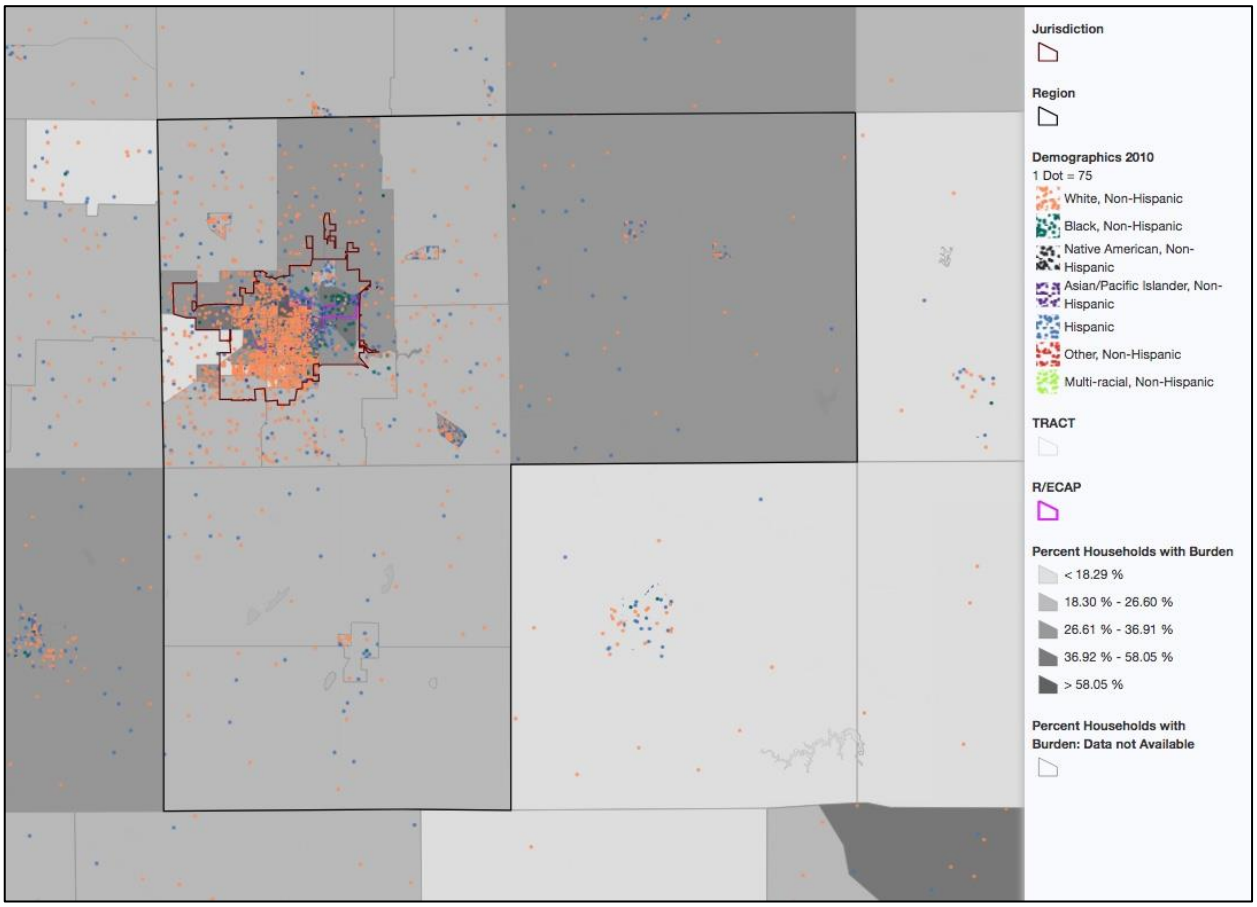


Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

Housing Problems by Race/Ethnicity (Region)

Regionwide there is not a strong relationship between housing problems and race or ethnicity.

MAP: Housing Problems, Race/Ethnicity (Region)



Source: 2009-2013 Comprehensive Housing Affordability Strategy (CHAS), (HUD AFFHT0004)

c. Compare the needs of families with children for housing units with two, and three or more bedrooms with the available existing housing stock in each category of publicly supported housing for the jurisdiction and region.

In the City of Lubbock families with five or more people have a higher rate of living in a home with housing problems than smaller families. Approximately 3,645 large households (or 48.93 percent) face housing problems. To address this problem, it is important that publicly supported housing provide quality housing options that are large enough for families.

In Lubbock, 34.3 percent of all publicly supported housing units have 2 bedrooms and 31.4 percent of have 3+ bedrooms. In total, that is 1,357 multi-bedroom units provided for only 1,081 households with children. Larger units can still assist with larger families but there appears to be adequate housing.

Table: Publicly Supported Housing by Program Category: Units by Number of Bedrooms and Number of Children

	Households in 0-1 Bedroom Units		Households in 2 Bedroom Units		Households in 3+ Bedroom Units		Households with Children	
Housing Type	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Public Housing	68	19.65%	154	44.51%	119	34.39%	223	64.45%
Project-Based Section 8	261	35.41%	289	39.21%	179	24.29%	395	53.60%
Other Multifamily	65	100.00%	0	0.00%	0	0.00%	N/a	N/a
HCV Program	313	32.30%	265	27.35%	351	36.22%	463	47.78%

Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014
(HUD AFFHT0004, Table 11 - Publicly Supported Housing by Program Category: Units by Number of Bedrooms and Number of Children)

d. Describe the differences in rates of renter and owner occupied housing by race/ethnicity in the jurisdiction and region.

Within Lubbock, there is a noticeable difference in the rate of renter- and owner-occupied housing by race and ethnicity. Only the White, non-Hispanic population is more likely to live in an owner-occupied household than the rest of the City as a whole. Black, non-Hispanic households are the least likely to live in an owner-occupied home in Lubbock.

Table: Housing Tenure by Race/Ethnicity

	Owner-Occupied Housing	Renter Occupied Housing
White, Non-Hispanic	54.7%	45.3%
Black	38.0%	62.0%
Asian	39.3%	60.7%
Hispanic	44.1%	55.9%
Lubbock, TX	52.2%	47.8%

Source: 2012-2016 American Community Survey (B25003)

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about disproportionate housing needs in the jurisdiction and region affecting groups with other protected characteristics.

Lending Practices

Citywide lending practices were analyzed using data gathered from lending institutions in compliance with the Home Mortgage Disclosure Act (HMDA). The HMDA was enacted by Congress in 1975 and is implemented by the Federal Reserve Board as Regulation C. The intent of the Act is to provide the public with information related to financial institution lending practices and to aid public officials in targeting public capital investments to attract additional private sector investments.

Since enactment of the HMDA in 1975, lending institutions have been required to collect and publicly disclose data regarding applicants including: location of the loan (by Census tract, County, and MSA); income, race and gender of the borrower; the number and dollar amount of each loan; property type; loan type; loan purpose; whether the property is owner-occupied; action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one-to-four family units, manufactured housing and multi-family developments.

HMDA data is a useful tool in accessing lending practices and trends within a jurisdiction. While many financial institutions are required to report loan activities, it is important to note that not all institutions are required to participate. Depository lending institutions – banks, credit unions, and savings associations – must file under HMDA if they hold assets exceeding the coverage threshold set annually by the Federal Reserve Board, have a home or branch office in one or more metropolitan statistical areas (MSA), or originated at least one home purchase or refinancing loan on a one-to-four family dwelling in the preceding calendar year. Such institutions must also file if they meet any one of the following three conditions: status as a federally insured or regulated institution; originator of a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originator of a loan intended for sale to Fannie Mae or Freddie Mac. For-profit, non-depository institutions (such as mortgage companies) must file HMDA data if: their value of home purchase or refinancing loans exceeds 10 percent of their total loan originations or equals or exceeds $25 million; they either maintain a home or branch office in one or more MSAs or in a given year execute five or more home purchase, home refinancing, or home improvement loan

applications, originations, or loan purchases for properties located in MSAs; or they hold assets exceeding $10 million or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered in isolation, but must be considered in light of other factors. For instance, while it is possible to develop conclusions simply based on race data, it is more accurate when all possible factors are considered, particularly in relation to loan denials and loan pricing. According to the FFIEC, "with few exceptions, controlling for borrower-related factors reduces the differences among racial and ethnic groups." Borrower-related factors include income, loan amount, lender, and other relevant information included in the HMDA data. Further, the FFIEC cautions that the information in the HMDA data, even when controlled for borrower-related factors and the lender, "is insufficient to account fully for racial or ethnic differences in the incidence of higher-priced lending." The FFIEC suggests that a more thorough analysis of the differences may require additional details from sources other than HMDA about factors including the specific credit circumstances of each borrower, the specific loan products that they are seeking, and the business practices of the institutions that they approach for credit.

The following analysis is provided for the City of Lubbock, Texas summarizing 2016 HMDA data (the most recent year for which data are available), and data between 2007 and 2016 where applicable. Due to HMDA data's geographic constraints at the municipal jurisdiction level, the geography utilized includes all Census tracts that fall within the boundaries of the City of Lubbock. Where specific details are included in the HMDA records, a summary is provided below for loan denials including information regarding the purpose of the loan application, race of the applicant and the primary reason for denial. For the purposes of analysis, this report will focus only on the information available and will not make assumptions regarding data that is not available or was not provided as part of the mortgage application or in the HMDA reporting process.

2016 City Overview

In 2016, there were approximately 9,300 applications within the City of Lubbock for home loans to purchase, refinance or make home improvements for a single family home - not including manufactured homes. Of those applications, over 4,900 or 53 percent were approved and originated, an increase of over 340 originations from 2015 and a percentage increase of approximately 7 percent. Of the remaining 4,400 applications, approximately 1,000 or 11 percent of all applications were denied. The top two application denial reasons within the City of Lubbock were credit history (35 percent) and debt-to-income ratio (24 percent), representing nearly 60 percent of the City's total denials. Incomplete applications and lack of collateral represented 13 and 10 percent of denials respectively. It is important to note that financial institutions are not required to report reasons for loan denials, although many do so voluntarily. Also, while many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan. The balance of the approximately 3,400 applications, that were not originated or denied, were closed for one reason or another including a) the loan was approved but not accepted by the borrower, b) the application was closed because of incomplete information or

inactivity by the borrower or c) in many instances the application may have been withdrawn by the applicant.

Disposition of Application by Loan Type and Purpose, 2016

Single Family Homes (excluding manufactured homes)

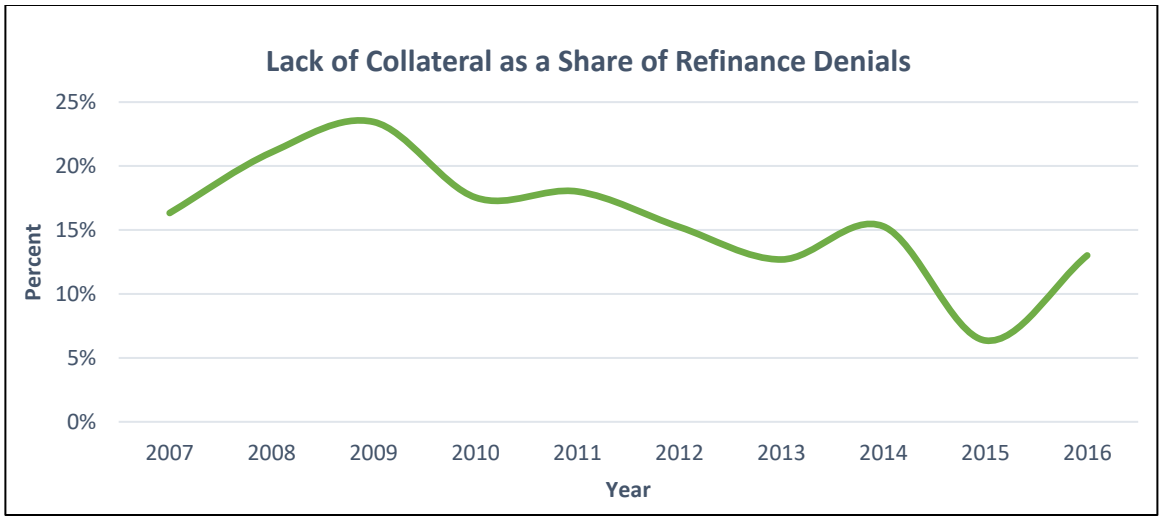
	Loan Type	Home Purchase	Refinance	Home Improvement
Total Applications				
	Conventional	3,362	2,281	372
	FHA	2,153	518	7
	VA	400	208	1
	FSA/RHS	0	0	0
Loans Originated				
	Conventional	2,246	1,056	202
	FHA	937	162	1
	VA	212	92	0
	FSA/RHS	0	0	0
Loans Approved but Not Accepted				
	Conventional	117	75	6
	FHA	63	33	1
	VA	10	7	0
	FSA/RHS	0	0	0
Applications Denied				
	Conventional	75	546	125
	FHA	79	134	3
	VA	16	38	1
	FSA/RHS	0	0	0
Applications Withdrawn				

	Conventional	210	273	27
	FHA	123	76	2
	VA	38	29	0
	FSA/RHS	0	0	0
Files Closed for Incompleteness				
	Conventional	9	69	8
	FHA	10	46	0
	VA	4	19	0
	FSA/RHS	0	0	0

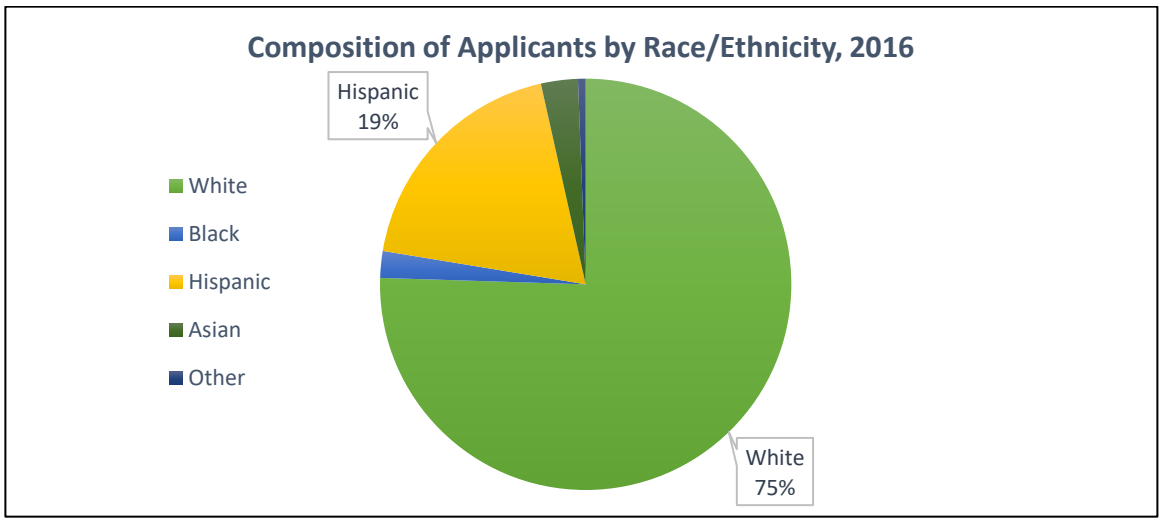
Source: 2015 HMDA

Of the home purchase loans for single family homes that were originated in 2016, (3,395 loans originated) approximately two-thirds of these originations were provided by conventional lenders, slightly higher than the national conventional home purchase share of 61 percent. The remaining 33 percent of home purchase loans in Lubbock were provided by federally-backed sources including the Federal Housing Administration and the Department of Veterans Affairs. The FHA and VA lenders had application/approval ratios of 41 percent and 50 percent respectively. Conventional lenders, by contrast, originated home purchase loans at a higher 58 percent of all applications.

A further examination of the 1,017 denials within Lubbock during 2016 indicates that approximately 71 percent were for applicants seeking to refinance existing mortgages for owner-occupied, primary residences. The number one reason for denial of refinance applications was credit history (25 percent of refi. denials), followed by debt-to-income ratio (22 percent of refi. denials). Lack of collateral was the denial reason for 13 percent of refinance applications in 2016, higher than 2015 but lower than the highs of the housing crisis. Typically, homeowners, seeking to refinance their existing home mortgage are able to use their home as collateral. When the denial reason given for a refinance is a lack of collateral, this would indicate the home is worth less than the existing mortgage and, therefore, refinancing is not an option – these homes are commonly referred to as “under-water” or the borrowers are “upside-down” in their mortgage. Shown below, the percentage of refinance denials given for the reason of lack of collateral has generally declined since the peak of the housing crisis, suggesting that the number of “under-water” homes in Lubbock has declined since 2009 but has recently increased.

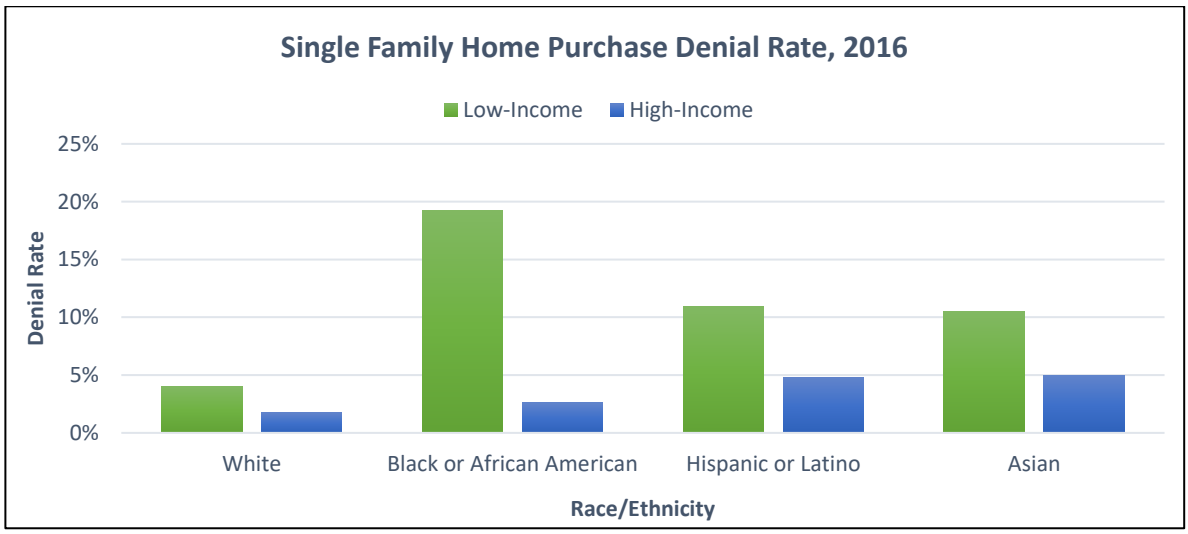


The percentage of loan application denials for traditional home purchase loans for one-to-four family housing in Lubbock varies by race/ethnic groups. It should be noted that the majority of applicants in 2016 were non-Hispanic Whites (over 75 percent), followed by Hispanic applicants at 19 percent. Asian (2.9 percent) and Black (2.1 percent) applicants were represented by much smaller sample sizes, and are excluded from following the analysis where there is insufficient data. In 2016, Whites were least likely to be denied for conventional single family home purchases, being denied at a rate of 2.3 percent. Hispanics were denied at a rate of 5 percent, while Asian and Black applicants faced higher home purchase denial rates at 6 and 7 percent, respectively.



Additionally, a closer look at home purchase denial rates by race/ethnicity and income group within

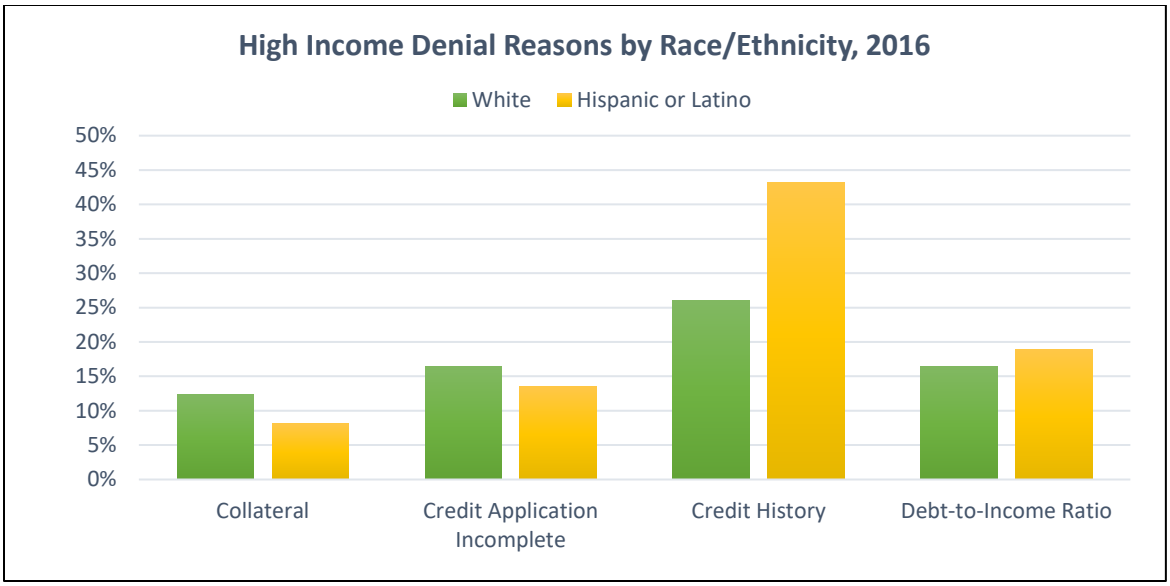
Lubbock, shown below, demonstrates that High Income Hispanics (having greater than 120 of Area Median Income) were more likely to be denied for a single family home purchase, at 5 percent, than Low Income Whites (having less than 80 percent of Area Media Income), at 4 percent. Additionally, Low Income Blacks were the group with the highest home purchase denial rate at 19 percent, over 4 times the rate of Low Income Whites. High Income Whites were denied at a rate of under 2 percent, the lowest of all groups examined. Further, White applicants demonstrated the lowest disparity in denial rates between low- and high-income applicants, at 2 percent, while the gap between low- and high-income Blacks was approximately 16 percent.



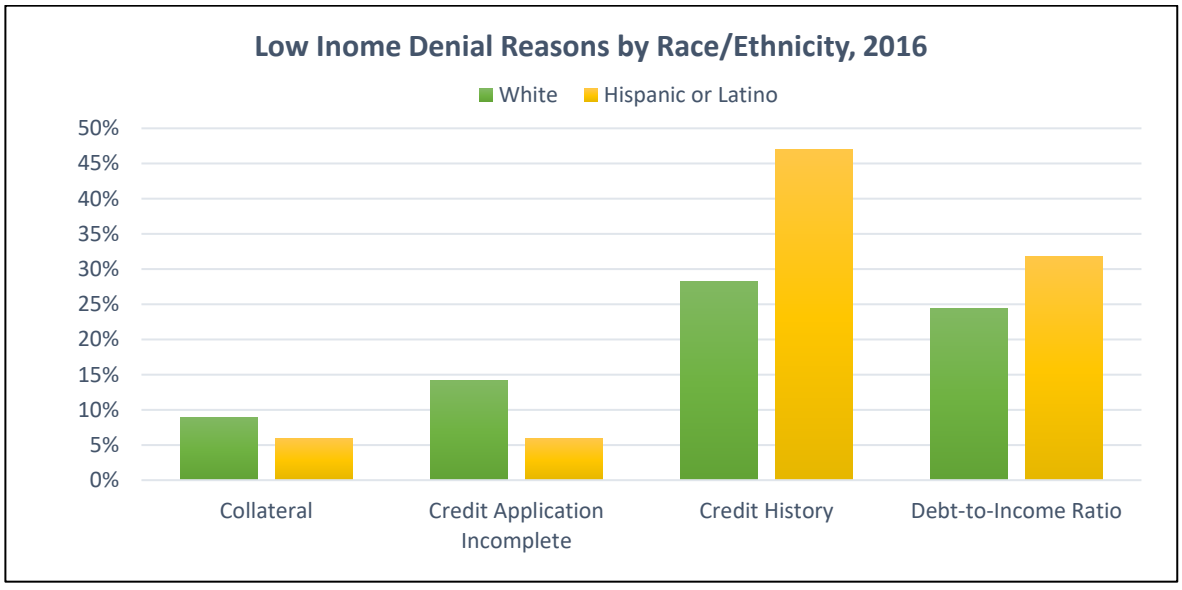
Application Denial Reasons by Income Group

The below charts compare denial reasons among White and Hispanic applicants in Lubbock for 2016 by income group. Black and Asian applicants are excluded due to insufficient data.

As of 2016, the leading denial reason for High Income Hispanic applicants by a strong margin was credit history, representing approximately 43 percent of all denials. By contrast, denial reasons for High Income White applicants were more evenly distributed, though credit history was also the most common denial reason at 26 percent. High Income Whites were about 1.5 times as likely to be denied for lack of collateral relative to High Income Hispanics while High Income Hispanics were nearly twice as likely to be denied for credit history.



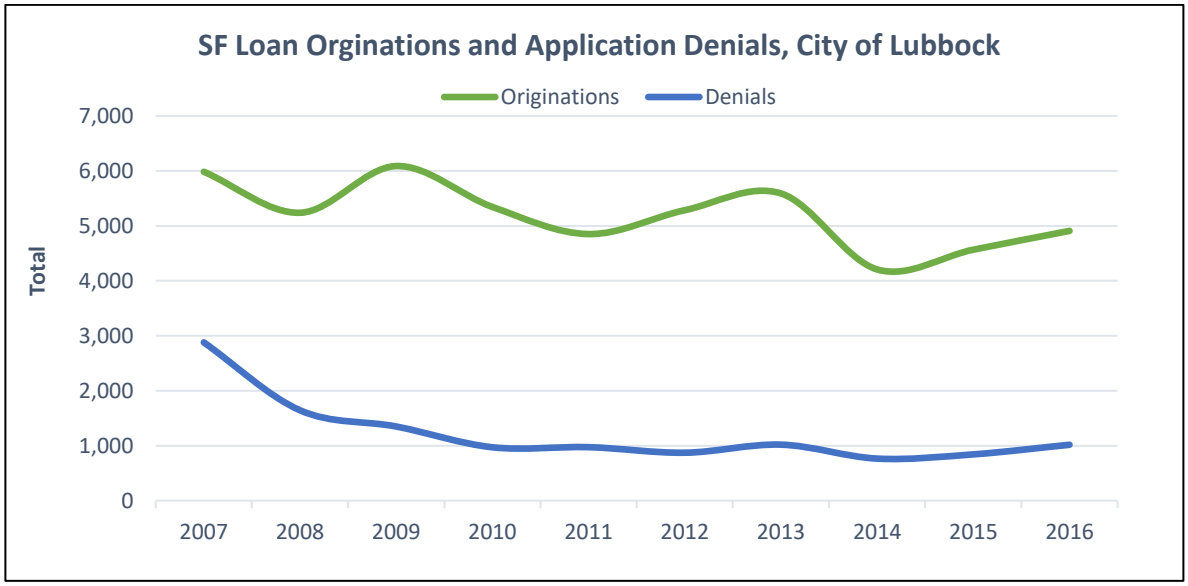
For Low Income denials, credit history was the top reason for both Whites and Hispanics in 2016, similar to High Income denials. However, both Low Income White applicants and Low Income Hispanic applicants were denied for debt-to-income ratio and credit history at a higher rate than their High Income counterparts, and in the case of Low Income Hispanics, the debt-to-income difference was nearly double.



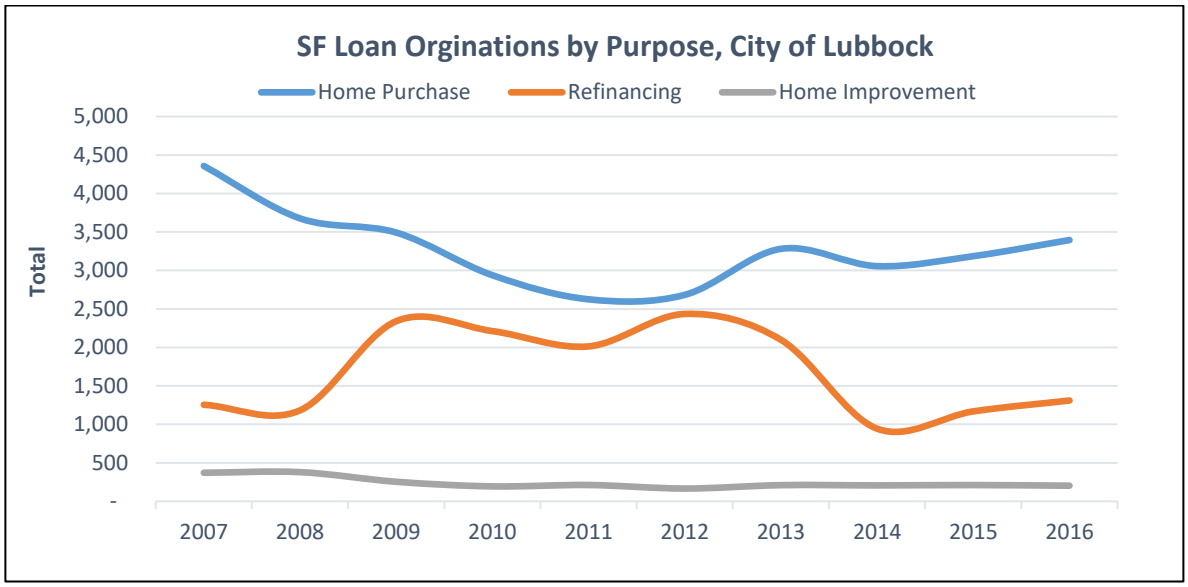
Lubbock's Single Family Lending Market, 2007-2016

The following section will examine HMDA data over the time period 2007-2016, for the City of Lubbock.

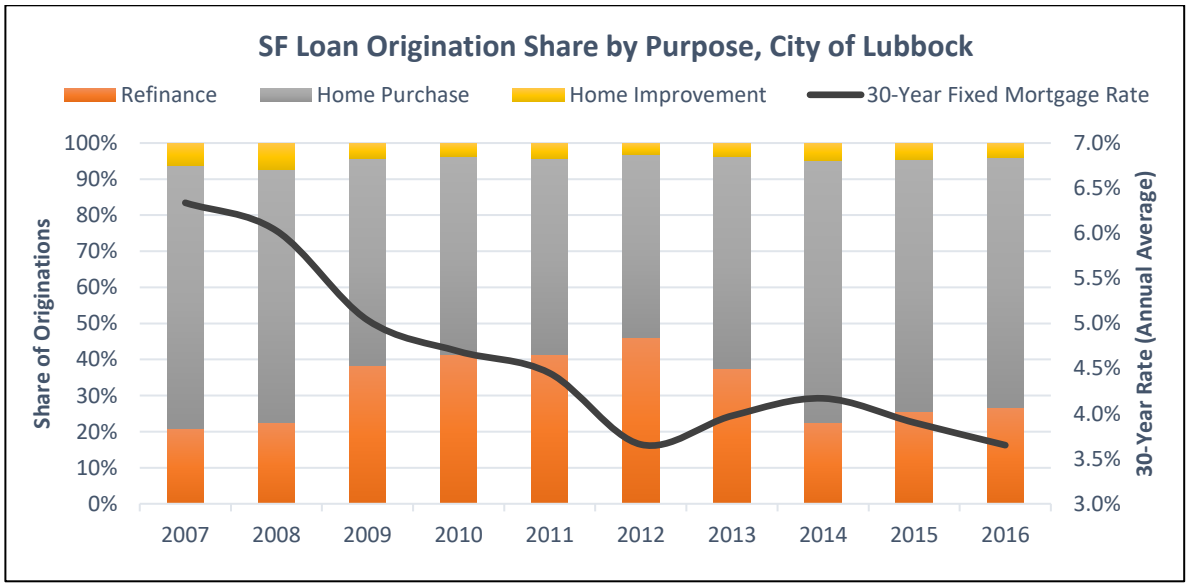
Highlighted below, the number of single family loan originations in Lubbock followed a dynamic trajectory between 2007 and 2016. At the onset of the housing crisis, originations declined between 2007 and 2008, followed by an increase between 2008 and 2009, in contrast to many other locations. Subsequently, originations trended downward between 2009 and 2011, followed by an increase between 2011 and 2013. Loan originations then fell by 25 percent between 2013 and 2014, though grew steadily between 2014 and 2016. As of 2016, total originations in Lubbock are about 82 percent of the level prior to the housing crisis. In contrast to originations, however, the number of application denials within Lubbock demonstrated less extreme changes between 2007 and 2016, falling dramatically between 2007 and 2010, then generally stabilizing for the remaining analysis years. As of the most recent data year, denials are 65 percent below the level experienced in 2007 but 5 percent higher than 2010 levels. Similarly, the share of denials as a percent of total originations and total denials has declined markedly since the housing bust, from 33 percent in 2007 to approximately 17 percent as of 2016.



Shown below, much of the year-to-year fluctuations in total originations that occurred between 2007 and 2016 were the result of refinancing originations. Though home purchases represented the top loan purpose by total originations for every year examined, refinancing narrowed the gap between 2009 and 2013, as interest rates were broadly falling, discussed further below. In 2016, home purchases comprised 70 percent of the City's total originations. The consistent growth of home purchase originations since 2014 (11 percent growth rate between 2014 and 2016), reflects a recovering demand for housing within the City.

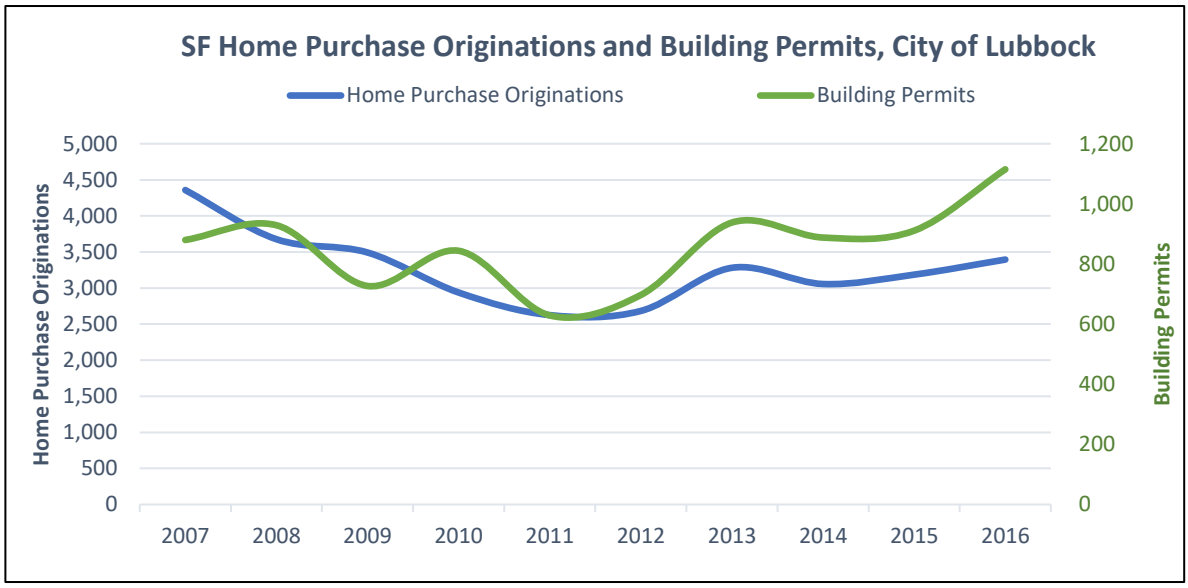


The share of refinance originations appears to move generally with the 30-year fixed rate mortgage average, shown below. In 2012, for example, when the average 30-year fixed rate mortgage was at its lowest level of all the years examined, refinance originations in Lubbock reached the highest level in both absolute number and percentage terms of all years examined. The decrease in the annual average of the 30-year fixed mortgage rate between 2014 and 2016 is consistent with Lubbock's 39 percent growth in the number of refinance loan originations over the same time period.



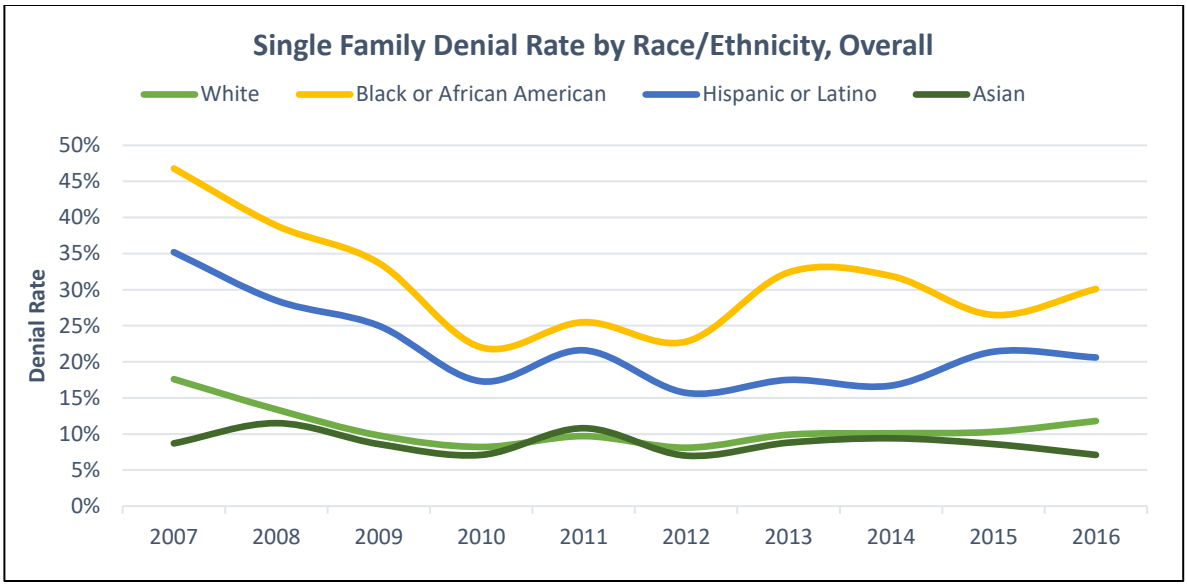
Source: HMDA, Federal Reserve Bank of St. Louis

For home purchase loans, the movement of originations can often track trends in the number of single family building permits issued, as shown below. Though the growth rate of building permits has exceeded the growth rate of home purchase loan originations since 2011, both trends are indicative of recent growth in housing demand within the City.

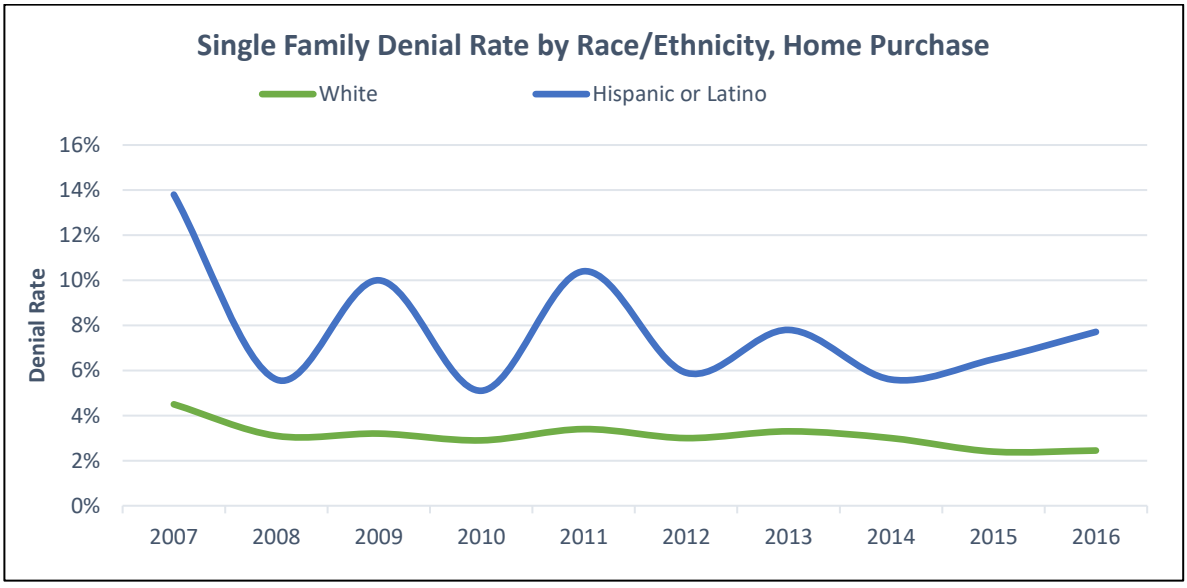


Income, Race, and Single Family Loan Denials in Lubbock

Denial rates for single family loans in Lubbock vary over time vary by race and ethnicity. The charts below show that between 2007 and 2015, White and Asian applicants were less likely to be denied relative to Hispanic and Black applicants for all years examined. The overall denial rate for Hispanic applicants has fallen significantly during the analysis period, from 35 percent to 21 percent, though the overall disparity between Hispanic and White applicants remains, with Hispanic applicants approximately 1.7 times more likely to be denied than White applicants as of 2016, down from twice as likely in 2007.

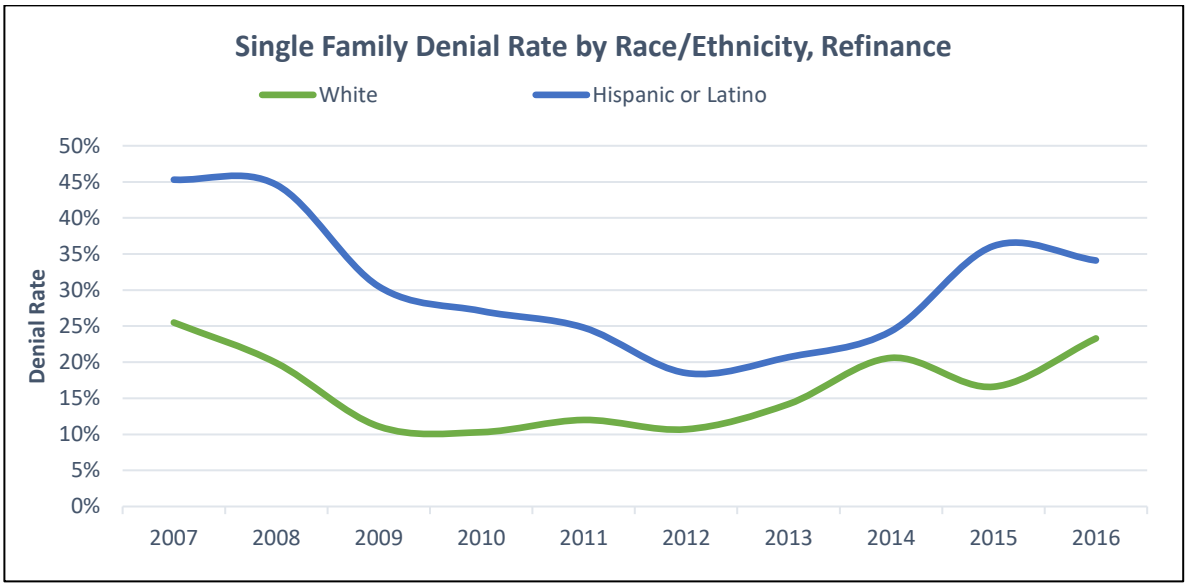


Home purchase applications exhibit lower denial rates for both White and Hispanic applicants relative to overall denial rates. However, relative to other loan purposes, the gap between Hispanic and White applicants is greatest. For example, Hispanics were more than 3 times as likely to be denied for a home purchase relative to White applicants in 2007, an observation that still held true as of 2016. Similar to overall denial rates, Whites were the least likely of the two groups to be denied for every year examined.

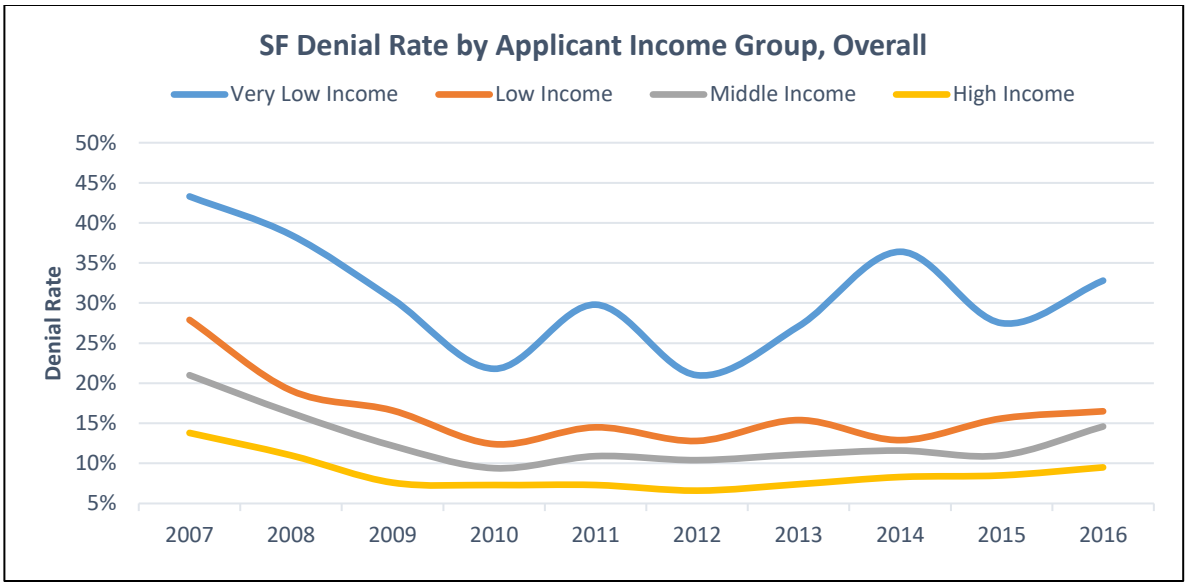


Consistent with the overall denial rate as well as the denial rate for home purchases, Whites were the group with the lowest denial rate for a refinance application in all study years. In contrast to other loan purposes, refinance denial rates increased between 2015 and 2016 for Whites, while

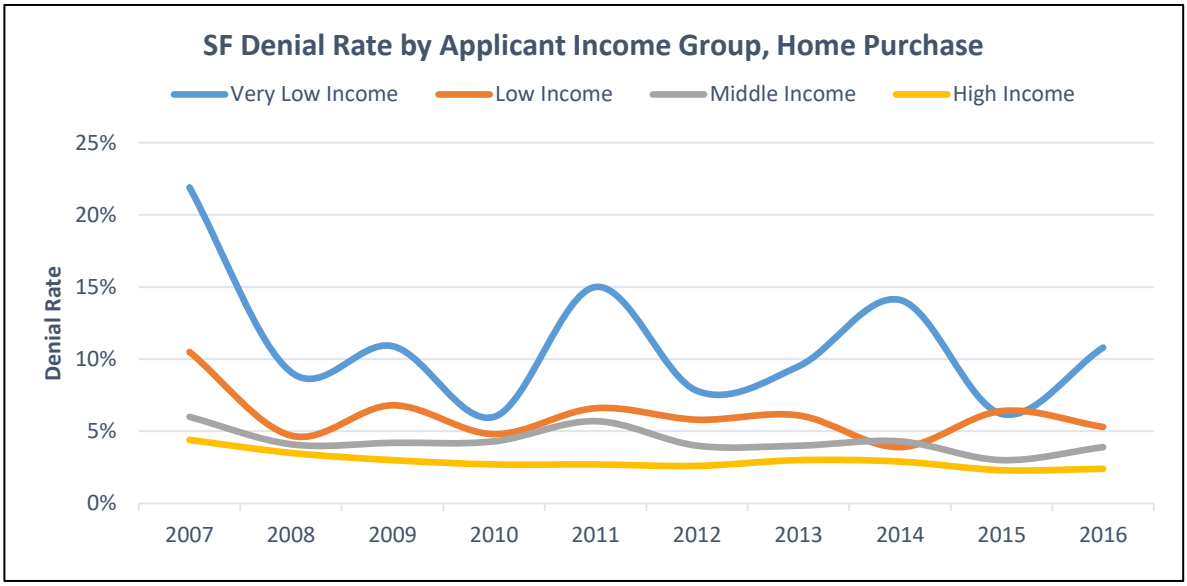
decreasing during the same time period for Hispanics. Of all loan purposes, the gap between Hispanic and White applicants is lowest for refinance, with Hispanics slightly less than 1.5 times as likely to be denied.



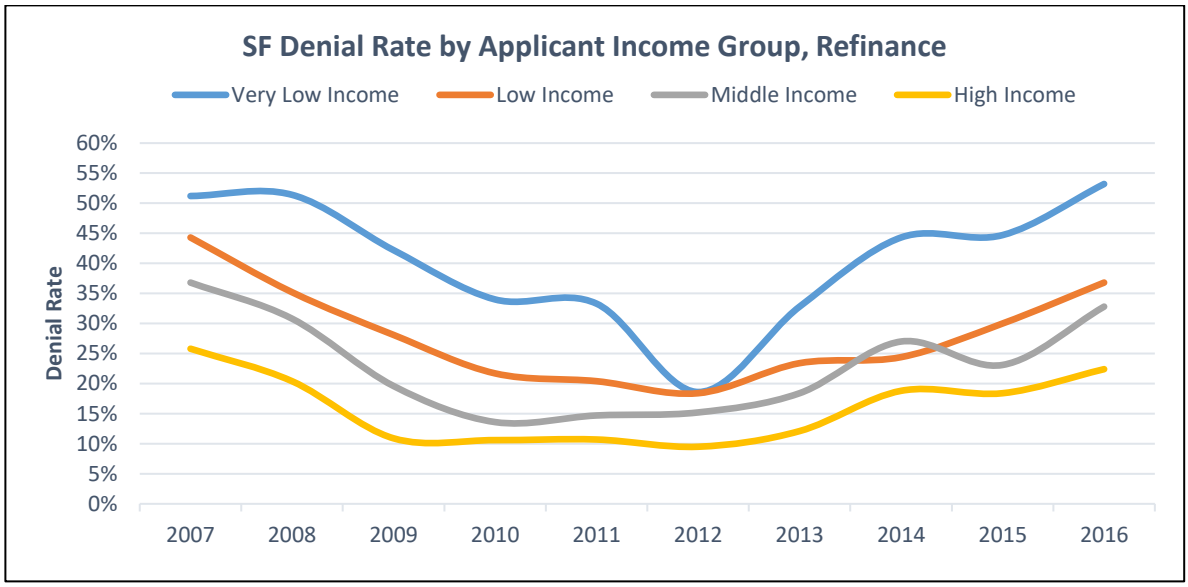
A view of single family denial rates by applicant income group within Lubbock, highlighted below, shows the expected outcome of higher income groups experiencing lower denial rates relative to lower income groups. However, Very Low Income applicants (50 percent of less of Area Median Income) have faced particularly high denial rates relative to other groups during the time period examined. High Income (greater than 120 percent of Area Median Income) applicants were consistently the group with lowest denial rate, while Middle Income (80 to 120 percent of Area Median Income) applicants and Low Income (between 50 percent and 80 percent of Area Median Income) applicants followed behind, respectively. The single family denial rate for all income groups declined between 2007 and 2016, though rose for all income groups between 2015 and 2016.



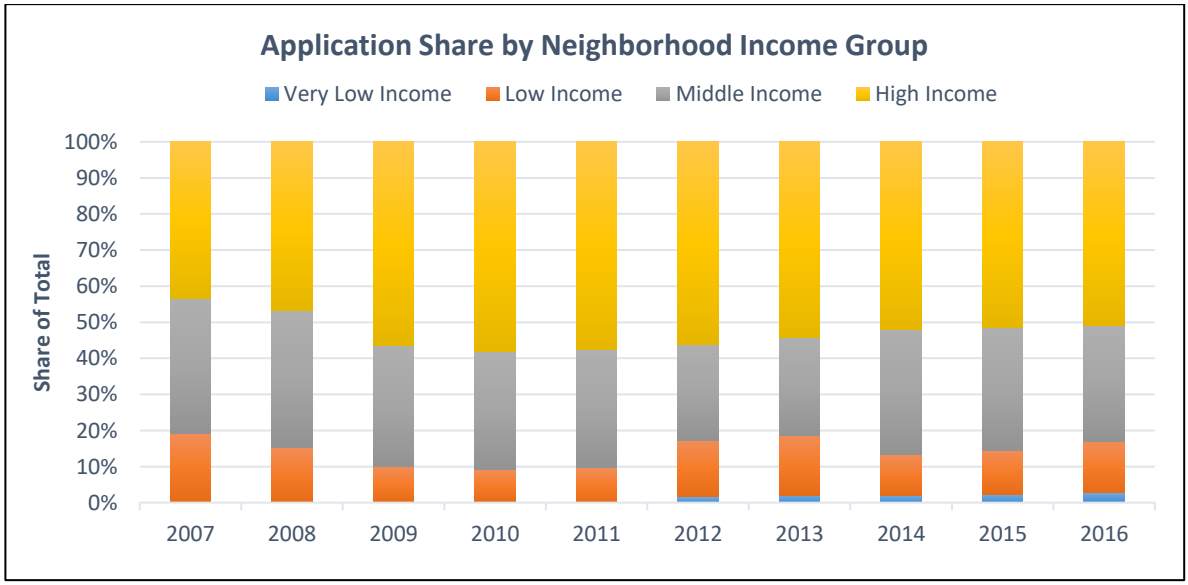
Similar to overall denial rates by income group, home purchase applications were denied between income groups in a relatively consistent pattern between 2007 and 2016. Though High Income applicants were the least likely to be denied for all years examined, Low Income applicants experienced a lower denial rate than Middle Income applicants in 2014, and Very Low Income applicants experienced a lower denial rate the Low Income applicants in 2015.



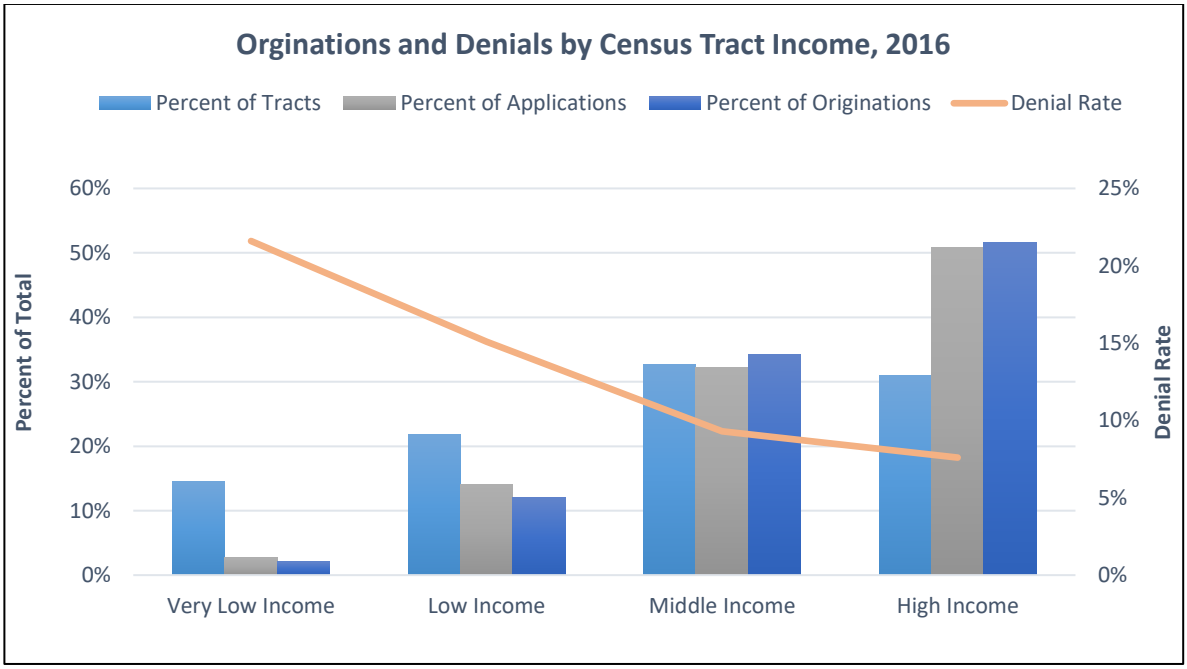
For all income groups, denial rates for refinance applications were higher than overall denial rates as well as those for home purchases as of 2016. Additionally, the refinance denial rate for all income groups has more than doubled since 2012.



As a percentage of total applications within Lubbock, the distribution among neighborhoods by income group (defined as median income of property's Census tract) shows that for every year examined, High Income neighborhoods represented the largest share of applicants, and for every year since 2009 represented the majority of lending applications.

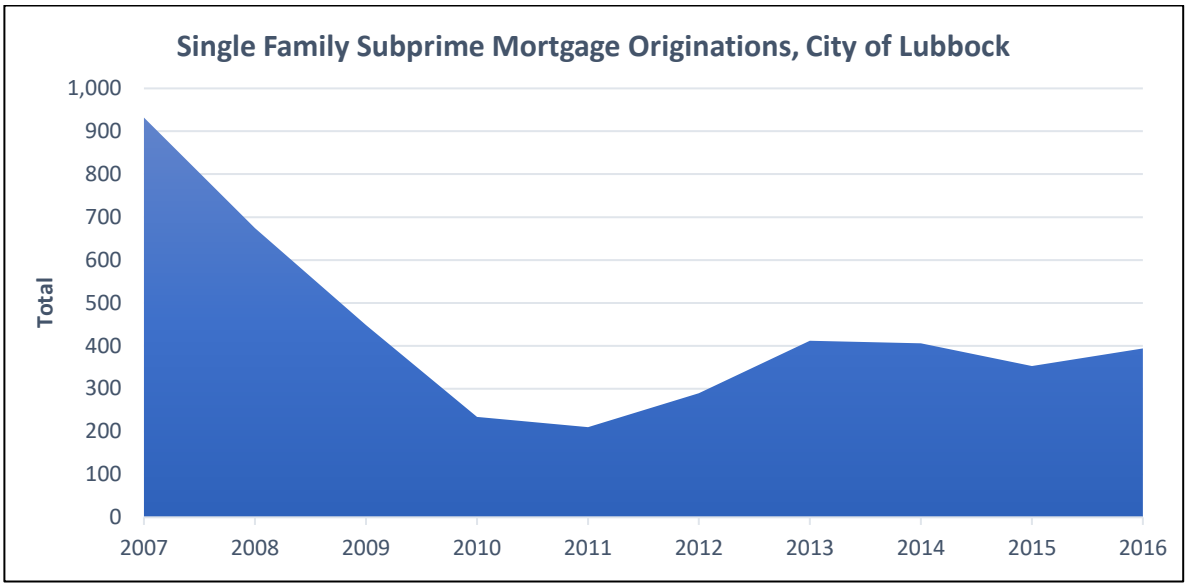


Within Lubbock, Very Low Income and Low Income neighborhoods represent 36 percent of the City's total neighborhoods, although they are represented by approximately 14 percent of total originations and 17 percent of total applications as of 2016, shown below. This suggests that Low and Very Low Income neighborhoods within Lubbock are less likely to participate in the single family lending market relative to other neighborhoods. By contrast, loan applications and originations within Lubbock are disproportionately likely to occur for properties in High and Middle Income neighborhoods. For example, High Income neighborhoods represent 31 percent of the City total, though they accounted for 51 percent of applications and 52 percent of all single family loans originations throughout the City in 2016.



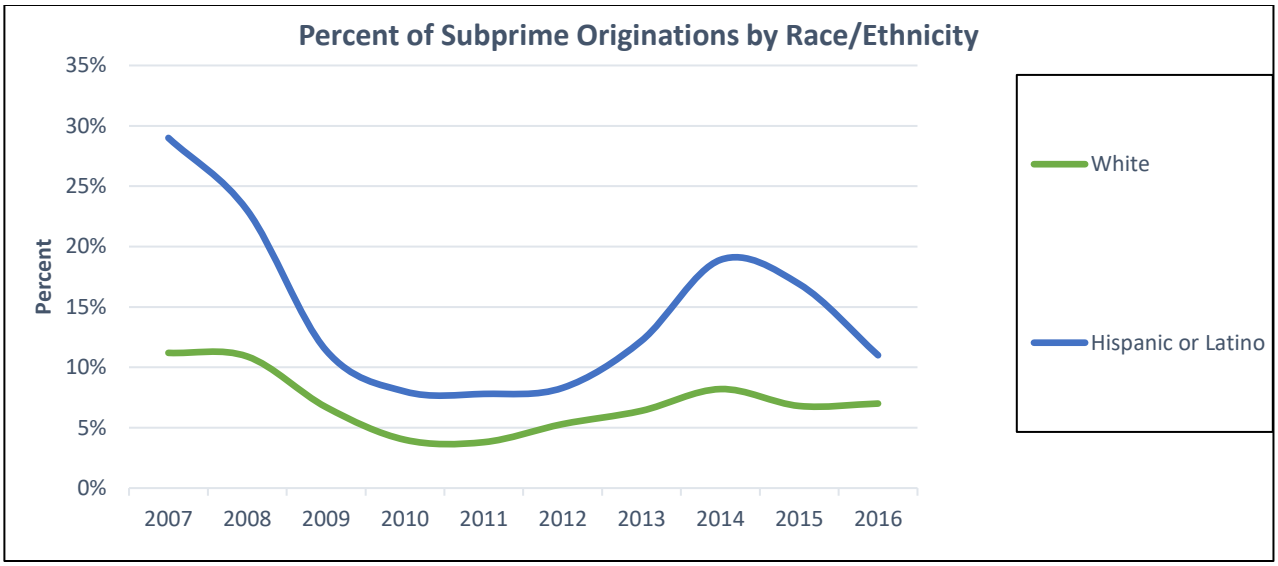
The Subprime Market

Illustrated below, the subprime mortgage market in Lubbock declined significantly between 2007 and 2010, though increased between 2011 and 2013, before stabilizing to about 400 per year (approximately 42 percent of the 2007 total). Subprime loans are defined as those with an annual percentage rate that exceeds the average prime offer rate by at least 1.5 percent. The total number of subprime loan originations decreased by approximately 58 percent on net between 2007 and 2016, while prime originations decreased by 11 percent during the same time period. Since 2010, however, the number of subprime loan originations has grown by 68 percent, compared to a decrease of 12 percent for prime originations. As a percent of Lubbock's total, subprime originations declined from 16 percent to 8 percent between 2007 and 2016.

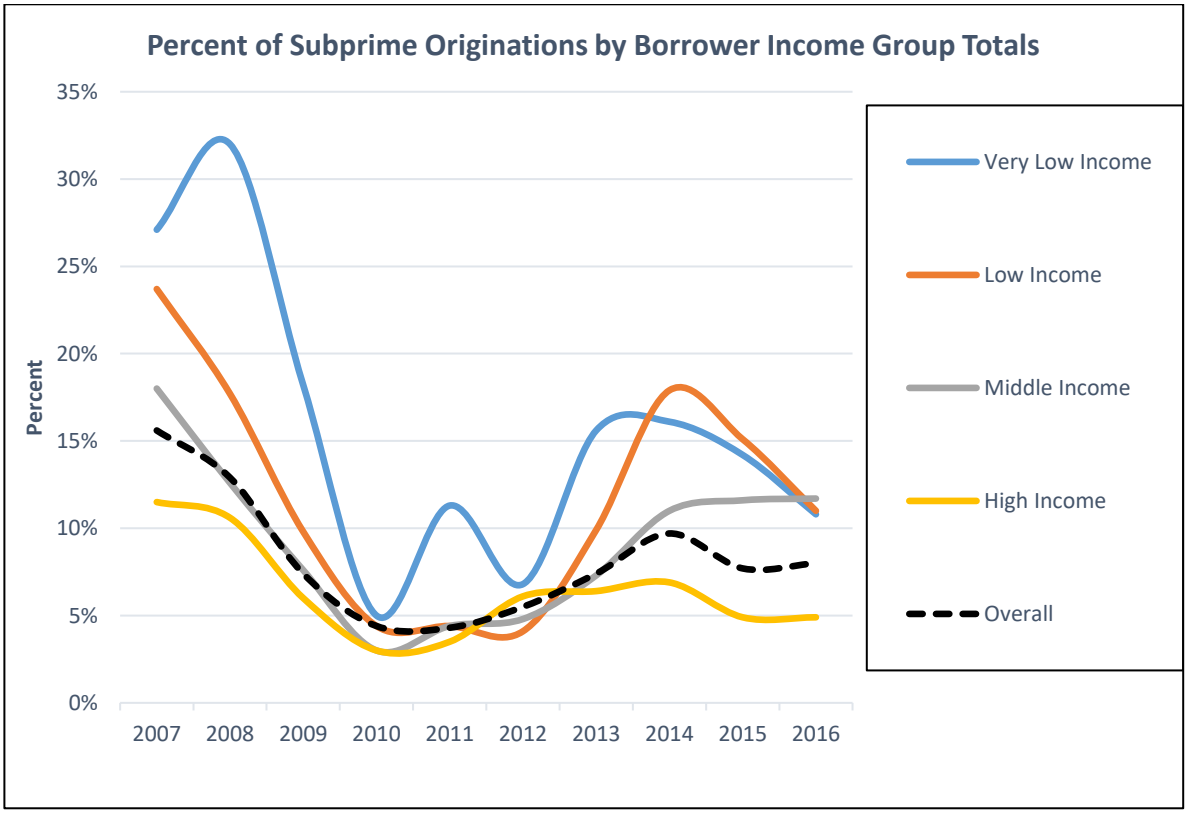


Looking at the share of subprime loans as a percentage of total originations by race/ethnicity reveals that Hispanic loan recipients were approximately 2.6 times as likely to be subprime relative to White loan recipients in 2007. This trend is consistent with the broader national pattern of minorities being disproportionately subjected to predatory subprime lending leading up to the housing crash, as outlined in a post-crisis report by the US Department of Housing and Urban Development.[1] The period between 2007 and 2010 saw the subprime share for Hispanic borrowers decline substantially, falling from 29 percent to 8 percent. Though the subprime share for both White and Hispanic borrowers remained below 10 percent between 2010 and 2012, the subprime share for Hispanics increased between 2012 and 2014 to 19 percent. The Hispanic subprime share then fell to 11 percent between 2014 and 2016, and as of 2016, Hispanic borrowers are 1.6 times as likely to be subprime relative to White borrowers, lower than before the financial crisis. Relative to the pre-crisis share of subprime originations, White and Hispanic originations are both at approximately 60 percent of the 2007 share, at 61 and 58 percent respectively.

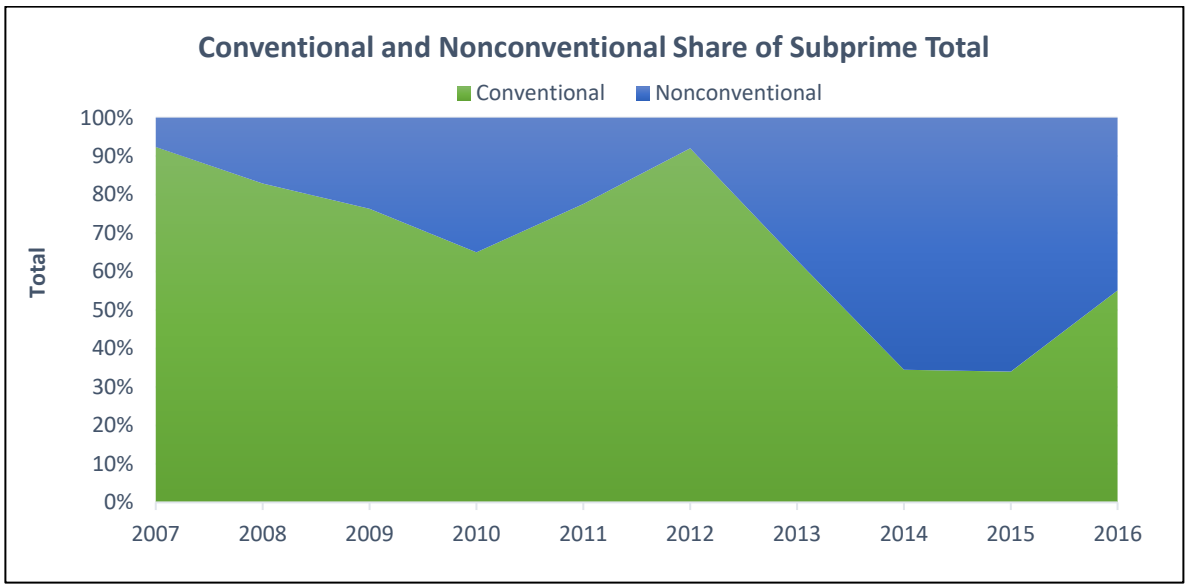
[1] https://www.huduser.gov/portal/publications/foreclosure_09.pdf



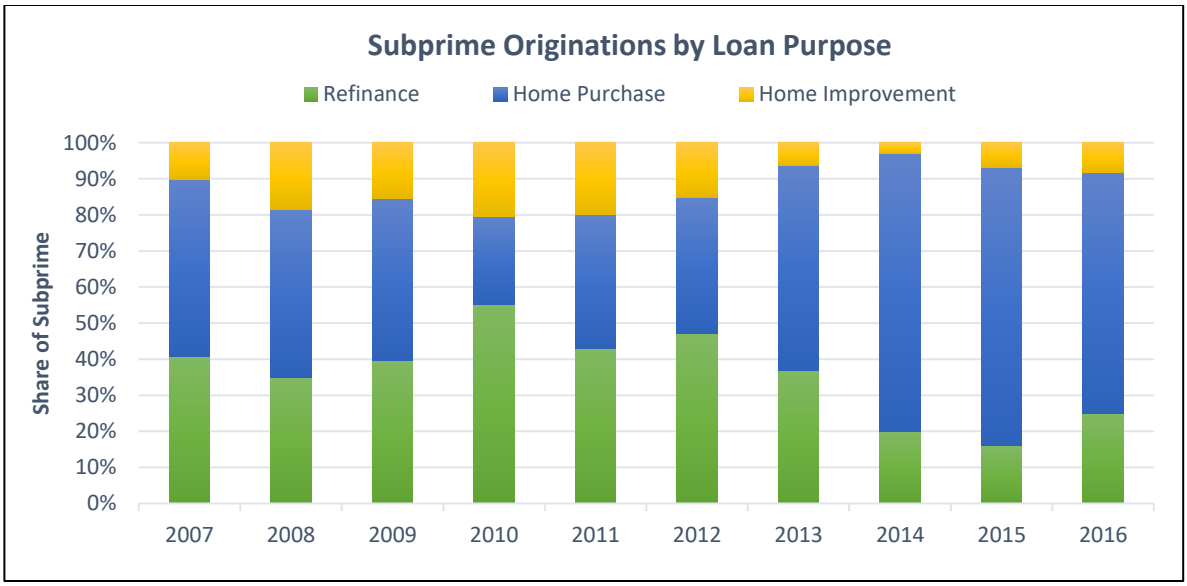
A view of subprime originations by income group totals shows a sharp decline between 2007 and 2010 among all groups, with overall increases from 2011 to 2014. Between 2014 and 2016, however, subprime shares for all income groups except Middle decreased, with changes most pronounced in the Low and Very Low Income borrower groups.



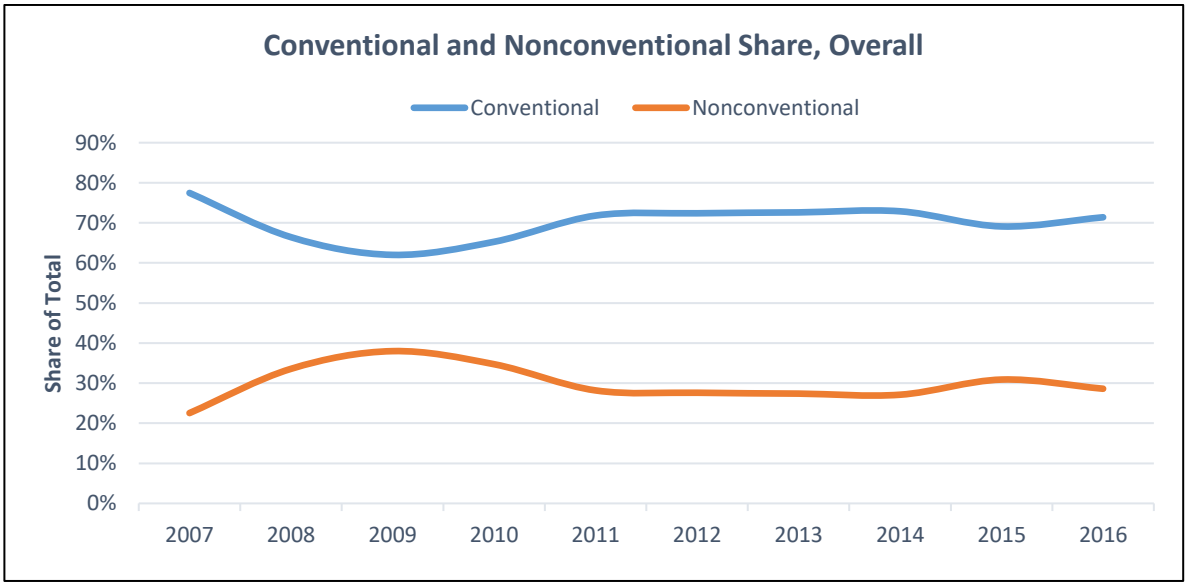
Consistent with broader national trends, the composition of subprime loans within Lubbock has shifted from conventional loans to government-insured nonconventional loans in recent years. In 2007, over 92 percent of subprime loans within the City were originated by conventional lenders. As of 2016, that percentage 55 percent percent, up from a low of 34 percent in 2015. Of the nonconventional subprime loans originated in Lubbock, the overwhelming majority are insured by the Federal Housing Administration (over 99 percent in 2016). By contrast, the FHA's share of nonconventional prime loans is 75 percent.

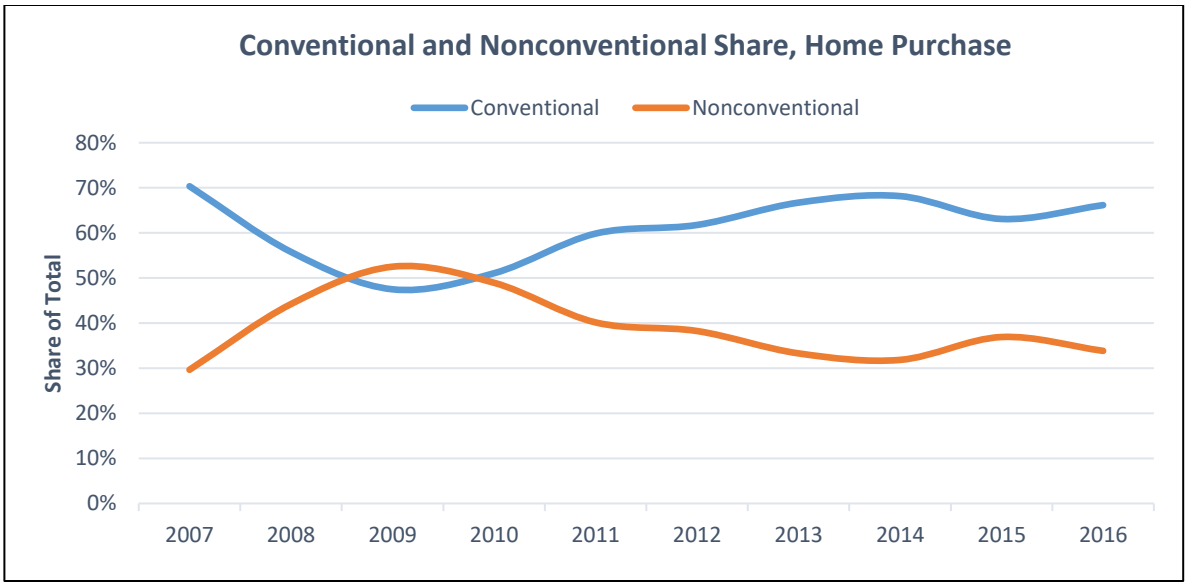


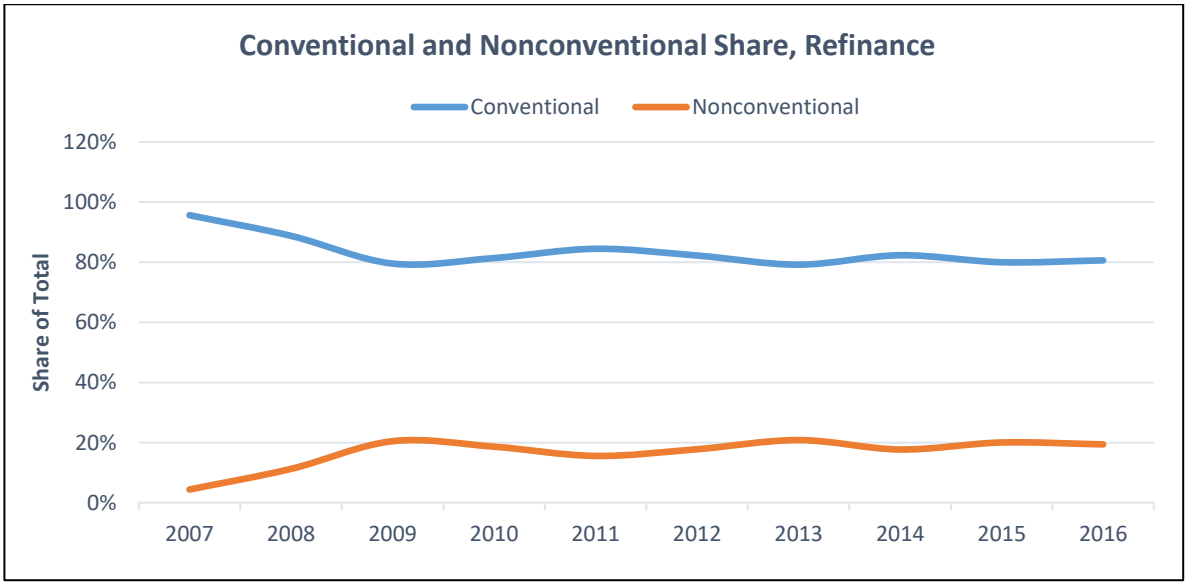
As a percentage of all subprime loan originations within Lubbock, home purchases represented 67 percent in 2016, up from 49 percent in 2007 and a low of 24 percent in 2010, though down from a peak of approximately 77 percent in 2014.



Though subprime loans within Lubbock are mostly nonconventional, 71 percent of all single family originations in 2016 were from conventional lenders. The only loan purpose that for any year was characterized by a majority of nonconventional originations was home purchase loans in 2009, at the peak of the housing crisis. The share of conventional lending in Lubbock is consistent with its prevalence of High Income borrowers and neighborhoods.

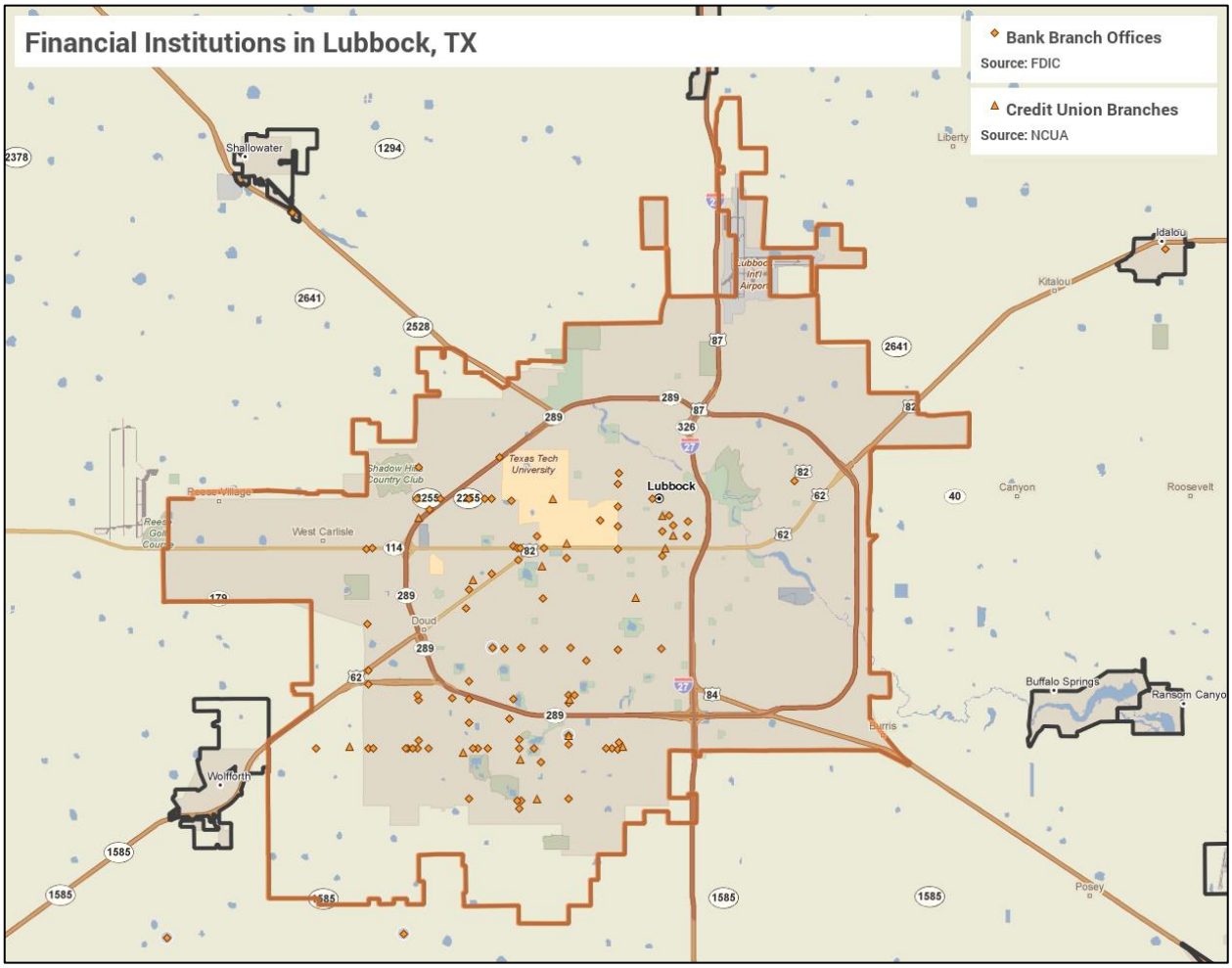



Conventional and Nonconventional Share, Home Purchase
Conventional
Nonconventional
Share of Total
80%
70%
60%
50%
40%
30%
20%
10%
0%
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016


Conventional and Nonconventional Share, Refinance
Conventional
Nonconventional
Share of Total
120%
100%
80%
60%
40%
20%
0%
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016

Geographic Distribution of Financial Institutions and Loan Originations

MAP: Financial Institutions in Lubbock, TX

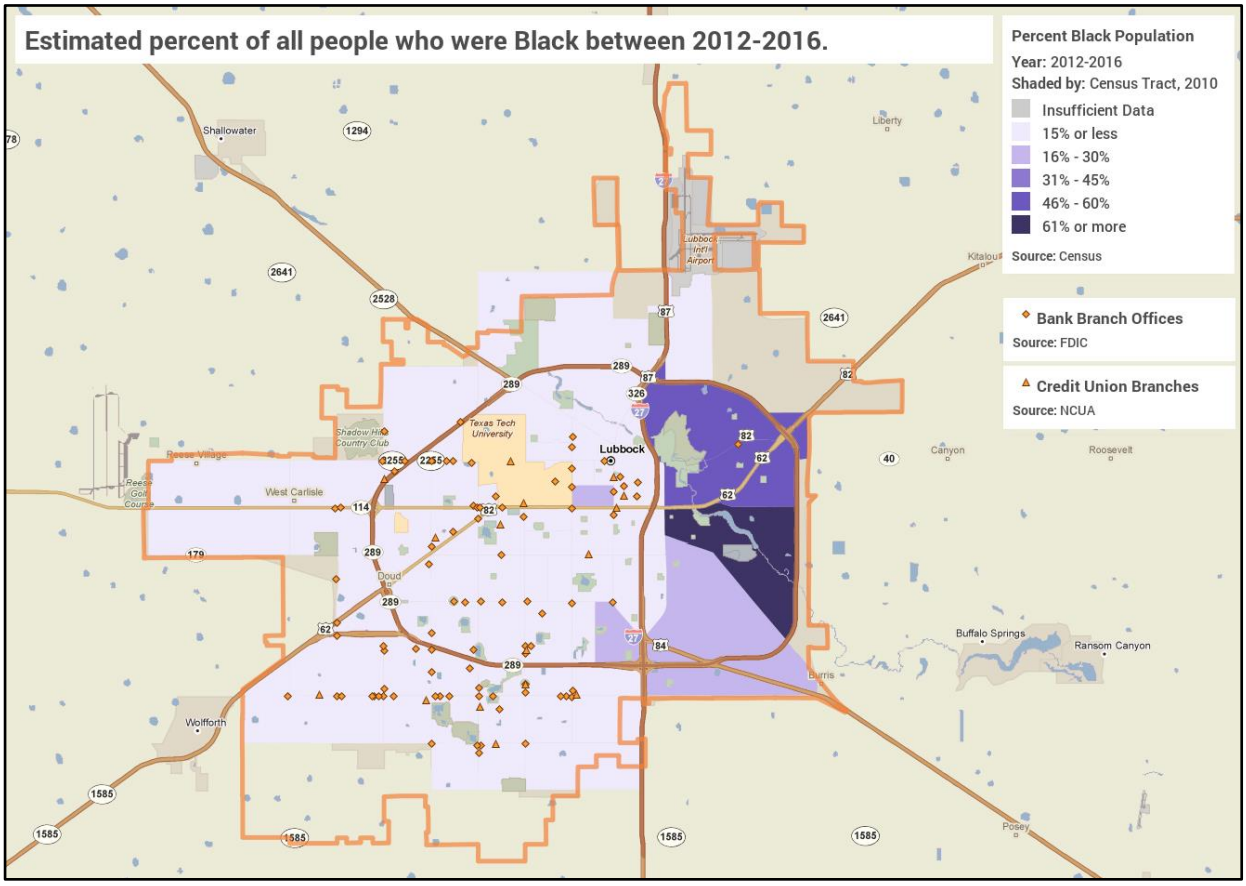


Source: Federal Deposit Insurance Corporation, 2017 (FDIC) and National Credit Union Administration, 2016 (NCUA) via PolicyMap

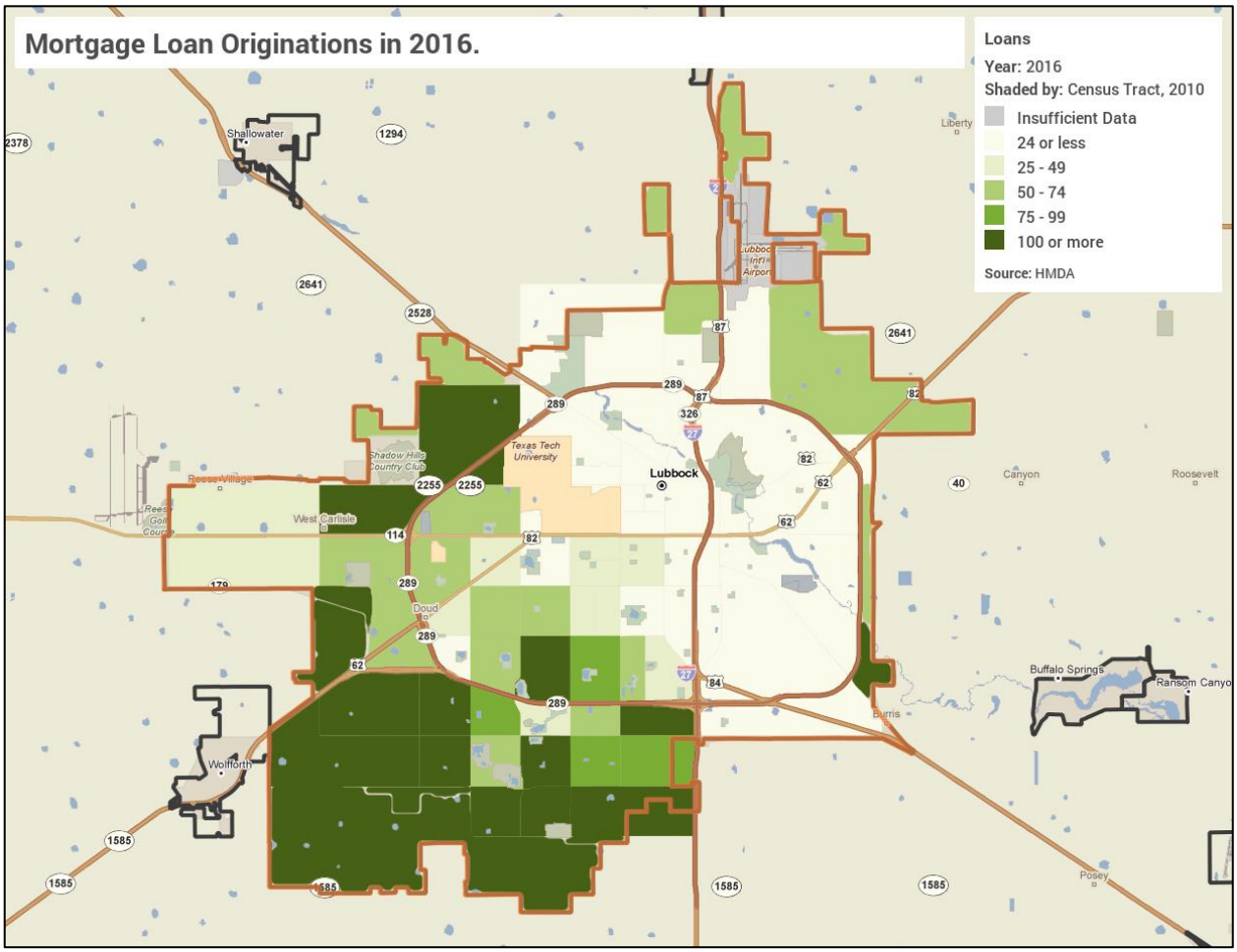
The map above displays the location of financial institutions within the City of Lubbock. Financial institutions are primarily clustered on the west side of the city and only one bank is available east of I-27. A lack of accessible financial institutions can be a potential cause of disparities in access to opportunities, particularly when the areas without access have relatively large minority populations.

The following map overlays the presence of financial institutions with the percentage of the population that is Black. Clearly, majority Black census tracts have limited access to financial institutions. Much like a lack of access to grocery stores creates a food desert, the east side of Lubbock is a bank desert. Residents are stuck choosing between traveling a great distance to the bank or utilizing other, less-optimal options for check cashing and loan

MAP: Financial Institutions and Black Population



MAP: Mortgage Loan Originations in 2016



Source: 2016 HMDA (Home Mortgage Disclosure Act) via PolicyMap

The above map displays the number of home loans issued by census tract. There is a stark difference in the number of mortgage originations made between the southwest areas of the City as compared to the northeast and eastern areas of Lubbock. The southwest areas of the city are predominately White and have lower poverty. In contrast, the northeast and eastern areas of Lubbock have higher concentrations of poverty and a higher concentration of minority populations. The School proficiency Index, Labor Market Index, and Low Poverty Index also all scored lower in the east side of the City.

Conclusion

Mortgage lending activity in Lubbock is consistent with many of the broader trends that have occurred in the wake of the housing bust, Great Recession, and subsequent economic recovery.

Further, Lubbock exhibits relatively strong mortgage market fundamentals. Home purchase originations have increased every year since 2014, suggesting signs of growing housing demand and

a housing market recovery. Additionally, the share of refinance application denied for lack of collateral, suggesting an "under-water" home, has declined since the peak of the housing crisis.

The City has also been subject to cyclical trends that reflect broader economic conditions in recent years, including changes in mortgage rates that influence the prevalence of refinance originations. The subprime market remains well below its peak prior to the housing bust and government-insured mortgages have increased, consistent with tighter credit conditions and a more active regulatory environment in the wake of the housing crash.

Some trends, however, have continued despite business cycle fluctuations, such as higher denial rates for minority applicants relative to White applicants, in addition to higher denial rates for lower income applicants and neighborhoods.

b. The program participant may also describe other information relevant to its assessment of disproportionate housing needs. For PHAs, such information may include a PHA's overriding housing needs analysis.

The previous Analysis of Impediments to Fair Housing for the City of Lubbock identified the following impediments that are still relevant today.

Real Estate Impediments

Housing Affordability – There is a lack of affordable housing and financing for affordable housing is limited. Local developers, agencies, and individuals identified a lack of available financing as the primary barrier to producing new affordable and subsidized housing. The Median Gross Rent in Lubbock has continued to climb since 2011 which has reduced the supply of affordable units in the City.

Development Constraints – Construction projects for affordable housing are limited due to the supply of available land. There are legal and tax constraints on developing inner city land which makes infill projects challenging and costly. This limited supply drives up the cost of land, but land owners still often overestimate the value of their land making purchases costly or impossible. Construction costs are also on the rise and many communities are facing a construction labor shortage due to a lack of skilled labor, stricter immigration policies, and an inability to recruit a younger generation into the construction labor market.

Public Policy Impediments

Lack of Public Awareness of Fair Housing: The City of Lubbock lacks local Fair Housing legislation that is equivalent or more substantial than the federal fair housing law. Fair Housing complaints are reported to the Fort Worth, Texas FHEO division of the Regional Office of the US Department of Housing and Urban Development. Participants in past focus group sessions stated that there was only limited public knowledge about fair housing. The City must pay particular attention to the Spanish-speaking and immigrant community due to the additional vulnerability they face.

Fair Housing Services Needed: Additional fair housing services and outreach is needed in the community. There is a limited awareness of federal and State fair housing laws and the protections available for protected classes.

Socio-Economic Impediments

Elderly Persons and Households: Many communities across the nation are facing an aging population as residents retire and live longer. Their lifestyles change, and additional resources must be available to accommodate these changes. Senior citizens need smaller units with lower maintenance costs to fit with their fixed income, as well as a robust public transportation system.

Persons with Disabilities: A certain percentage of units in residential complexes must be ADA compliant for residents in wheelchairs or other impairments. Despite these requirements, the demand for accessible units exceeds the available supply. It is particularly difficult for persons with disabilities to secure affordable housing due to reduced economic opportunities and additional needs.

Homeless Individuals: Homelessness is a complex impediment due to the variety of issues at play. Residents who are homeless or at risk of homelessness often face medical, economic, and social issues that contribute to their situation. Insufficient income is the primary barrier for homeless residents, particularly those that rely on Supplemental Security Income or Social Security Disability Insurance. Additional issues faced by homeless individuals is discrimination, poor credit history, and a history of evictions or legal problems.

People become homeless when they are unable to acquire housing or continue to live in their home. The causes of homelessness vary widely from loss of affordability and job loss to disabilities and domestic violence. For this reason, a holistic and comprehensive coordinated approach to assisting individuals and families who are homeless or at-risk of becoming homeless is essential to returning them to self-sufficiency.

The South Plains Homeless Consortium (SPHC) leads the efforts to identify homeless issues and address homeless needs in the City of Lubbock and the surrounding 15-county South Plans Region. SPHC is a group of service organizations and agencies, which are committed to serving homeless people in the region and work to improve their lives through a Continuum of Care (COC). The COC is an array of available social and housing services to help homeless individuals and families and to those who are at-risk of becoming homeless to reach self-sufficiency.

While specific data for the City of Lubbock was not available, it is the primary city in which SPHC reports Point-In-Time (PIT) results for the region. A PIT count is a survey of sheltered and unsheltered homeless persons on a single night, and data provided by the survey can provide insight into the community's homeless population and reveal service gaps in the COC and region. In 2017, on January 26, SPHC held a PIT count in the region and 364 surveys were recorded. Among those in the PIT count were a total of 434 persons with 52 being children and 85 being chronically homeless.

The data below show some of the key demographics and other key indicators of the homeless population in the area from the 2017 PIT Count.

Homeless Demographics, 2017 (region)		
Age	**Number**	**Percentage**
17 years and under	0	0.0%
18-24 years	25	8.9%
25-64 years	245	87.2%
65 years and older	11	3.9%
Total	***281***	***100.0%***
Gender	**Number**	**Percentage**
Male	177	63.0%
Female	101	35.9%
Transgender	1	0.4%
Doesn't Identify	2	0.7%
Total	***263***	***100.0%***
Race	**Number**	**Percentage**
White	184	68.4%
Black or African American	56	20.8%
Asian	0	0.0%
American Indian/Alaska Native	5	1.9%
Native Hawaiian/Other Pacific	4	1.5%
Two or More	20	7.4%
Total	***269***	***100.0%***
Ethnicity	**Number**	**Percentage**
Hispanic – Yes	83	30.2%
Hispanic – No	192	69.8%
Total	***275***	***100.0%***
Household Makeup	**Number**	**Percentage**
Households w/o children	343	94.2%
Unaccompanied youth	1	0.3%
Household w/ children	19	5.2%
Other	1	0.3%
Total	***364***	***100.0%***
Source: 2017 PIT Count, South Plains Homeless Consortium Data Note: Not all totals add up to the total number of surveys taken due to answers not preferred to be answered.		

The reasons for individuals and families becoming homeless varied, but as surveyed through the 2017 PIT, being unemployed and being unable to pay for rent or mortgages were the top two reasons for homelessness. Substance abuse was another large reason for homelessness with 7.7% reporting, and health related reasons such as mental illness (6.3%) and physical health reasons (6.2%) were also high on the reasons for homelessness.

Reason for Homelessness, 2017		
	Number	**Percentage**
Unemployment	133	16.0%
Unable to Pay Rent/Mortgage	128	15.4%
Substance Abuse	64	7.7%

Kicked Out by Family/Friends	64	7.7%
Mental Illness	52	6.3%
Physical Health Reasons	51	6.2%
Domestic Violence	49	5.9%
Evicted	46	5.5%
Left Jail/Prison/Detention	46	5.5%
Divorce or Separation	40	4.8%
Criminal Record	40	4.8%
Other	26	3.1%
Loss of Public Aid	22	2.7%
Moved to Seek Work	21	2.5%
Ran Away from Home	16	1.9%
Family Illness	14	1.7%
Natural Disaster	7	0.8%
Pregnant or Parenting	5	0.6%
Aged Out or Ran Away From Foster Care	3	0.4%
Sexual Orientation or Gender Identity	2	0.2%
Total	***829***	***100.0%***
Source: 2017 PIT Count, South Plains Homeless Consortium Data Note: Not all totals add up to the total number of surveys taken due to some participants choosing not to answer every question.		

Female Headed, Female Headed with Children, and Large Family Households: Large families and Female-headed families often face discrimination in the housing market. There is a perception that higher rates of crime occur because of these families. The discrimination is particularly problematic when it is linked to race or ethnicity.

Ssion

Unemployed Persons: Securing affordable and stable housing is nearly impossible for unemployed residents. Without a steady income it is likely that unemployed persons may become homeless if they don't have a strong family or support network to assist them. It is important that resources are available to help unemployed residents remain housed and transition into a new job.

Neighborhood Conditions Related Impediment

Limited resources stabilize homeowners and neighborhoods: There are currently limited resources available to help lower income, elderly, and indigent homeowners maintain their home. Neighborhood decline is more likely when residents cannot maintain their individual homes. Lubbock has many aging neighborhoods that are a growing concern.

3. Contributing Factors of Disproportionate Housing Needs

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disproportionate housing needs.

- **Availability of affordable units in a range of sizes**
- **Displacement of residents due to economic pressures**
- **Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking**
- **Lack of access to opportunity due to high housing costs**
- **Lack of private investments in specific neighborhoods**
- **Lack of public investments in specific neighborhoods, including services or amenities**
- **Land use and zoning laws**
- **Lending discrimination**
- **Loss of Affordable Housing**
- **Source of income discrimination**
- **Other**

For a community to see economic growth and development it is necessary to have diverse housing options. ***The availability of affordable units in a range of sizes*** is a factor that can create, contribute to, perpetuate or increase the severity of disproportionate housing needs in Lubbock. Of particular importance is "missing middle" housing. "Missing middle" refers to housing units that are neither large multi-family complexes nor one-unit detached structures. The following table shows the availability of housing types in select geographies. Lubbock has a higher variety of housing types than the region or state, but with only 16.2 percent of the homes in the "missing middle" there is still a need.

Table: Housing Type Availability

	1-unit, detached	**1-unit, attached**	**2 units**	**3 or 4 units**	**5 to 9 units**	10 to 19 units	20 or more units		**Percent "Missing Middle" Housing**
Lubbock, TX (city)	65.5%	3.7%	3.8%	4.3%	4.4%	6.6%	9.6%		16.2%
Lubbock County	66.3%	3.2%	3.4%	3.7%	3.8%	5.7%	8.2%		14.1%
Crosby County	85.0%	0.7%	3.7%	2.8%	0.4%	0.1%	0.6%		7.6%
Lynn County	81.6%	0.6%	1.3%	0.7%	1.0%	0.7%	1.0%		3.6%
Texas (state)	65.3%	2.7%	1.9%	3.2%	4.8%	6.3%	8.3%		12.6%

Source: 2012-2016 American Community Survey 5-Year Estimates, DP04
Note: Total housing for each location does not equal 100% because two categories (Mobile Home and Boat, RV, van) have been removed from the table

Rising housing costs can lead to ***displacement of residents due to economic pressures,*** which adds to disproportionate housing needs. As the cost of housing rises it can push out low-income residents, particularly renters who do not see rising housing costs as an increase in the value of their investment.

Low-income residents, particularly those who are in segregated R/ECAPs, face economic pressure that prevents them from accessing affordable housing.

Land use and zoning laws can prevent housing needs from being met. Legislation puts additional costs on construction and rehabilitation which are passed on to the consumer. Affordable housing can become impossible to produce when laws are too restrictive, a fact that all communities must remain aware of.

Publicly Supported Housing Analysis

1. Analysis

a. Publicly Supported Housing Demographics

i. Are certain racial/ethnic groups more likely to be residing in one program category of publicly supported housing than other program categories (public housing, project-based Section 8, Other Multifamily Assisted developments, and Housing Choice Voucher (HCV)) in the jurisdiction?

In Lubbock there are two racial/ethnic groups that are more likely to be residing in publicly supported housing. The Black, non-Hispanic population makes up 7.2 percent of total households in the city but makes up between 21.5 percent and 42.6 percent of the residents in different publicly supported housing programs. Approximately 26 percent of the total population identify as Hispanic but between 32 percent and 50 percent of residents in publicly supported housing identify as Hispanic. The Black, non-Hispanic population is more likely to receive support via the HCV Program than other programs and the Hispanic population more likely uses the Other Multifamily programs. White, non-Hispanic residents receive Project-Based Section 8 support more than any other program.

Table: Publicly Supported Housing Residents by Race/Ethnicity

	Race/Ethnicity							
Lubbock, TX (Jurisdiction)	**White**		**Black**		**Hispanic**		**Asian or Pacific Islander**	
Housing Type	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Public Housing	54	15.88%	131	38.53%	153	45.00%	2	0.59%
Project-Based Section 8	271	37.59%	155	21.50%	292	40.50%	2	0.28%
Other Multifamily	16	25.40%	14	22.22%	31	49.21%	1	1.59%
HCV Program	218	24.06%	386	42.60%	295	32.56%	1	0.11%
Total Households	55,590	62.92%	6,365	7.20%	23,290	26.36%	1,885	2.13%
0-30% of AMI	7,155	55.08%	1,535	11.82%	3,830	29.48%	309	2.38%
0-50% of AMI	11,080	47.15%	2,560	10.89%	7,740	32.94%	482	2.05%
0-80% of AMI	19,390	49.84%	3,875	9.96%	13,035	33.50%	656	1.69%

Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, 2009-2013 CHAS (HUD AFFHT0004, Table 6 - Publicly Supported Households by Race/Ethnicity)
Data Note: Numbers presented are numbers of households not individuals.

At the regional level the demographics are the same. Except for the HCV program, there are no additional publicly supported housing recipients outside of the City of Lubbock.

Table: Publicly Supported Housing Residents by Race/Ethnicity (Region)								
	Race/Ethnicity							
Lubbock, TX (Region)	White		Black		Hispanic		Asian or Pacific Islander	
Housing Type	#	%	#	%	#	%	#	%
Public Housing	54	15.88%	131	38.53%	153	45.00%	2	0.59%
Project-Based Section 8	271	37.59%	155	21.50%	292	40.50%	2	0.28%
Other Multifamily	16	25.40%	14	22.22%	31	49.21%	1	1.59%
HCV Program	283	27.13%	406	38.93%	347	33.27%	1	0.10%
Total Households	70,269	64.10%	6,854	6.25%	29,080	26.53%	1,950	1.78%
0-30% of AMI	8,165	53.64%	1,708	11.22%	4,792	31.48%	309	2.03%
0-50% of AMI	12,945	46.20%	2,792	9.97%	9,617	34.32%	482	1.72%
0-80% of AMI	23,429	49.76%	4,215	8.95%	16,252	34.51%	676	1.44%

Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, 2009-2013 CHAS (HUD AFFHT0004, Table 6 - Publicly Supported Households by Race/Ethnicity)
Data Note: Numbers presented are numbers of households not individuals.

ii. Compare the racial/ethnic demographics of each program category of publicly supported housing for the jurisdiction to the demographics of the same program category in the region.

Except for the HCV program, there is no additional publicly supported housing in the region.

Public Housing: Public housing is only available in non-R/ECAP tracts.

Project-based Section 8: Residents receiving support with this program in R/ECAP tracts are significantly less likely to be Black, non-Hispanic or be families with Children than residents outside of R/ECAP tracts. For residents living outside R/ECAP tracts it is much less likely that they are Elderly or Hispanic than R/ECAP tracts.

Other HUD Multifamily: Other HUD Multifamily programs are not available in non-R/ECAP tracts.

HCV Program: The vast majority of HCV program recipients live outside R/ECAP tracts. Those that live in R/ECAP tracts are more likely to be Hispanic than those outside of R/ECAP tracts. Residents outside of R/ECAP tracts using this program are significantly more likely to be Black, non-Hispanic, be a family with children, or be elderly.

Table: R/ECAP and Non-R/ECAP Demographics by Publicly Supported Housing Program Category

Lubbock, TX (Jurisdiction)	Total # units (occupied)	% White	% Black	% Hispanic	% Asian or Pacific Islander	% Families with children	% Elderly	% with a disability
Public Housing								
R/ECAP tracts	N/a	N/a	0.00%	N/a	N/a	N/a	N/a	N/a
Non R/ECAP tracts	347	15.88%	38.53%	45.00%	0.59%	64.45%	23.70%	13.29%
Project-based Section 8								
R/ECAP tracts	334	38.10%	11.90%	49.11%	0.60%	37.79%	45.93%	13.08%
Non R/ECAP tracts	398	37.14%	29.87%	32.99%	0.00%	67.43%	17.30%	10.18%
Other HUD Multifamily								
R/ECAP tracts	64	25.40%	22.22%	49.21%	1.59%	N/a	100.00%	4.62%
Non R/ECAP tracts	N/a	N/a	0.00%	N/a	N/a	N/a	0.00%	N/a
HCV Program								
R/ECAP tracts	71	25.00%	22.22%	51.39%	0.00%	38.96%	19.48%	25.97%
Non R/ECAP tracts	808	24.32%	44.42%	30.52%	0.12%	48.14%	24.59%	25.17%

Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004, Table 7 - R/ECAP and Non-R/ECAP Demographics by Publicly Supported Housing Program Category)

iii. Compare the demographics, in terms of protected class, of residents of each program category of publicly supported housing (public housing, project-based Section 8, Other Multifamily Assisted developments, and HCV) to the population in general, and persons who meet the income eligibility requirements for the relevant program category of publicly supported housing in the jurisdiction and region. Include in the comparison, a description of whether there is a higher or lower proportion of groups based on protected class.

Black, non-Hispanic Households

Publicly Supported Housing and Income Eligibility: Black, non-Hispanic Households - Jurisdiction
Black households make up 38.53 percent of public housing, 21.5 percent of Project-Based Section 8, 22.22 percent of Other Multifamily, and 42.6 percent of the HCV Program. Overall, Black, non-Hispanic households make up 33.9 percent of all publicly supported housing programs. This is much higher than the percentage of this population in the extremely low-, low-, and moderate-income categories in the City. Black households make up 11.82 percent of extremely low-households, 10.89 percent of all low-income households, and 9.96 percent of moderate-income households.

Publicly Supported Housing and Income Eligibility: Black, non-Hispanic Households - Region
Black households make up 38.53 percent of public housing, 21.5 percent of Project-Based Section 8, 22.22 percent of Other Multifamily, and 38.93 percent of the HCV Program. Overall, Black, non-Hispanic households make up 32.7 percent of all publicly supported housing programs. This is much higher than the percentage of this population in the extremely low-, low-, and moderate-income categories in the Region. Black households make up 11.22 percent of extremely low-income households, 9.97 percent of all low-income households, and 8.95 percent of moderate-income households.

Hispanic Households

Publicly Supported Housing and Income Eligibility: Hispanic Households – Jurisdiction
Hispanic households make up 45 percent of public housing, 40.5 percent of Project-Based Section 8, 49.21 percent of Other Multifamily, and 32.56 percent of the HCV Program. Overall, Hispanic households make up 38.1 percent of all publicly supported housing programs. This is slightly lower than the percentage of this population in the extremely low-, low-, and moderate-income categories in the City. Hispanic households make up 29.48 percent of extremely low-income households, 32.94 percent of low-income households, and 33.5 percent of moderate-income households.

Publicly Supported Housing and Income Eligibility: Hispanic Households – Region
Hispanic households make up 45 percent of public housing, 40.5 percent of Project-Based Section 8, 49.21 percent of Other Multifamily, and 33.27 percent of the HCV Program. Overall, Hispanic households make up 38.1 percent of all publicly supported housing programs. This is slightly lower than the percentage of this population in the extremely low-, low-, and moderate-income categories in the Region. Hispanic households make up 31.48 percent of extremely low-income households, 34.32 percent of low-income households, and 34.51 percent of moderate-income households.

Asian Households

Publicly Supported Housing and Income Eligibility: Asian Households – Jurisdiction
Asian households make up 0.59 percent of public housing, 0.28 percent of Project-Based Section 8, 1.59 percent of Other Multifamily, and 0.11 percent of the HCV Program. Overall, Asian households make up 0.3 percent of all publicly supported housing programs. This is lower than the percentage of this population in the extremely low-, low-, and moderate-income categories in the City. Asian households make up 2.38 percent of extremely low-income households, 2.05 percent of low-income households, and 1.69 percent of moderate-income households.

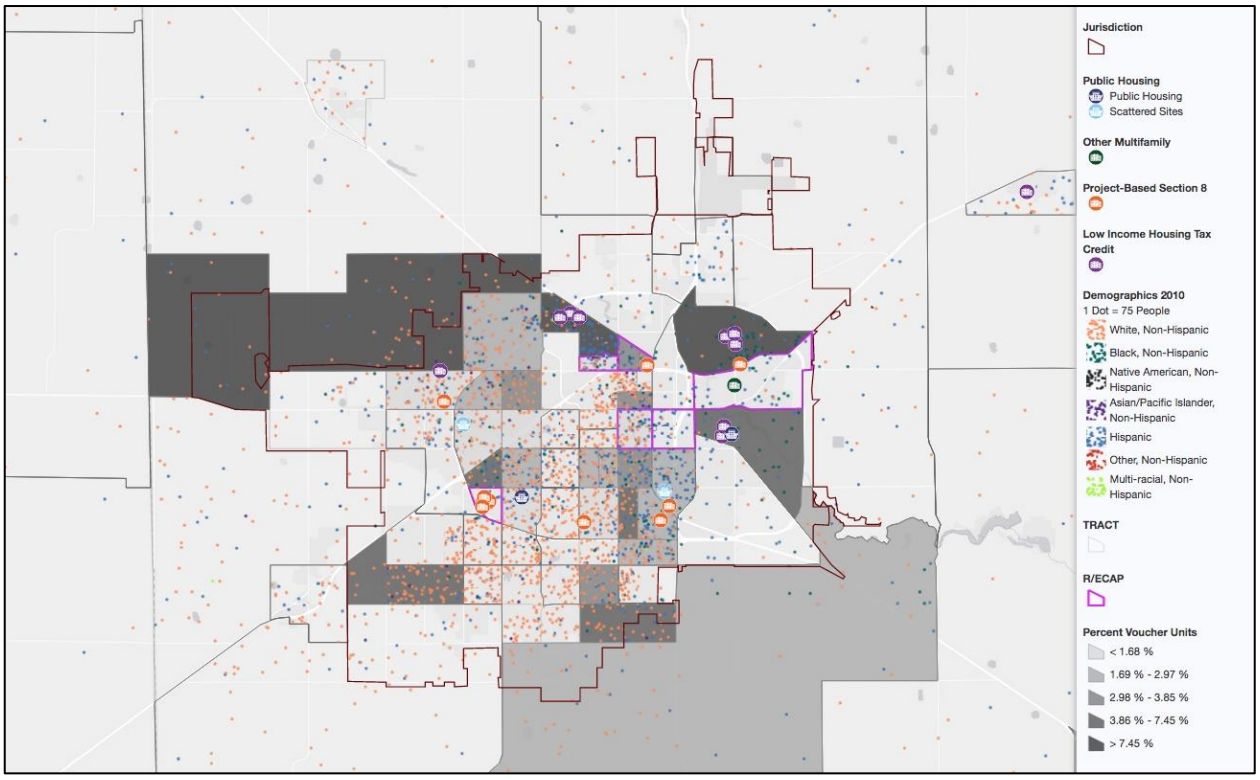
Publicly Supported Housing and Income Eligibility: Asian Households – Region
Asian households make up 0.59 percent of public housing, 0.28 percent of Project-Based Section 8, 1.59 percent of Other Multifamily, and 0.10 percent of the HCV Program. Overall, Asian households make up 0.3 percent of all publicly supported housing programs. This is lower than the percentage of this population in the extremely low-, low-, and moderate-income categories in the Region. Asian households make up 2.03 percent of extremely low-income households, 1.72 percent of low-income households, and 1.44 percent of moderate-income households.

b. Publicly Supported Housing Location and Occupancy

i. Describe patterns in the geographic location of publicly supported housing by program category (public housing, project-based Section 8, Other Multifamily Assisted developments, HCV, and LIHTC) in relation to previously discussed segregated areas and R/ECAPs in the jurisdiction and region.

The following HUD provided map displays the geographic location of publicly supported housing in Lubbock as it relates to race and ethnicity. Publicly supported housing is clustered in a few census tracts on the outer ring around the downtown area. Of the nine LIHTC locations eight of them are in three census tracts. They are all in census tracts that border a R/ECAP.

MAP: Publicly Supported Housing and Race/Ethnicity



Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004)

Race/Ethnic Site Details

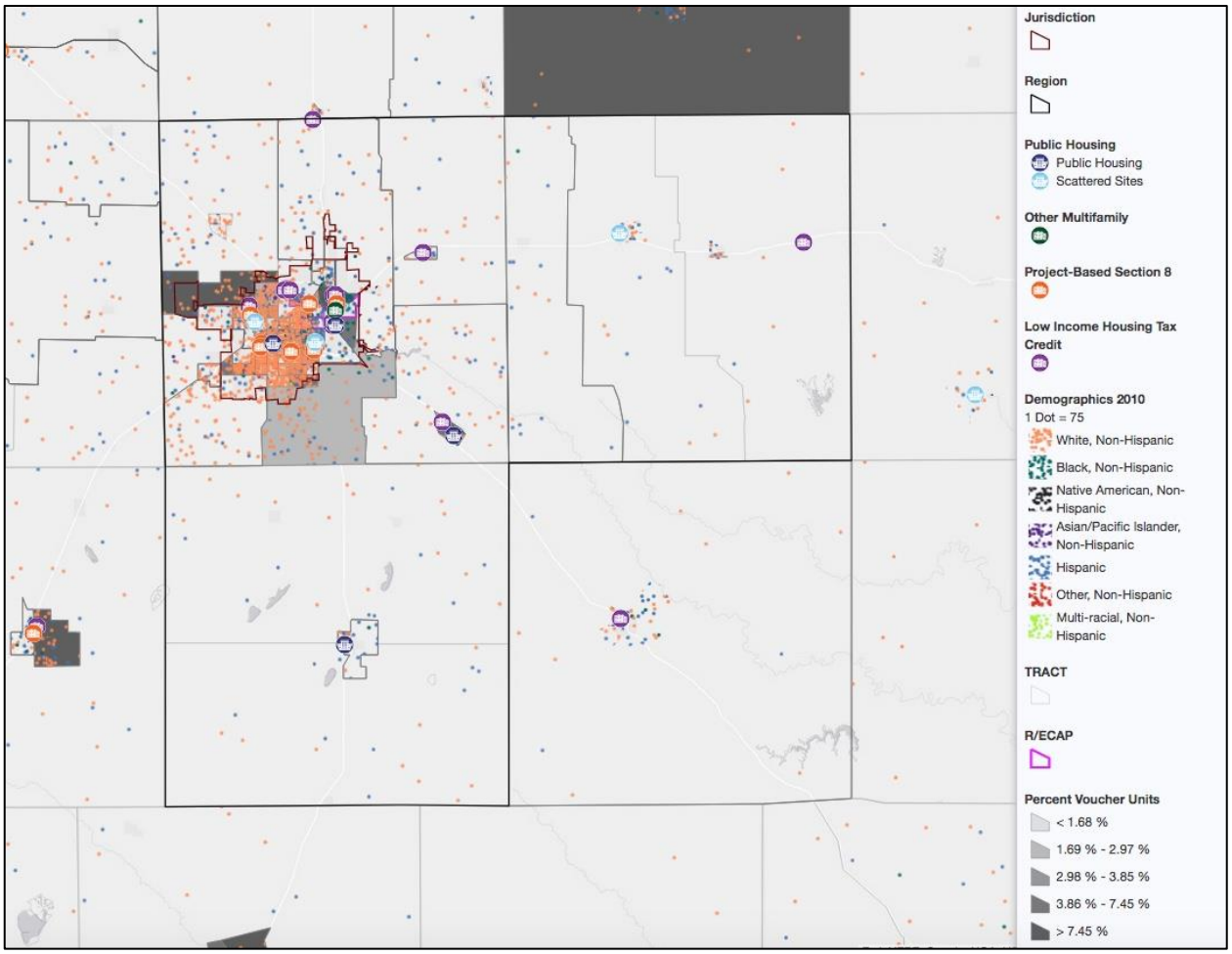
The racial and ethnic demographics of census tracts with publicly supported housing varies considerably. For example, out of the public housing developments one is in a majority Black tract, two are in majority White tracts, and one is in a majority Hispanic tract. The situation is similar for Project-Based Section 8. There is only one HUD Multifamily development and it is in a census tract that is primarily minority with 44.07 percent Black and 46.63 percent Hispanic. The following table details the demographics for Lubbock's publicly supported housing developments.

Table: Race/Ethnic Site Details for Publicly Supported Housing				
Name	**Census tract**	**Percent Black in tract**	**Percent Hispanic in tract**	**Percent White in tract**
Public Housing Developments				
Behner Place / Mary Myers	48303001803	4.85	28.64	61.32
Park Meadows	48303001200	57.18	34.97	4.65
96 West	48303001702	7.22	24.69	64.98
Cherry Point / 36 South	48303002400	11.39	74.73	12.41
Project-Based Section 8				
High Plains-Lubbock	48303000404	4.93	25.91	61.65
South Plains Apts	48303001708	5.69	33.96	55.53
Silver Village	48303001708	5.69	33.96	55.53
Homestead Apartments	48303001708	5.69	33.96	55.53
Parkview Place	48303002101	4.36	26.05	66.61
Casa Orlando	48303000202	4.97	83.04	11.19
Garden Apartments	48303002204	13.64	53.56	31.21
Cricket Court	48303002400	11.39	74.73	12.41
Cornerstone Homes	48303000900	60.13	32.89	5.59
Other HUD Multifamily				
Courtyard At King's Dominion	48303001000	44.07	46.63	7.97
Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004, HUD MAP 5 – Publicly Supported Housing and Race/Ethnicity)				

Region

At the regional level there is not a significant relationship between the location of public housing and race or ethnicity. There are only six publicly supported housing sites outside of the City of Lubbock, four LIHTC and two public housing units.

MAP: Publicly Supported Housing and Race/Ethnicity (Region)



Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004)

ii. Describe patterns in the geographic location for publicly supported housing that primarily serves families with children, elderly persons, or persons with disabilities in relation to previously discussed segregated areas or R/ECAPs in the jurisdiction and region.

Elderly

Elderly, defined as 65 years or older, make up 10.74 percent of the population of the City and 11.21 percent of the region. However, within the City they are not evenly distributed. Elderly residents are more heavily concentrated in the southern neighborhoods in the city, including one census tract that is over 25 percent elderly. This area is primarily White, non-Hispanic and does not have any R/ECAPs.

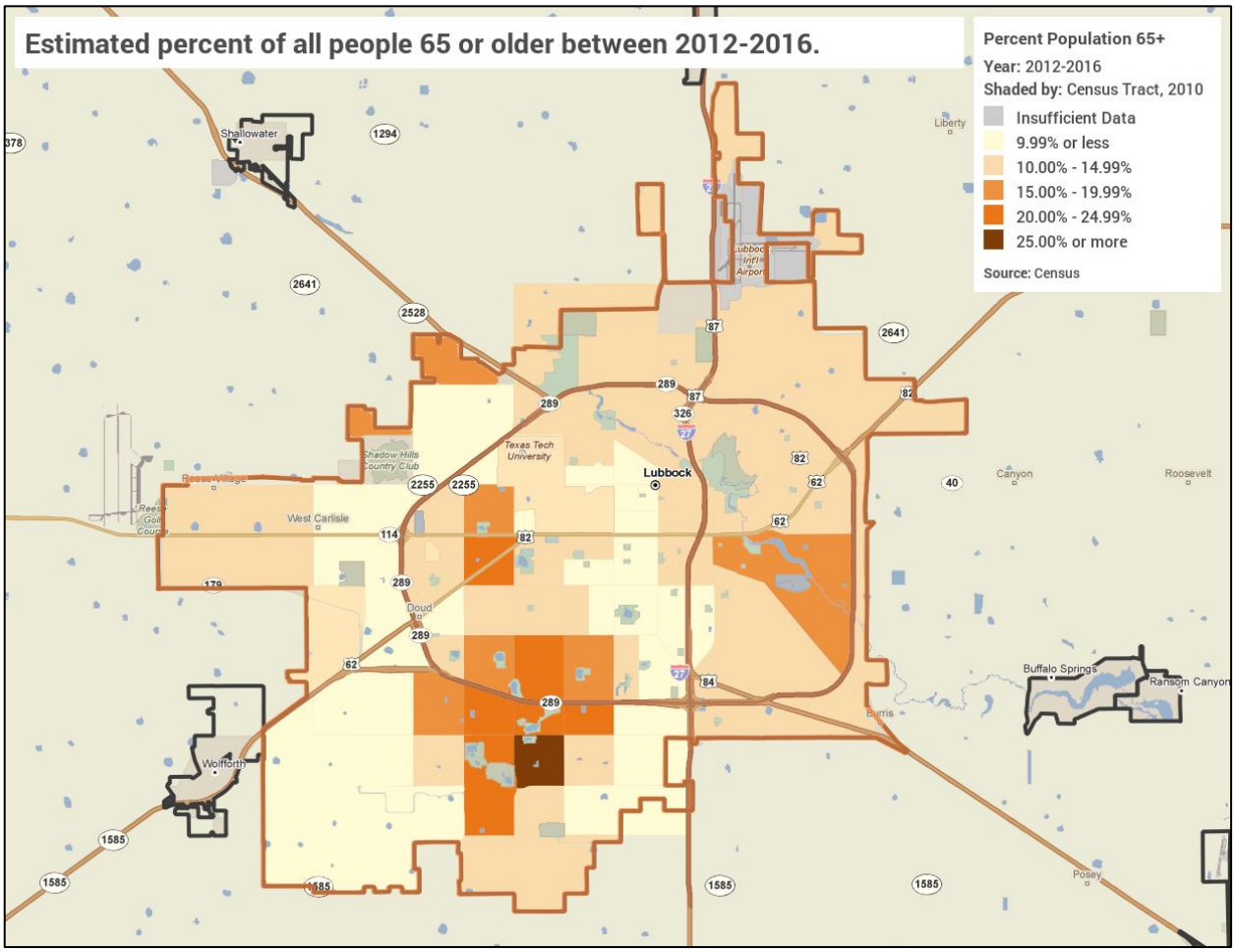
Nearly 24 percent of all public housing units are filled by elderly residents. One-hundred percent of all residents in Other HUD Multifamily are elderly. In R/ECAP tracts, the elderly makes up 45.93 percent of project-based Section 8 and 19.48 percent of HCV Program. In non-R/ECAP tracts, elderly residents make up 17.30 percent of project-based Section 8 and 24.59 percent of the HCV program.

Table: Elderly

Age	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction		(Lubbock, TX) Region	
	#	%	#	%
Under 18	54,260	23.64%	71,254	24.50%
18-64	150,617	65.62%	186,938	64.28%
65+	24,652	10.74%	32,613	11.21%

Source: Decennial Census, 2010 (HUD AFFHT0004, Table 1 – Demographics)

MAP: Population 65 Years and Older



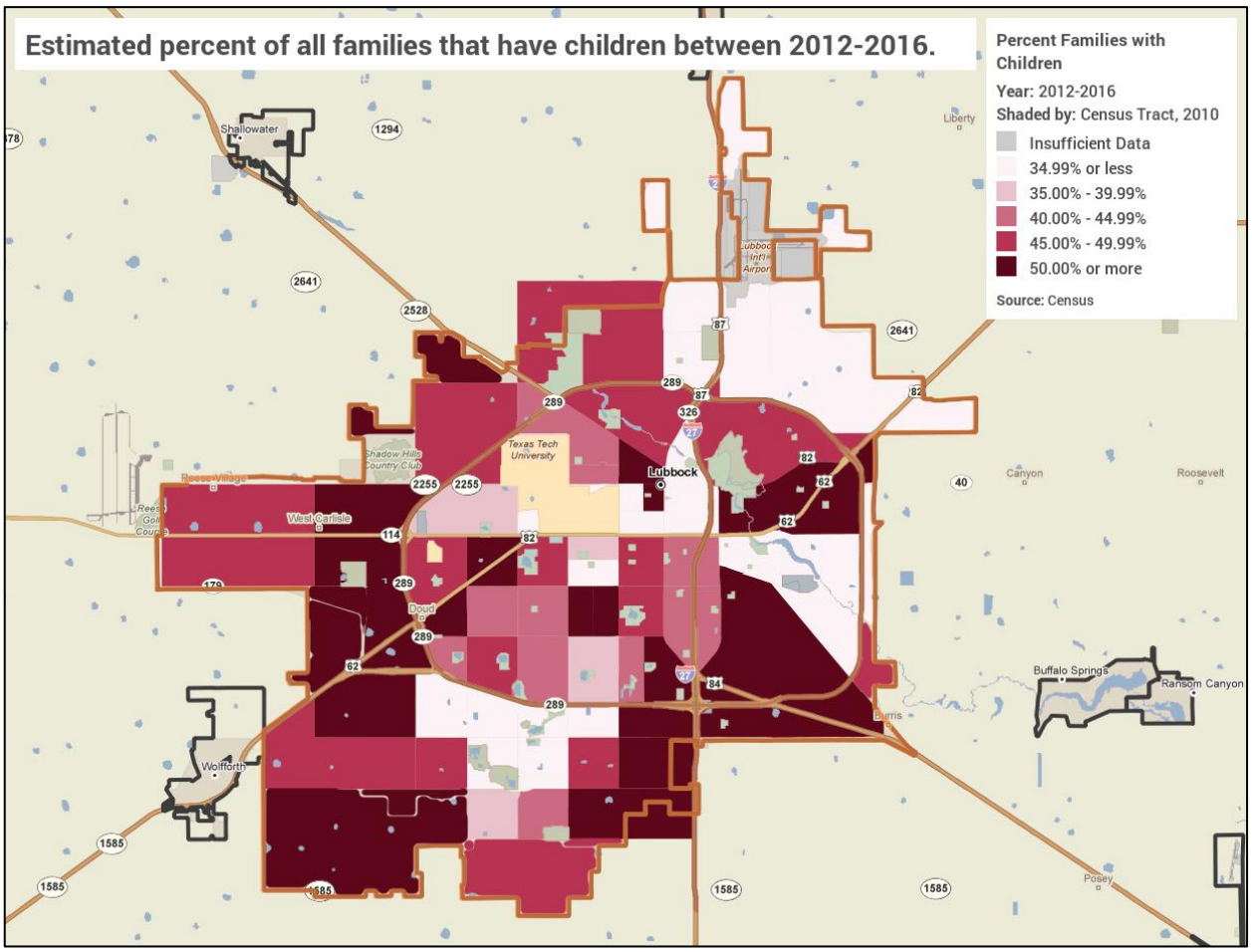
Source: 2012-2016 ACS via PolicyMap

Families with Children

According to HUD, there are 24,229 families with children in Lubbock (45.62 percent) and 31,459 in the region (45.34 percent). These households are distributed throughout the City without any significant areas of concentration. Nearly 65 percent of all public housing units are filled by families with children. There are no families with children in Other HUD Multifamily units. In R/ECAP tracts, families with children make up 37.79 percent of project-based Section 8 and 38.96 percent of HCV Program. In non-R/ECAP tracts, families with children make up 67.43 percent of project-based Section 8 and 48.14 percent of the HCV program.

Table: Families with Children				
	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction		**(Lubbock, TX) Region**	
	#	**%**	**#**	**%**
Families with Children	24,229	45.62%	31,459	45.34%
Source: Decennial Census, 2010 (HUD AFFHT0004, Table 1 – Demographics)				

MAP: Families with Children



Source: 2012-2016 ACS via PolicyMap

Disability

Disabled residents make up 14.92 percent of the City and 15.05 percent of the Region; however, they are not distributed evenly across the City of Lubbock. Disabled residents are more heavily concentrated in the northeastern neighborhoods in the city, including one census tract that is over 25 percent disabled.

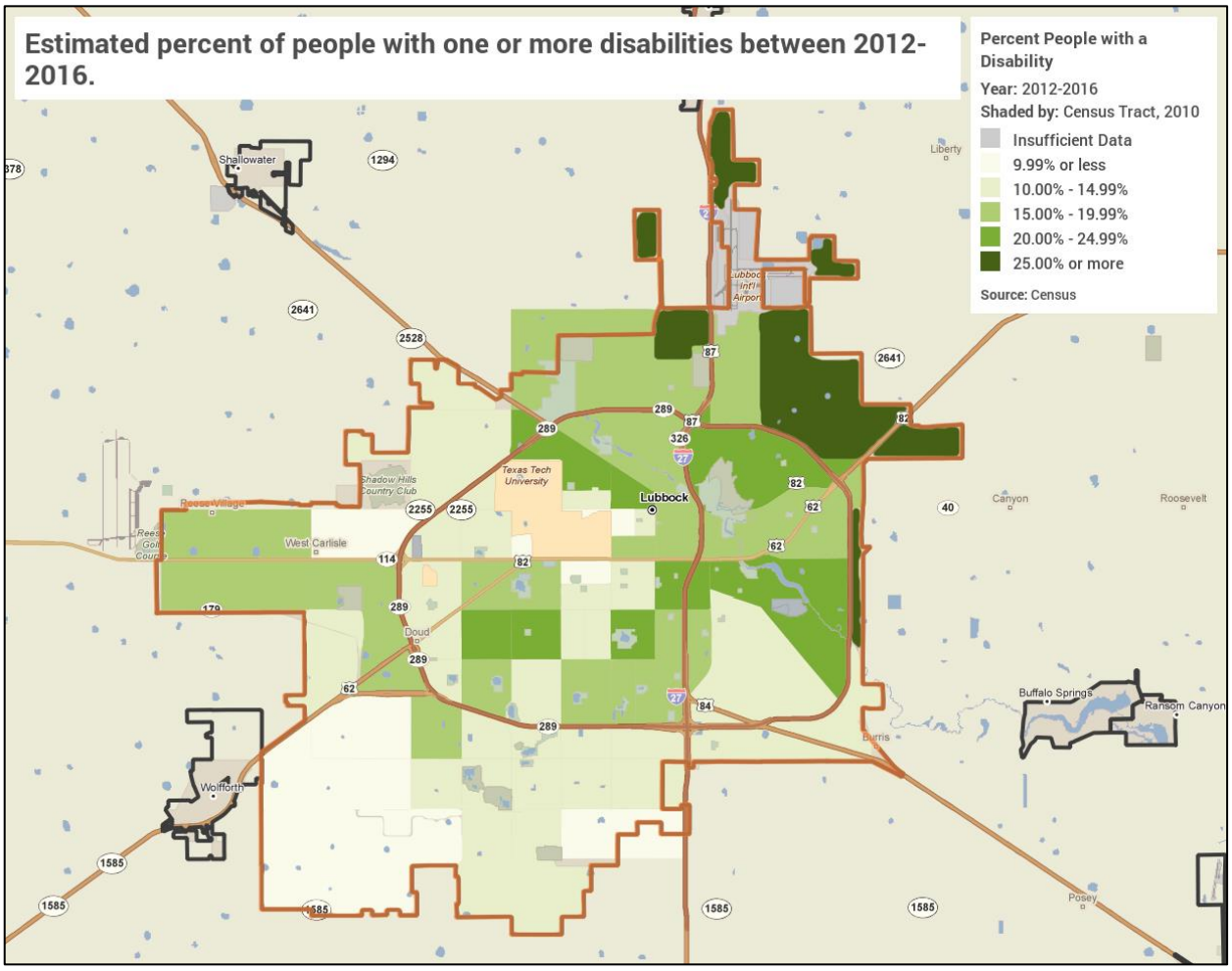
Nearly 14 percent of all public housing units have a disabled resident and nearly 5 percent of all residents in Other HUD Multifamily are disabled. In R/ECAP tracts, disabled residents make up 13.08 percent of project-based Section 8 and 25.97 percent of HCV Program. In non-R/ECAP tracts, disabled residents make up 10.18 percent of project-based Section 8 and 25.17 percent of the HCV program.

Table: Disability

	(Lubbock, TX CDBG, HOME, ESG) Jurisdiction		(Lubbock, TX) Region	
	#	%	#	%
Persons with disability age 5 years and older	31,808	14.92%	40,552	15.05%

Source: 2009-2013 ACS (HUD AFFHT0004, Table 14 - Disability by Age Group)

MAP: Disability



Source: 2012-2016 ACS via PolicyMap

iii. How does the demographic composition of occupants of publicly supported housing in R/ECAPS compare to the demographic composition of occupants of publicly supported housing outside of R/ECAPs in the jurisdiction and region?

Elderly

Nearly 24 percent of all public housing units are filled by elderly residents. One-hundred percent of all residents in Other HUD Multifamily are elderly. In R/ECAP tracts, the elderly makes up 45.93 percent of project-based Section 8 and 19.48 percent of HCV Program. In non-R/ECAP tracts, elderly residents make up 17.30 percent of project-based Section 8 and 24.59 percent of the HCV program.

Families with Children

In R/ECAP tracts, families with children make up 37.79 percent of project-based Section 8 and 38.96 percent of HCV Program. In non-R/ECAP tracts, families with children make up 67.43 percent of project-based Section 8 and 48.14 percent of the HCV program.

Disability

Nearly 14 percent of all public housing units have a disabled resident and nearly 5 percent of all residents in Other HUD Multifamily are disabled. In R/ECAP tracts, disabled residents make up 13.08 percent of project-based Section 8 and 25.97 percent of HCV Program. In non-R/ECAP tracts, disabled residents make up 10.18 percent of project-based Section 8 and 25.17 percent of the HCV program.

iv. (A) Do any developments of public housing, properties converted under the RAD, and LIHTC developments have a significantly different demographic composition, in terms of protected class, than other developments of the same category for the jurisdiction? Describe how these developments differ.

The Rental Assistance Demonstration was created to give public housing authorities the ability to preserve and improve public housing properties and address maintenance issues. The Low-Income Tax Credit (LIHTC) is a resource for creating affordable housing in the City. These programs have some basic requirements involving fair housing, protecting certain classes of people, and low- and moderate-income households.

Public Housing

Currently, the public housing developments are racially and ethnically diverse but do not reflect the demographics of Lubbock as a whole. Lubbock is a majority White city, but public housing developments are 20 percent or less White. There is a disproportionately large Black population in public housing when compared to the City, particularly in Park Meadows where 73 percent of the population is Black. Additionally, approximately 75 percent of the households have children in 3 out of 4 public housing developments.

Project-Based Section 8

Section 8 housing is also racially and ethnically diverse overall, but there are some racial concentrations within certain developments. Two developments have a White population 80 percent or over and three developments have a Hispanic population of approximately 60 percent or higher. Four developments have over 80 percent of their households with children.

Other Multifamily Assisted Housing

There is only one Other Multifamily Assisted Housing development in Lubbock. Courtyard at King's Dominion is ethnically and racially diverse, nearly half of the population is Hispanic, and approximately one-quarter is White and Black. This development does not have any families with households.

Table: Demographics of Publicly Supported Housing Developments, by Program Category

Development Name	PHA Code	PHA	# Units	White	Black	Hispanic	Asian	HHs with Children
Public Housing								
(Lubbock, TX CDBG) Jurisdiction								
Cherry Point / 36 South	TX018	LHA	108	12%	43%	44%	N/a	75%
Behner Place / Mary Myers	TX018	LHA	141	20%	26%	53%	2%	49%

96 West	TX018	LHA	95	18%	40%	42%	N/a	76%
Park Meadows	TX018	LHA	32	7%	73%	20%	N/a	73%
Project Based Section 8								
(Lubbock, TX CDBG) Jurisdiction								
High Plains Apartments	TX018	LHA	50	25%	16%	59%	N/a	82%
Homestead Apartments	TX018	LHA	40	80%	2%	17%	N/a	N/a
Parkview Place, Lubbock	TX018	LHA	72	84%	1%	14%	N/a	N/a
Silver Village	TX018	LHA	100	63%	4%	31%	1%	N/a
South Plains Apartments	TX018	LHA	135	22%	14%	63%	1%	63%
Cornerstone Homes Winwood	TX018	LHA	109	49%	35%	16%	N/a	80%
Casa Orlando	TX018	LHA	69	6%	27%	67%	N/a	69%
Castle Gardens / Cricket Ct	TX018	LHA	126	8%	45%	47%	N/a	85%
Garden Apartments	TX018	LHA	62	27%	35%	39%	N/a	82%
Other Multifamily Assisted Housing								
(Lubbock, TX CDBG) Jurisdiction								
Courtyard At Kings Dominion	TX018	LHA	66	26%	23%	48%	2%	N/a
Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004, Table 8 - Demographics of Publicly Supported Housing Developments, by Program Category)								

(B) Provide additional relevant information, if any, about occupancy, by protected class, in other types of publicly supported housing for the jurisdiction and region.

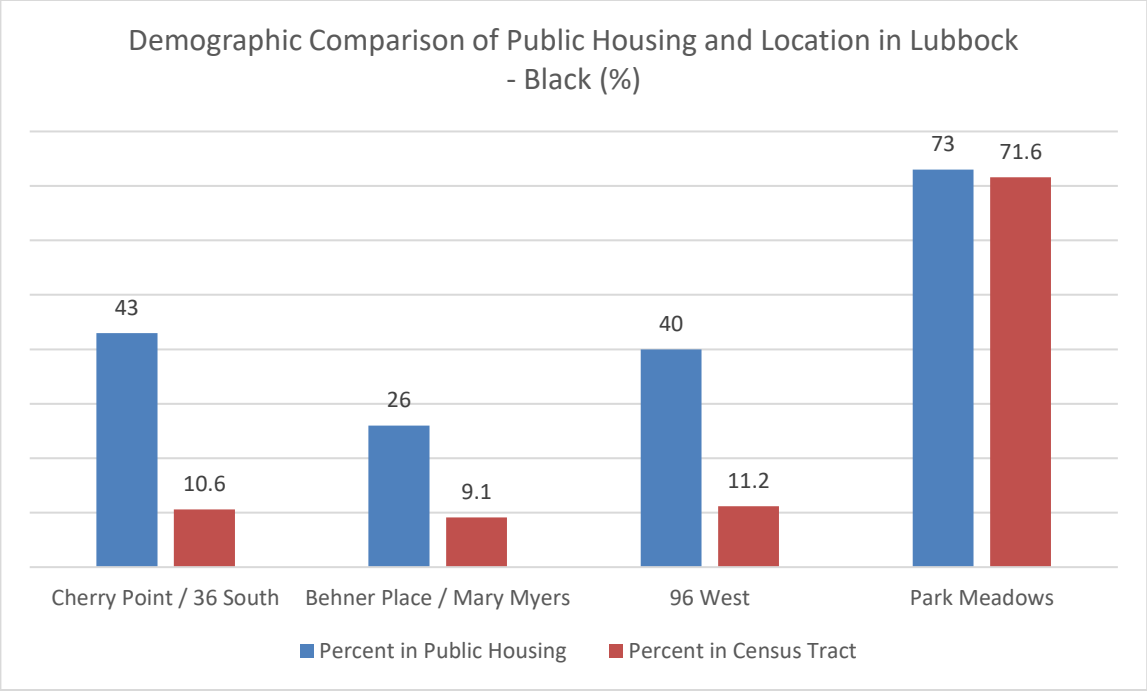
v. Compare the demographics of occupants of developments in the jurisdiction, for each category of publicly supported housing (public housing, project-based Section 8, Other Multifamily Assisted developments, properties converted under RAD, and LIHTC) to the demographic composition of the areas in which they are located. For the jurisdiction, describe whether developments that are primarily occupied by one race/ethnicity are located in areas occupied largely by the same race/ethnicity. Describe any differences for housing that primarily serves families with children, elderly persons, or persons with disabilities.

Publicly Supported Housing and Black Population

In Lubbock, there is a relatively large Black population in publicly supported housing. Despite making up only 8 percent of the total population Black residents make up between 23 and 73 percent of publicly supported housing programs.

Public Housing

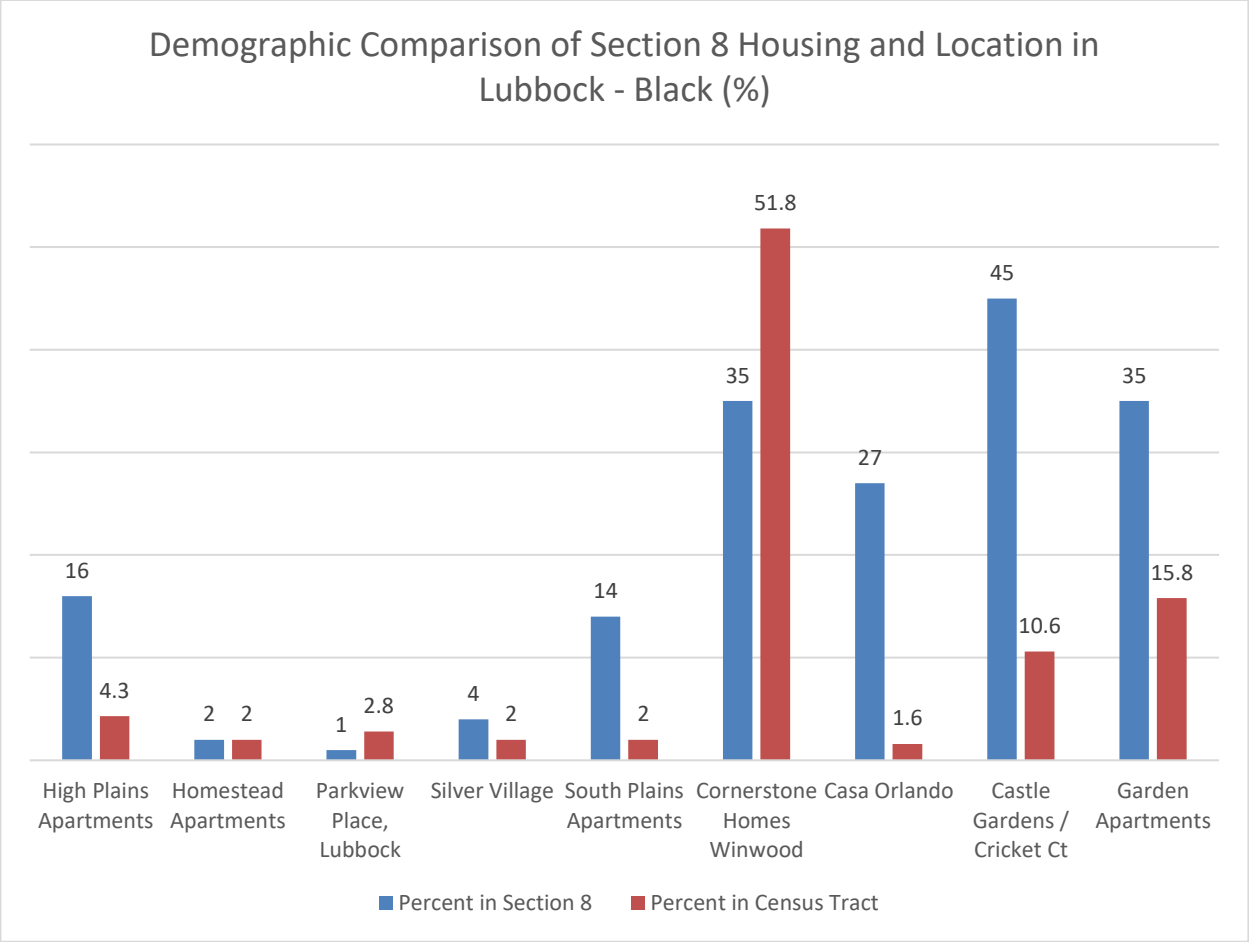
One public housing development is in a primarily Black Census Tract and has a public housing population that is similar. The remaining three developments are in Census Tracts with a Black population of approximately 10 percent but have a much larger Black population in public housing.



Source: HUD, (HUD AFFHT0004) and 2012-2016 American Community Survey 5-Year Estimates

Project Based Section 8

Out of the nine Project Based Section 8 Developments in Lubbock, five have a significantly larger Black population than the Census Tract they are in. One development (Cornerstone Homes Winwood) is in a majority Black Census Tract but has approximately 1/3 of the development population that is Black.



Source: HUD, (HUD AFFHT0004) and 2012-2016 American Community Survey 5-Year Estimates

Other Multifamily

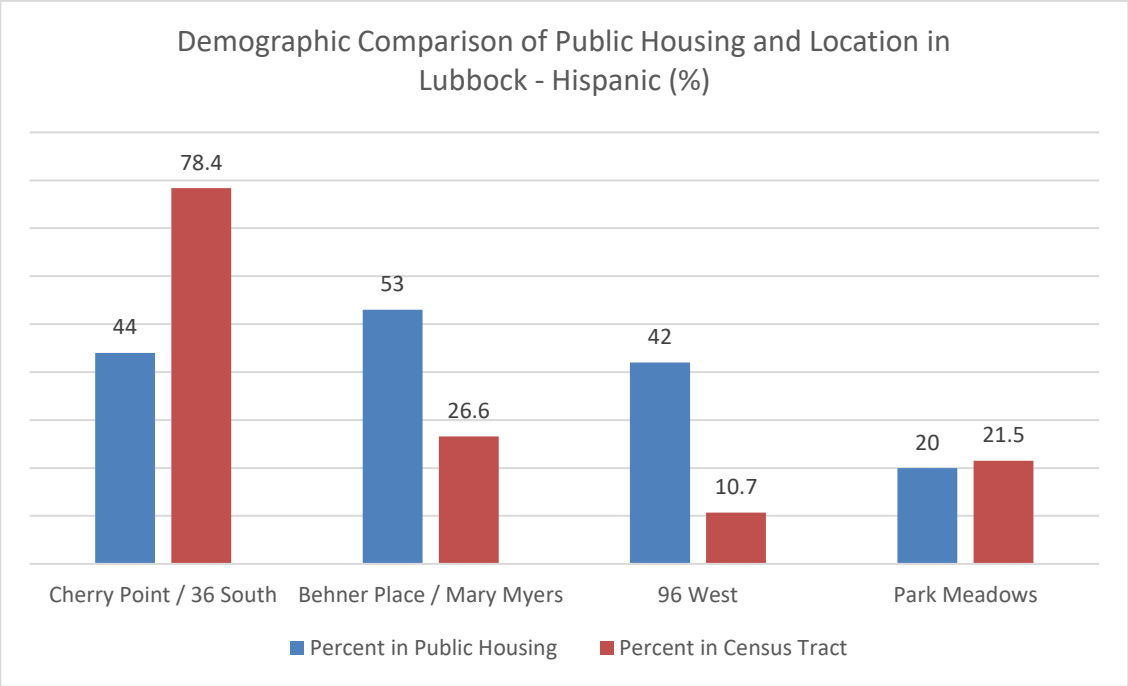
There is only one Multifamily development in Lubbock. The Census Tract it is in is 45.5 percent Black and the development is 23 percent Black.

Publicly Supported Housing and Hispanic Population

In Lubbock, there is a relatively large Hispanic population in publicly supported housing. Hispanic residents make up 32.23 percent of the total population and Hispanic residents make up between 14 and 67 percent of publicly supported housing programs.

Public Housing

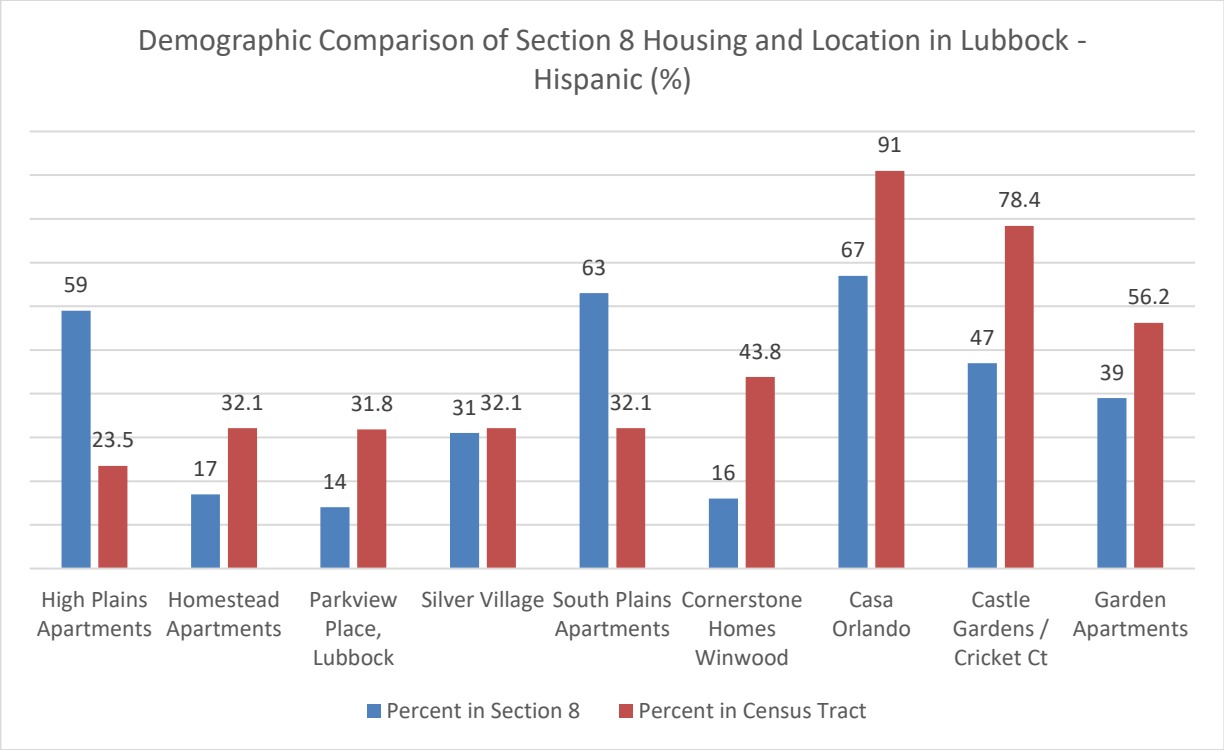
One public housing development is in a primarily Hispanic Census Tract but has a Hispanic public housing population over 30 percent lower. The remaining three developments are in Census Tracts with a Hispanic population of between approximately 10 and 25 percent, two have significantly larger Hispanic populations in public housing and one has a similar population.



Source: HUD, (HUD AFFHT0004) and 2012-2016 American Community Survey 5-Year Estimates

Project Based Section 8

Out of the nine Project Based Section 8 Developments in Lubbock, two have a significantly larger Hispanic population than the Census Tract they are in. Three developments are in a majority Hispanic Census Tract with lower rates of Hispanic residents in the developments.



Source: HUD, (HUD AFFHT0004) and 2012-2016 American Community Survey 5-Year Estimates

Other Multifamily

There is only one Multifamily development in Lubbock. The Census Tract it is in is 42.2 percent Hispanic and the development are 48 percent Hispanic.

Publicly Supported Housing and Asian Population

In Lubbock, there is a small Asian population in publicly supported housing. Asian residents make up 2.37 percent of the total population and make up between 1 and 2 percent of publicly supported housing programs.

Public Housing
One public housing development has an Asian population present, Behner Place/Mary Myers. The development is 2 percent Asian and 0.3 percent of the census tract.

Project Based Section 8
Out of the nine Project Based Section 8 Developments in Lubbock, two have Asian residents who represent 1 percent of the population. Both are in the same Census Tract which is 7.4 percent Asian.

Other Multifamily

There is only one Multifamily development in Lubbock and 2 percent of the population of that development identifies as Asian. The Census Tract is 0 percent Asian.

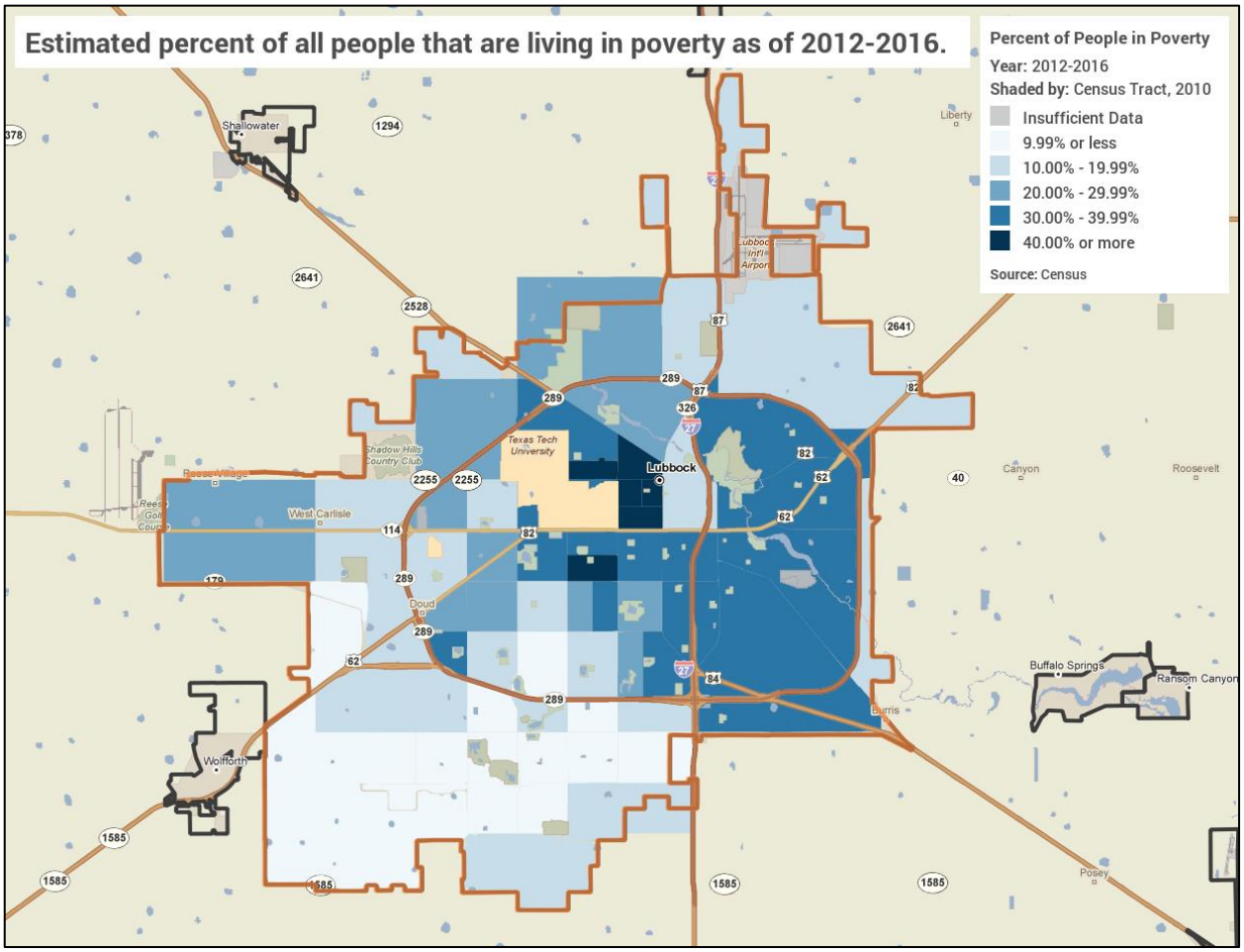
c. Disparities in Access to Opportunity

i. Describe any disparities in access to opportunity for residents of publicly supported housing in the jurisdiction and region, including within different program categories (public housing, project-based Section 8, Other Multifamily Assisted Developments, HCV, and LIHTC) and between types (housing primarily serving families with children, elderly persons, and persons with disabilities) of publicly supported housing.

Access to Low Poverty Neighborhoods

Based on the HUD AFH Maps, areas with higher concentrations of publicly supported housing mostly fall within the areas that have low Access to Low Poverty Neighborhoods. This means that publicly supported housing tends to be in higher poverty areas while wealthier areas lack publicly supported housing. Poverty appears to be concentrated in the central areas of Lubbock, particularly to the east of Texas Tech University. Many of these tracts have 40 percent or more of the population in poverty.

MAP: People Living in Poverty

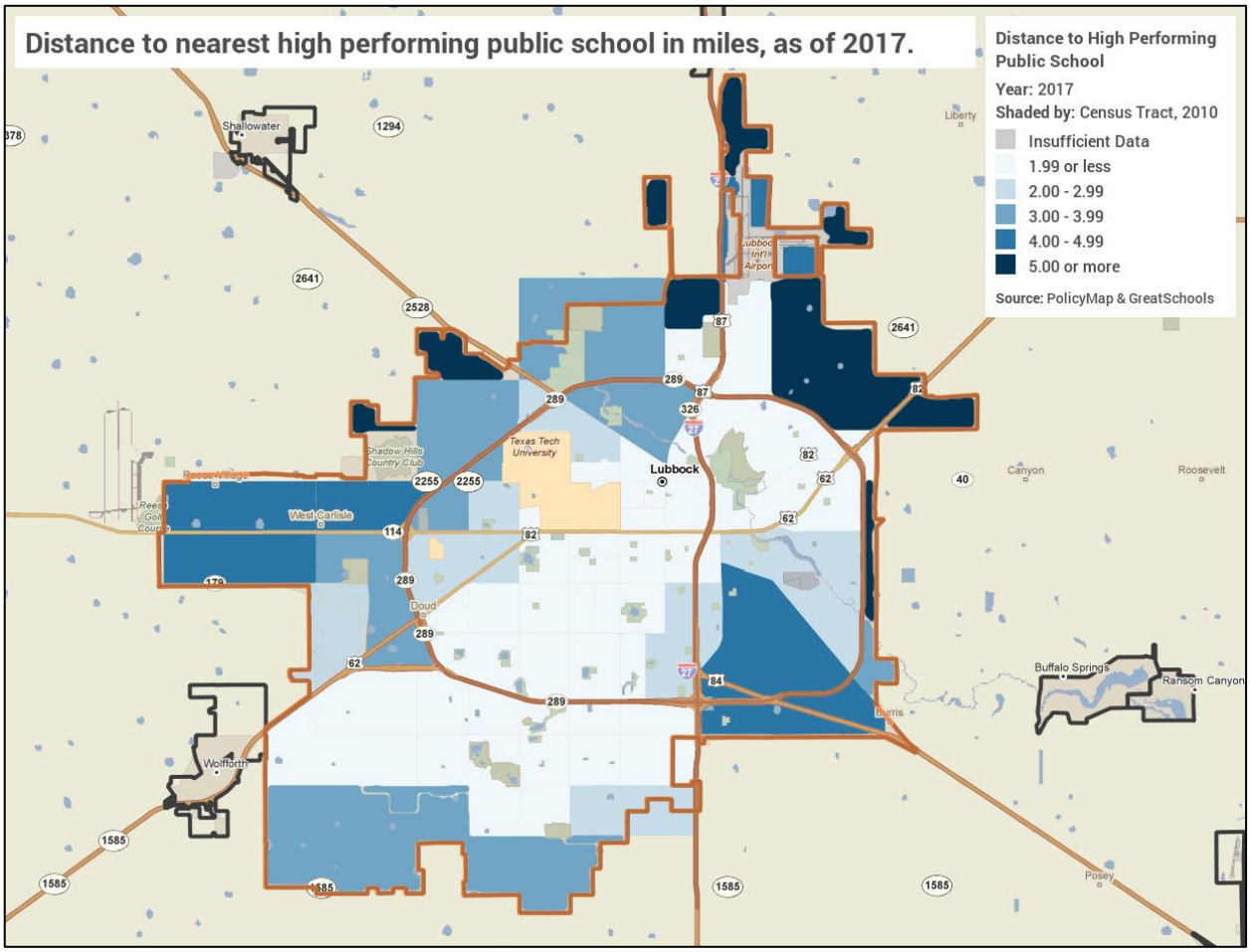


Source: 2012-2016 ACS via PolicyMap

Access to High Performing Schools

Overall, residents who live in tracts to the far northern and northwest tracts have greater distance to travel to high performing schools. These are also tracts that are closest to most of the publicly supported housing developments.

MAP: Distance to Nearest High Performing School



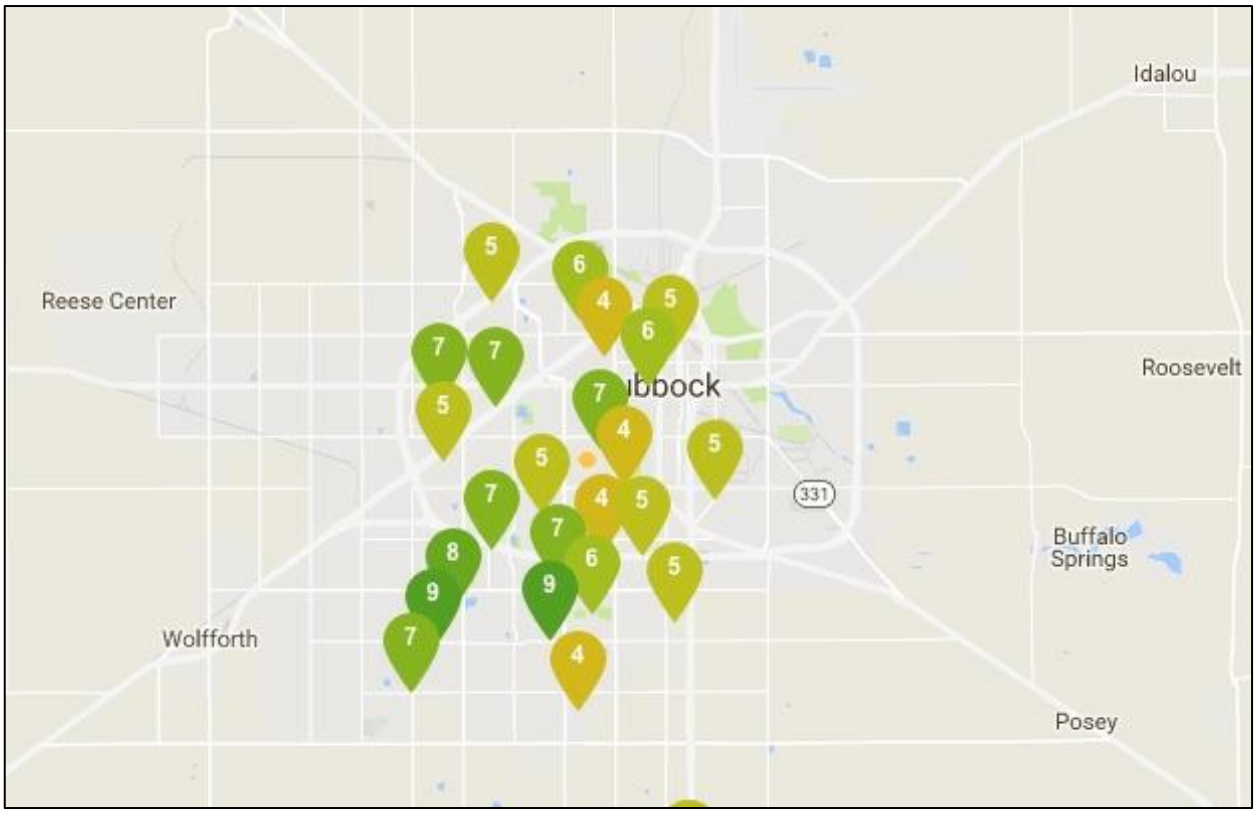
Source: 2017 GreatSchools via PolicyMap

GreatSchools Ratings

The following maps show the location of average/above average and low performing public schools and their location in the City. Green markers indicate schools with a higher performance rating of 8 or better, light green/orange markers are average performing schools of 4-7, and red markers are the lowest performing schools with a rating of 3 or lower. Schools are categorized into elementary, middle and high schools. Only public schools are displayed in the following maps.

Public Elementary Schools

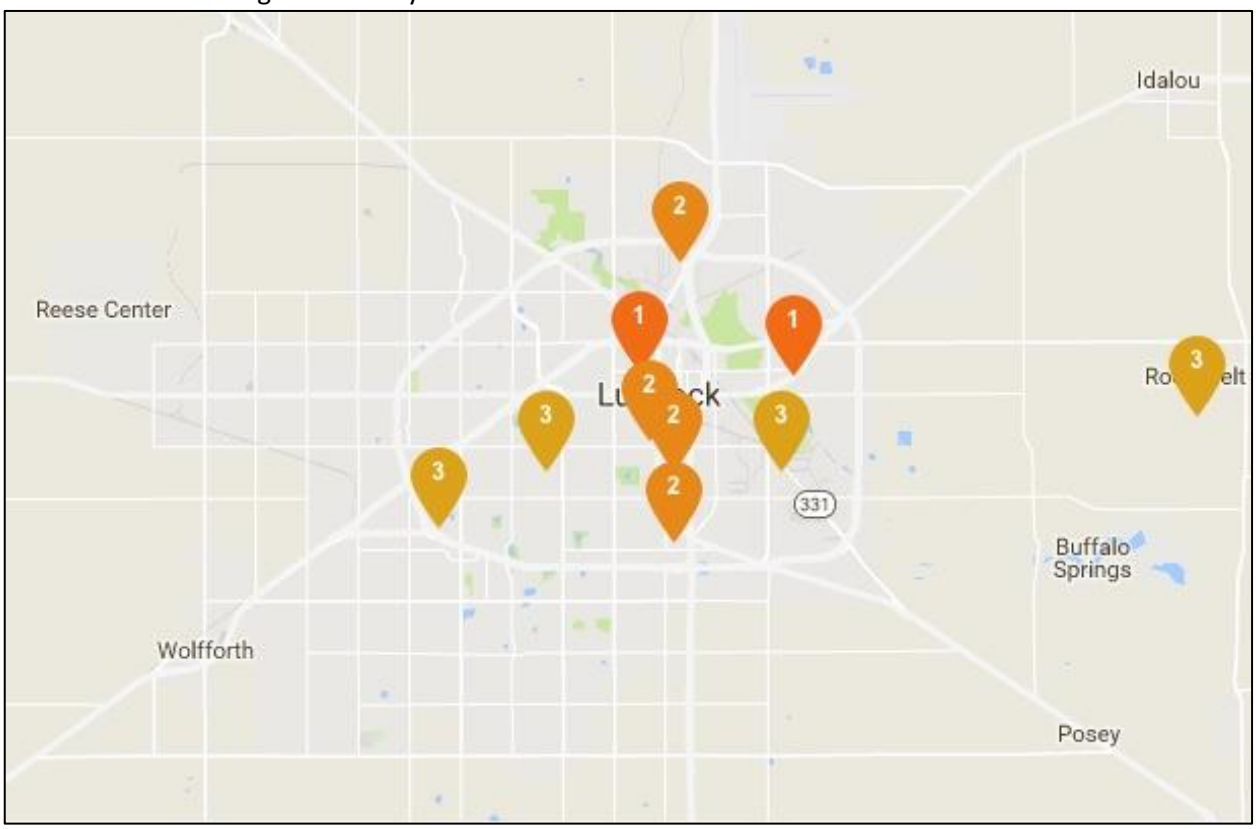
MAP: Average/Above Average Performing Elementary Schools



Source: GreatSchools, 2017

According to GreatSchools, there are several high performing schools in Lubbock, but they are primarily in the southwest portion of the city. Schools in the other areas of the city tend to be average.

MAP: Low Performing Elementary Schools

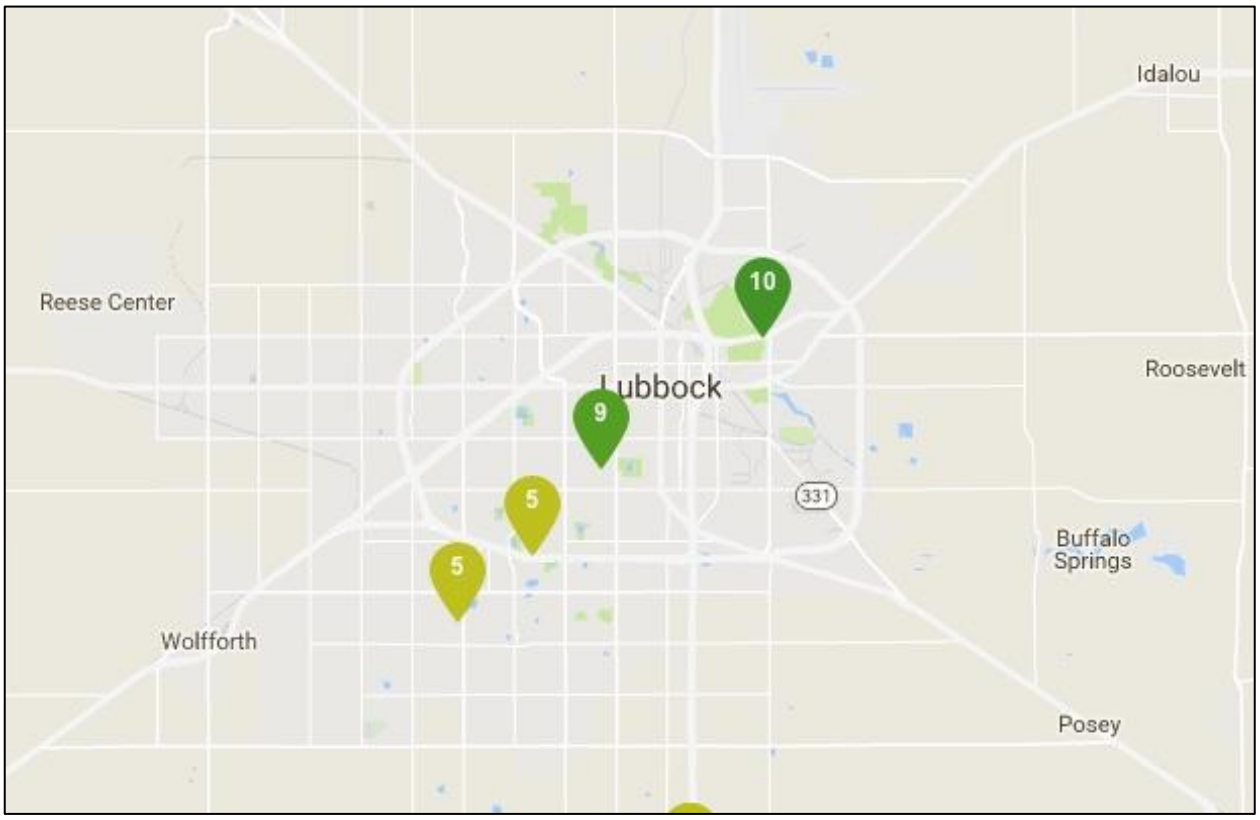


Source: GreatSchools, 2017

Lubbock's low performing schools are primarily in the central and eastern parts of the City. This is also the area where most of the publicly supported housing developments are.

Public Middle Schools

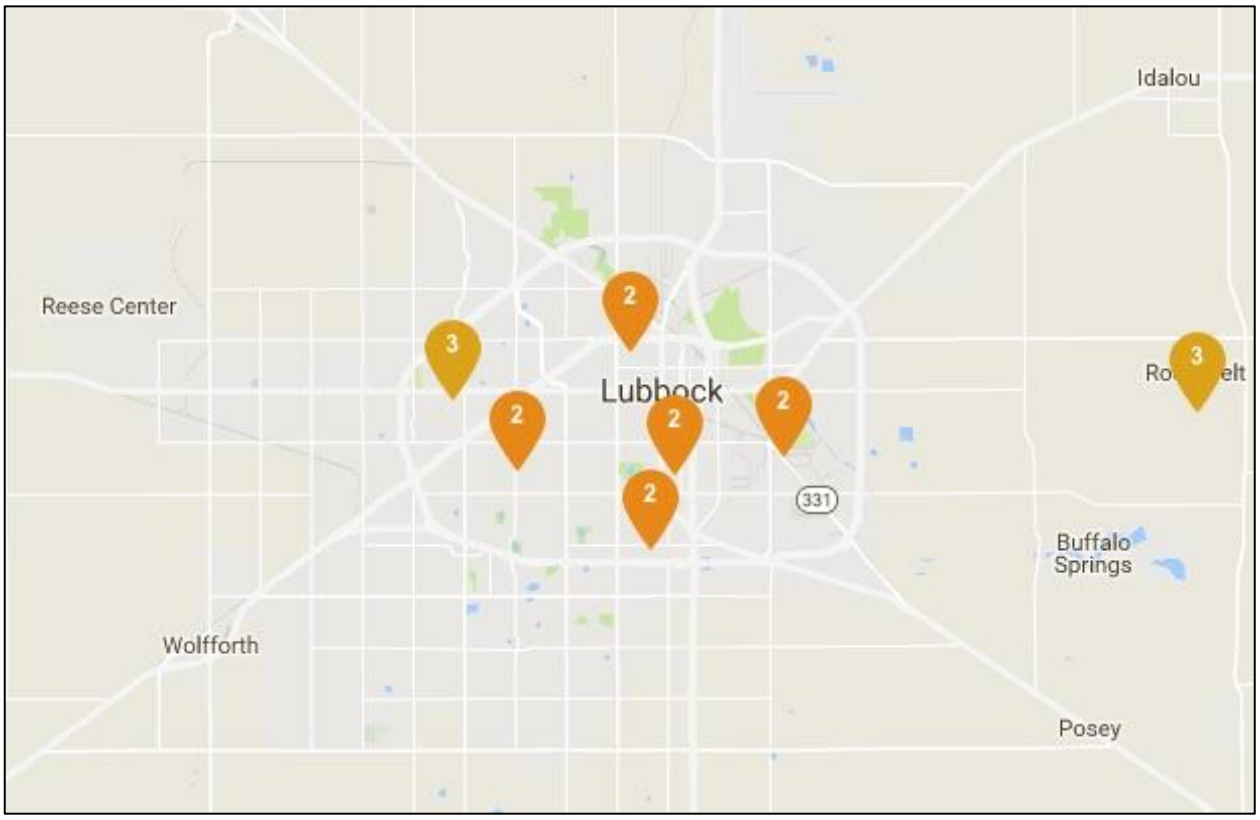
MAP: Average/Above Average Performing Middle Schools



Source: GreatSchools, 2017

The highest performing Middle School in the City is in the northeast section of the City. Another strong performing school is in the central part of the City while two average performing Middle Schools are in the southwestern part of the City.

MAP: Low Performing Middle Schools

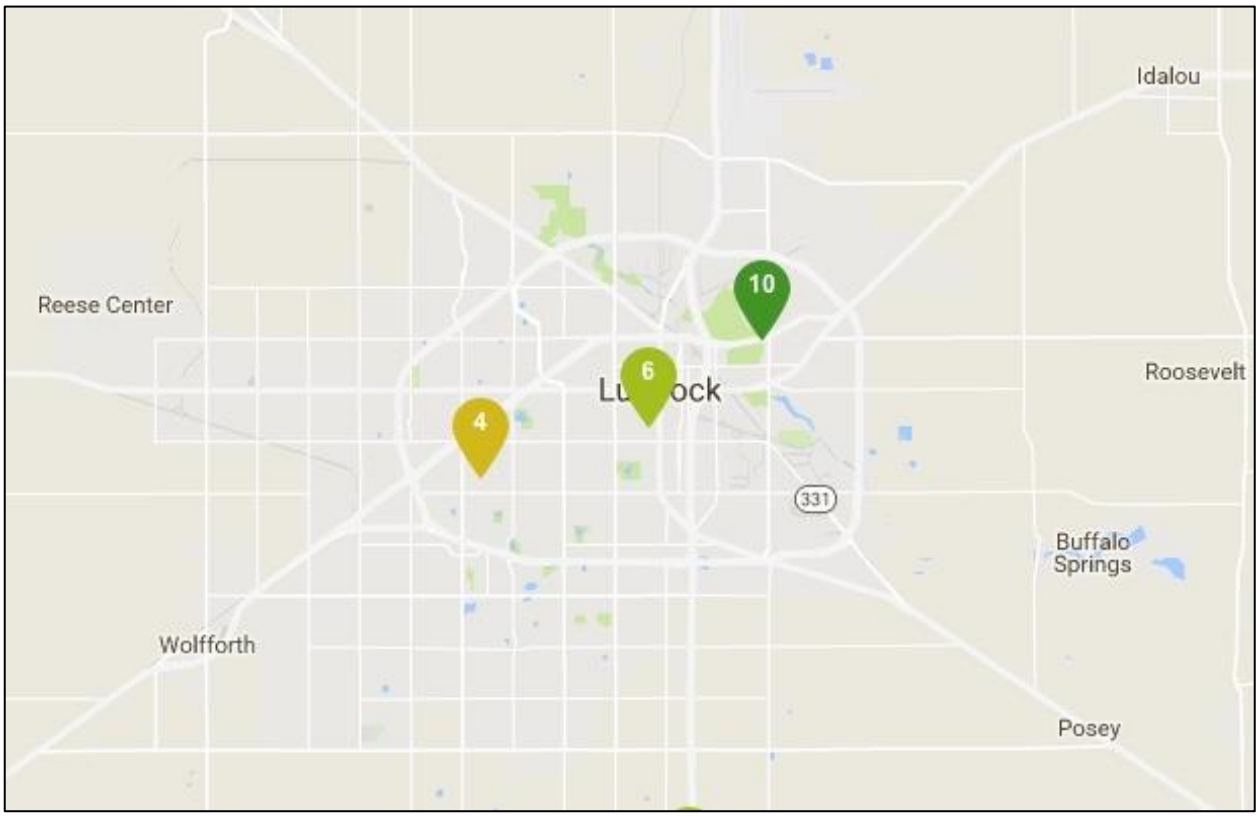


Source: GreatSchools, 2017

The lowest performing Middle Schools in Lubbock are all in the center part of the City.

Public High Schools

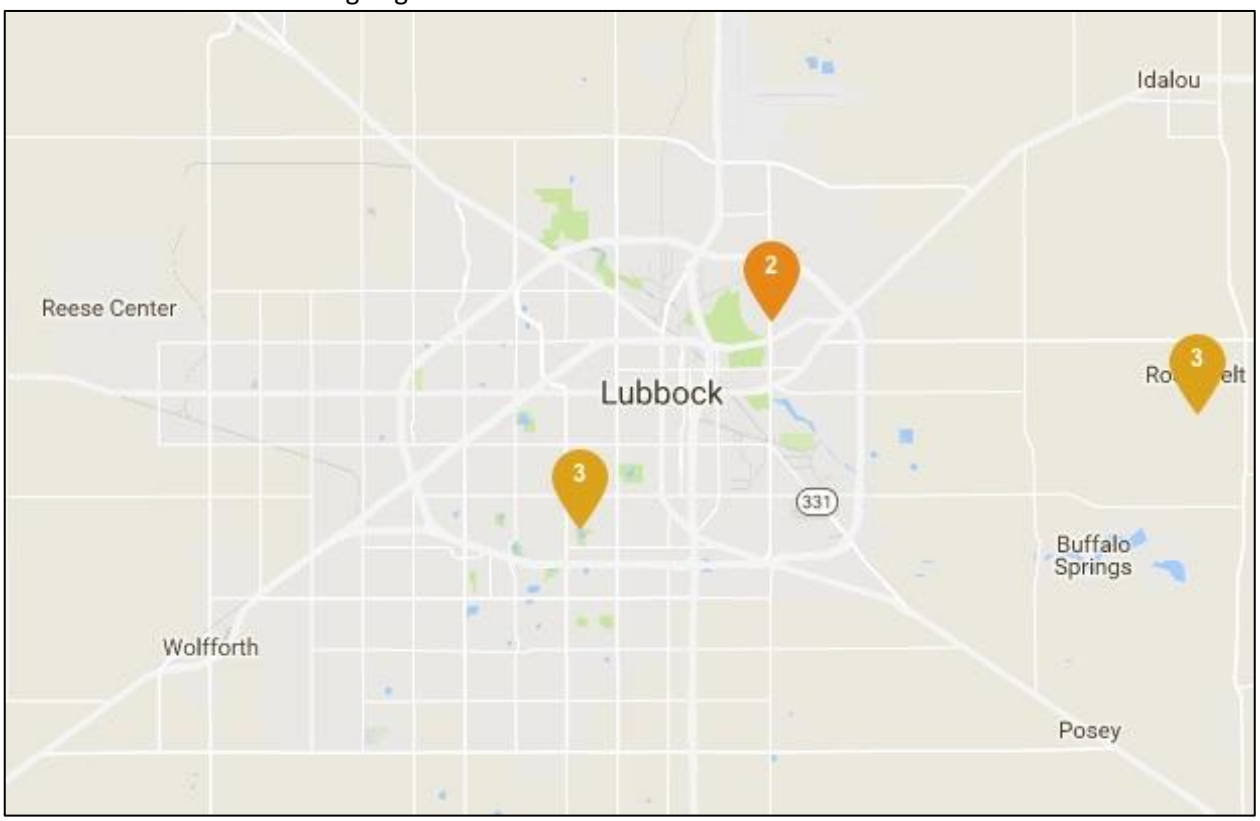
MAP: Average/Above Average Performing High Schools



Source: GreatSchools, 2017

The highest performing High School is in the northeastern part of the city and average schools are in the central and western part of Lubbock.

MAP: School Low Performing High Schools



Source: GreatSchools, 2017

The lowest performing high schools in Lubbock are on opposite ends of the City. One is in the northeast and one is in the central southwest area.

2. Additional Information

a. Beyond the HUD-provided data, provide additional relevant information, if any, about publicly supported housing in the jurisdiction and region, particularly information about groups with other protected characteristics and about housing not captured in the HUD-provided data.

There are three groups that are not protected classes according to federal, state, or local legislation but are relevant to publicly supported housing. The LGBT (lesbian, gay, bisexual, or transgender) community, persons with criminal backgrounds, and persons with HIV/AIDS and their families may face discrimination or disparities in access to opportunities.

Housing Discrimination against Same-Sex Couples & LBGT Individuals

The Fair Housing Act prohibits housing discrimination based on race, color, national origin, religion, sex, disability, and familial status; however, it does not specifically include sexual orientation and gender identity. HUD states, "Discrimination against a lesbian, gay, bisexual or transgender (LBT) person may be covered by the Fair Housing Act if it is based on non-conformity with gender stereotypes. For example, if a housing provider refuses to rent to an LGBT person because he believes the person acts in a manner that does not conform to his notion of how a person of a particular sex should act, the person may pursue the matter as a violation of the Fair Housing Act's prohibition of sex."

HUD also requires that housing providers that receive HUD funding be subject to HUD's Equal Access Rule, which requires equal access to HUD Programs. In February 2012, HUD released the "Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity" rule. Through the final rule, HUD has implemented a policy to ensure all HUD programs, including publicly supported housing, were open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status.

Compared to most protected groups, data for LGBT persons is difficult to collect for several reasons, including the difficulty of defining an LGBT person and the unwillingness of many people to disclose private information about their sexuality or identity. The Williams Institute UCLA, a leader in research and publishing LGBT resource, identified same-sex couple households as an important measuring indicator. According to the institute, 432 family households were same-sex households in Lubbock in 2010. This puts the group at 4.88 same-sex couples per 1,000 households.

While these numbers do not seem significant, housing discrimination is of great concern for the LGBT community. Polls conducted by the Williams Institute found that 79 percent of Texas residents think that LGBT people experience discrimination. According to the same report, over 30 percent of LGBT individuals are economically vulnerable with incomes less than $24,000 per year and over 25 percent report not having enough money for food or health care.

Table: Same-Sex Couples (counties with 50+ same-sex couples ranked per 1,000 households)

	Same-Sex Couples (adjusted)	Same-Sex Couples per 1,000 households (adjusted)	Rank
Lubbock, TX (city)	432	4.88	39*
Lubbock County	476	4.50	18*
Source: The Williams Institute, UCLA School of Law, 2010 Data Note: * indicates Lubbock, TX (city) is ranked by cities in TX & Lubbock County is ranked by counties in TX.			

Use of Criminal Records by Providers of Housing & Real Estate Transactions

On April 4, 2016, HUD's Office of General Counsel Guidance issued a guidance on the application of Fair Housing standards in relation to the use of criminal records by providers of housing and for real estate related transactions. The guidance addresses possible discrimination and disparate methods in Fair Housing cases in which a housing provider may refuse to rent or renew a lease based on an individual's criminal history. According to HUD, nearly one-third of the 100 million U.S. adults have a criminal record of sort, many of whom having been incarcerated. When these individuals are released from prison or jail, their ability to access safe, secure, and affordable housing is critical for their re-entry into the community. Many with criminal records, even those who are convicted but not incarcerated, face significant barriers including discrimination with seeking housing (including publicly supported housing). Black and Hispanic residents are arrested, convicted, and incarcerated at rates disproportionate to their share of the general population.

HUD concludes, "While the Act does not prohibit housing providers from appropriately considering criminal history information when making housing decisions, arbitrary and overbroad criminal history-related bans are likely to lack any legally sufficient justification. Thus, a discriminatory effect resulting from a policy or practice that denies housing to anyone with a prior arrest or any kind of criminal conviction cannot be justified, and therefore such a practice would violate the Fair Housing Act."

Table: Crime in Lubbock County (12 months in 2016)								
	Murder	Rape	Robbery	Assault	Burglary	Larceny	Auto Theft	Total
Number Offenses	7	198	488	2189	2934	9933	1145	16894
Rate Per 100,000	2.3	65.8	162.1	727.2	974.7	3299.7	380.4	5612.1
Number of Arrests	2	21	77	326	155	1846	238	2665
Source: Texas Department of Public Safety, Crime Report for 2016								

Individuals with HIV/AIDS and their Families

According to the Center for AIDS Prevention Studies (CAPS) at the University of California San Francisco, individuals with the HIV virus face stigma which often leads to prejudice and discrimination. Under HUD's Equal Access Rule, low-income persons with HIV/AIDS and their families may pursue public housing without discrimination and may be allowed reasonable accommodations for housing options. Persons with HIV/AIDS are also protected against discrimination in the sale and rental of housing and residential real estate. Under the Fair Housing

Act and Section 504 of the Rehabilitation Act, persons with HIV/AIDS, who may have been discriminated against, can file a complaint with the local HUD office. HUD-funded public housing and other HUD-funded nonprofit development of low-income housing, or recipients of federal financial assistance would be subject to Section 504's non-discrimination requirements.
The following tables display information about residents with HIV/AIDS in the City and County.

Table: HIV and AIDS Diagnosis in 2016		
City	**HIV**	**AIDS**
Lubbock, TX	36	17
Source: Texas Dept. of State Health Services, Texas 2016 HIV Surveillance Report		

Table: HIV/AIDS & People Living with HIV (county)						
	HIV Diagnosis		**AIDS**		**People Living with HIV**	
By Number of Cases						
	Cases	**County Rank**	**Cases**	**County Rank**	**Cases**	**County Rank**
Lubbock County	39	#14	18	#15	475	#19
By Case Rates						
	Rate	**County Rank**	**Rate**	**County Rank**	**Rate**	**County Rank**
Lubbock County	12.9	#14	5.9	#14	N/A	N/A
Source: Texas Dept. of State Health Services, Texas 2016 HIV Surveillance Report						

b. The program participant may also describe other information relevant to its assessment of publicly supported housing. Information may include relevant programs, actions, or activities, such as tenant self-sufficiency, place-based investments, or geographic mobility programs.

Lubbock Housing Authority Programs

Established in 1941, the Housing Authority of Lubbock (LHA) is empowered with the responsibility and authority to maintain Public Housing in the City. The Housing Authority runs three programs: low income public housing, housing choice voucher program, and housing choice voucher family self-sufficiency.

Low Income Public Housing: The Lubbock Housing Authority owns and manages approximately 367 units throughout the City. These units provide decent housing for low-income families, the elderly, and disabled individuals. Tenants pay 30 percent of their income toward their rent and any additional costs are subsidized with federal funding.

Housing Choice Voucher Program (Section 8): The HCV Program allows low-income residents to find places to rent in the City. They are free to choose any house that meets minimal safety and health standards, which is confirmed by an LHA inspection. The rents must also be reasonable and within the fair market rent range for Lubbock. Residents in this program pay 30 percent of their income toward rent and the LHA pays the landlords the difference between what households can afford and the total rent.

Housing Choice Voucher Family Self-Sufficiency: The Family Self-Sufficiency (FSS) program is a voluntary program that assists families in becoming economically independent. FSS combines "case management, education, job training, and ongoing support through newsletters, workshops, support group meetings, and other appropriate services to aid the family in becoming self-sufficient."

3. Contributing Factors-of Publicly Supported Housing Location and Occupancy

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to publicly supported housing, including Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

- **Admissions and occupancy policies and procedures, including preferences in publicly supported housing**

- **Community opposition**
- **Displacement of residents due to economic pressures**
- **Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking**
- **Impediments to mobility**
- **Lack of access to opportunity due to high housing costs**
- **Lack of meaningful language access**
- **Lack of local or regional cooperation**
- **Lack of private investment in specific neighborhoods**
- **Lack of public investment in specific neighborhoods, including services and amenities**
- **Land use and zoning laws**
- **Loss of Affordable Housing**
- **Occupancy codes and restrictions**
- **Quality of affordable housing information programs**
- **Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs**
- **Source of income discrimination**
- **Other**

The lack of access to low poverty neighborhoods creates a barrier to advancement for many residents. These ***impediments to mobility*** mean residents who are in public housing are in high poverty areas may not be able to access resources that are more abundant in low poverty areas.

Lubbock has a large Hispanic population and a relatively high LEP – Spanish speaking population and ***lack of meaningful language access*** may contribute to the severity of fair housing issues in the community.

Disability and Access Analysis

1. Population Profile

a. How are persons with disabilities geographically dispersed or concentrated in the jurisdiction and region, including R/ECAPs and other segregated areas identified in previous sections?

According to the HUD provided data, six types of disabilities were recorded in Lubbock. The most common disability is Ambulatory Difficulty (7.4 percent) in the City. The region has similar rates of disability.

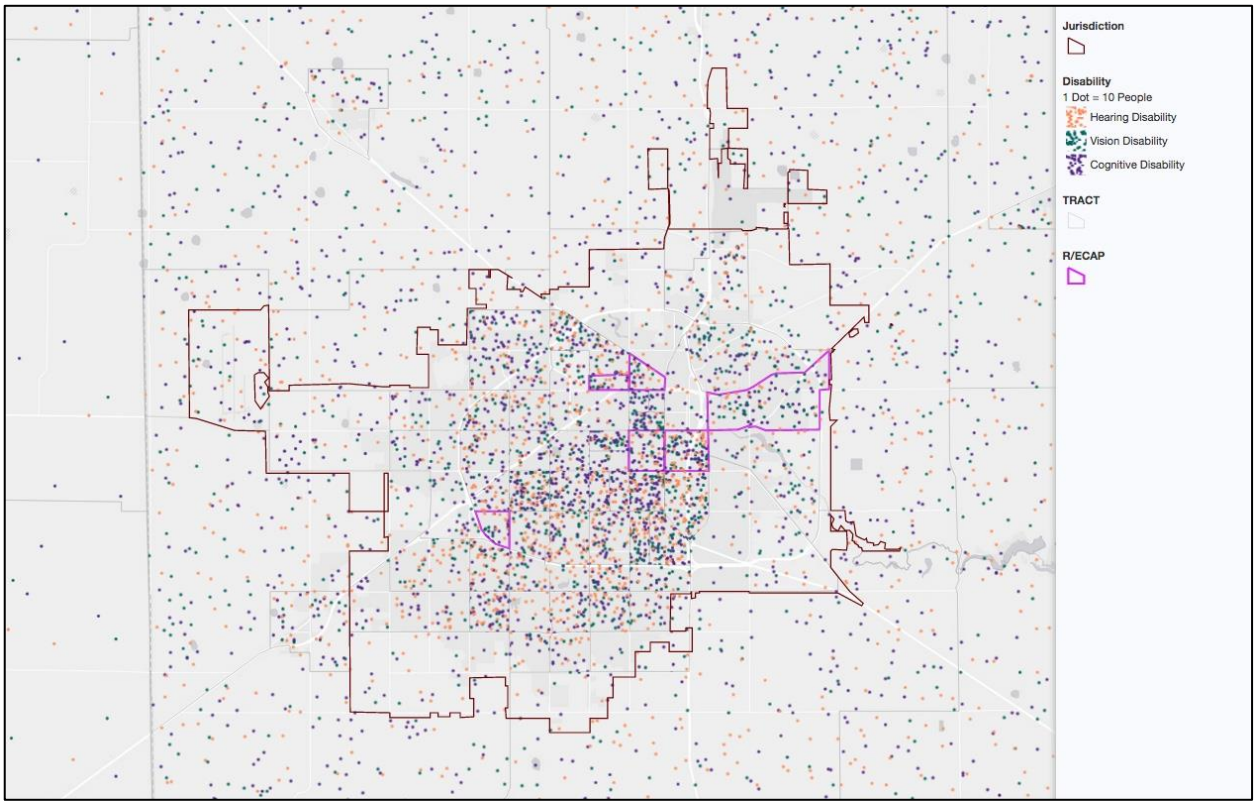
Table: Disability by Type

	Lubbock, TX (Jurisdiction)		Lubbock, TX (Region)	
Disability Type	**#**	**%**	**#**	**%**
Hearing difficulty	9,106	4.27%	11,866	4.41%
Vision difficulty	7,230	3.39%	9,111	3.38%
Cognitive difficulty	12,266	5.75%	15,335	5.69%
Ambulatory difficulty	15,770	7.40%	20,611	7.65%
Self-care difficulty	5,549	2.60%	7,127	2.65%
Independent living difficulty	9,430	4.42%	12,014	4.46%

Source: 2009-2013 ACS (HUD AFFHT0004, Table 13 - Disability by Type)
Data Note 1: All % represent a share of the total population within the jurisdiction or region.
Data Note 2: Percentages are calculated based on the total population age 5 years and older.

There is no clear pattern in disability living patterns and R/ECAPs or areas of segregation in Lubbock for individuals with hearing, vision, and cognitive disabilities. There are residents with disabilities in each Census Tract, but concentrations appear to be areas with higher populations.

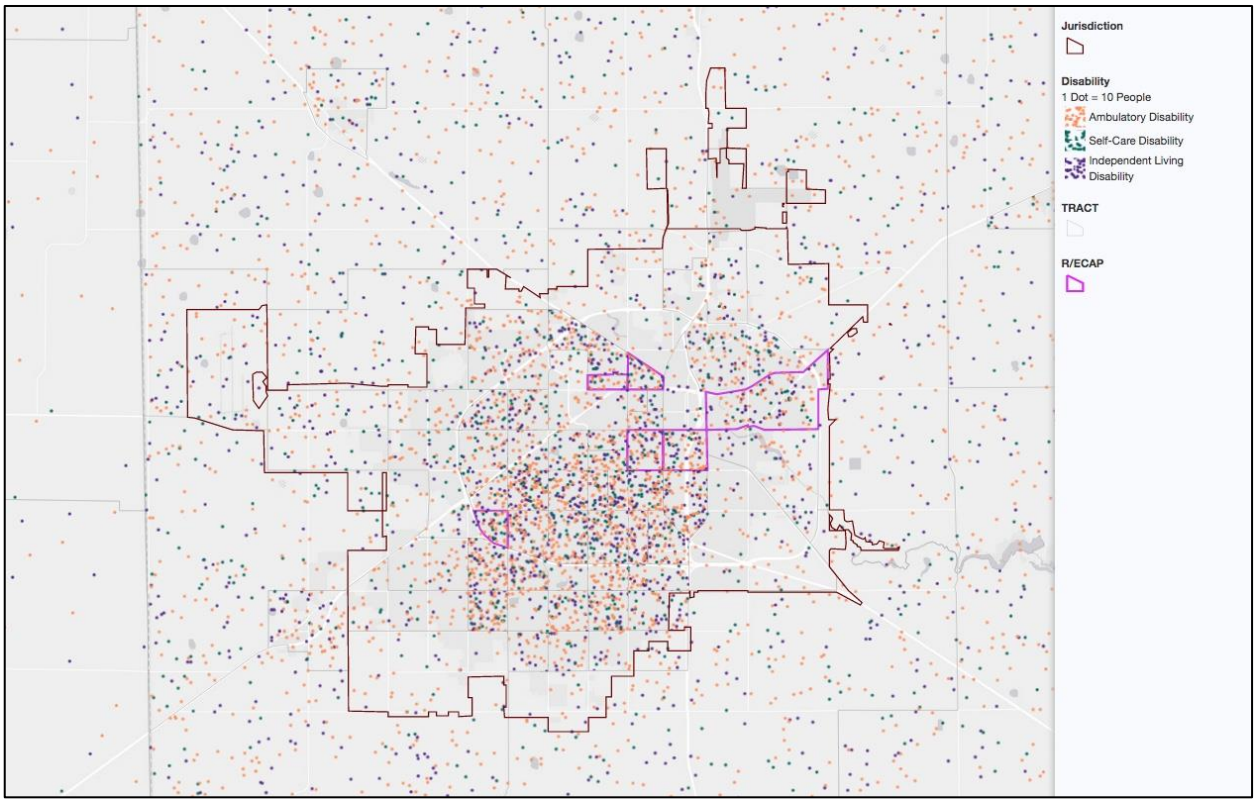
MAP: Disability by Type – Hearing, Vision and Cognitive



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

There is no clear pattern in disability living patterns and R/ECAPs or areas of segregation in Lubbock for individuals with ambulatory, self-care, or independent living disabilities. There are residents with disabilities in each Census Tract, but concentrations appear to be areas with higher populations.

MAP: Disability by Type – Ambulatory, Self-Care, and Independent Living

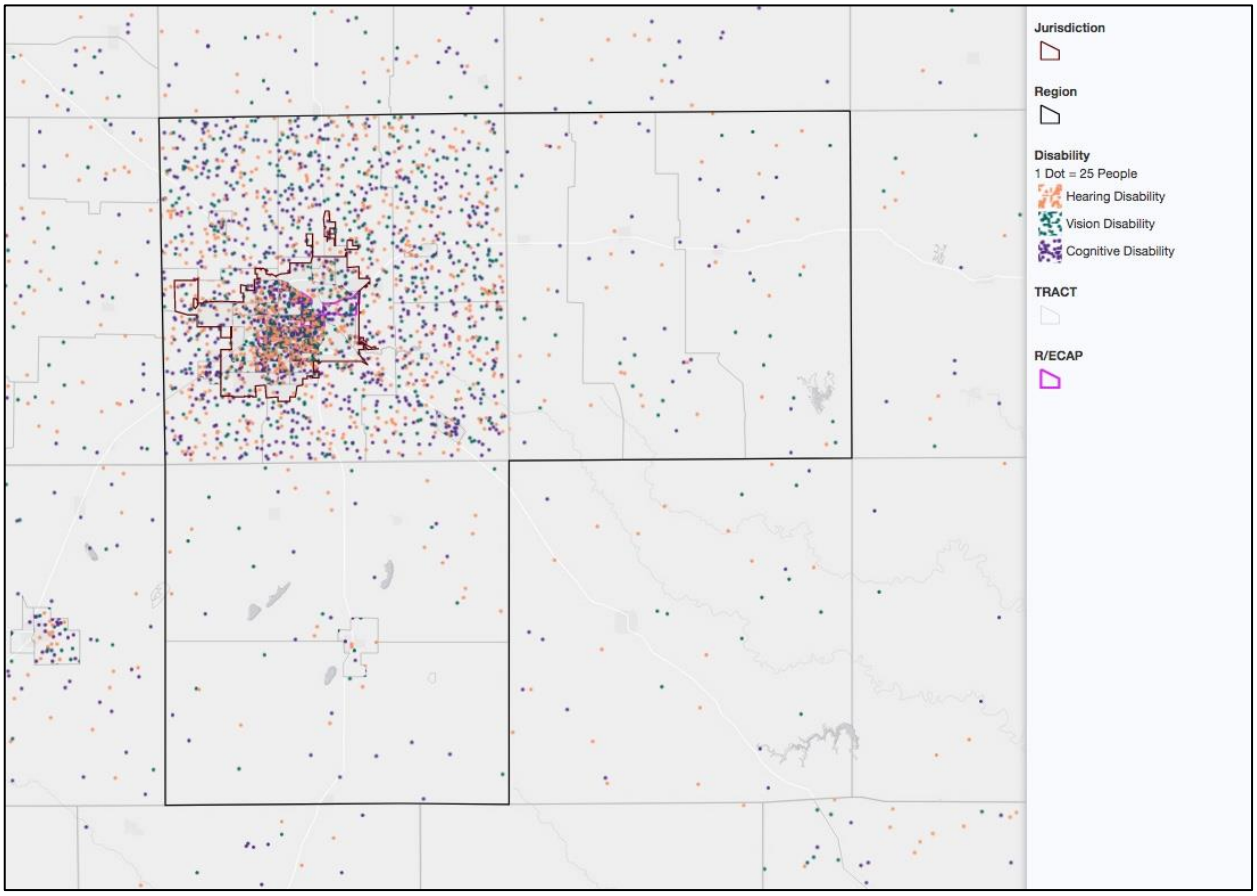


Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

Disability by Type (Region)

Regionwide, Census Tracts closer to the City of Lubbock have a much larger concentration of residents with hearing, vision, and cognitive disabilities. This is likely due to both the larger population of those tracts and the greater medical and support requirements of residents with disabilities. Rural environments often lack the support and medical care necessary to assist residents with disabilities.

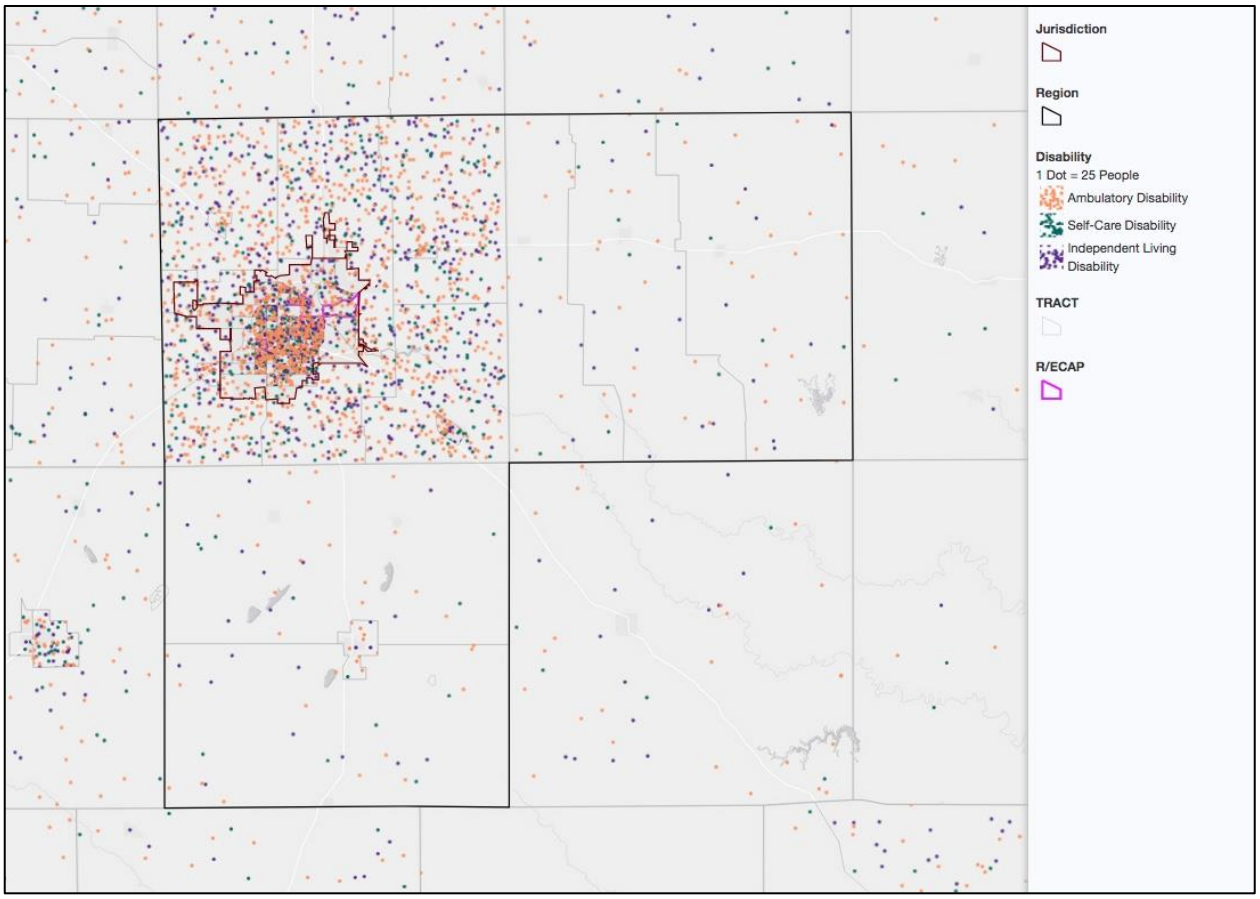
MAP: Disability by Type – Hearing, Vision and Cognitive (Region)



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

Regionwide, Census Tracts closer to the City of Lubbock have a much larger concentration of residents with ambulatory, self-care, and independent living disabilities. This is likely due to both the larger population of those tracts and the greater medical and support requirements of residents with disabilities. Rural environments often lack the support and medical care necessary to assist residents with disabilities.

MAP: Disability by Type – Ambulatory, Self-Care, and Independent Living (Region)



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

b. Describe whether these geographic patterns vary for persons with each type of disability or for persons with disabilities in different age ranges for the jurisdiction and region.

Disability by Age

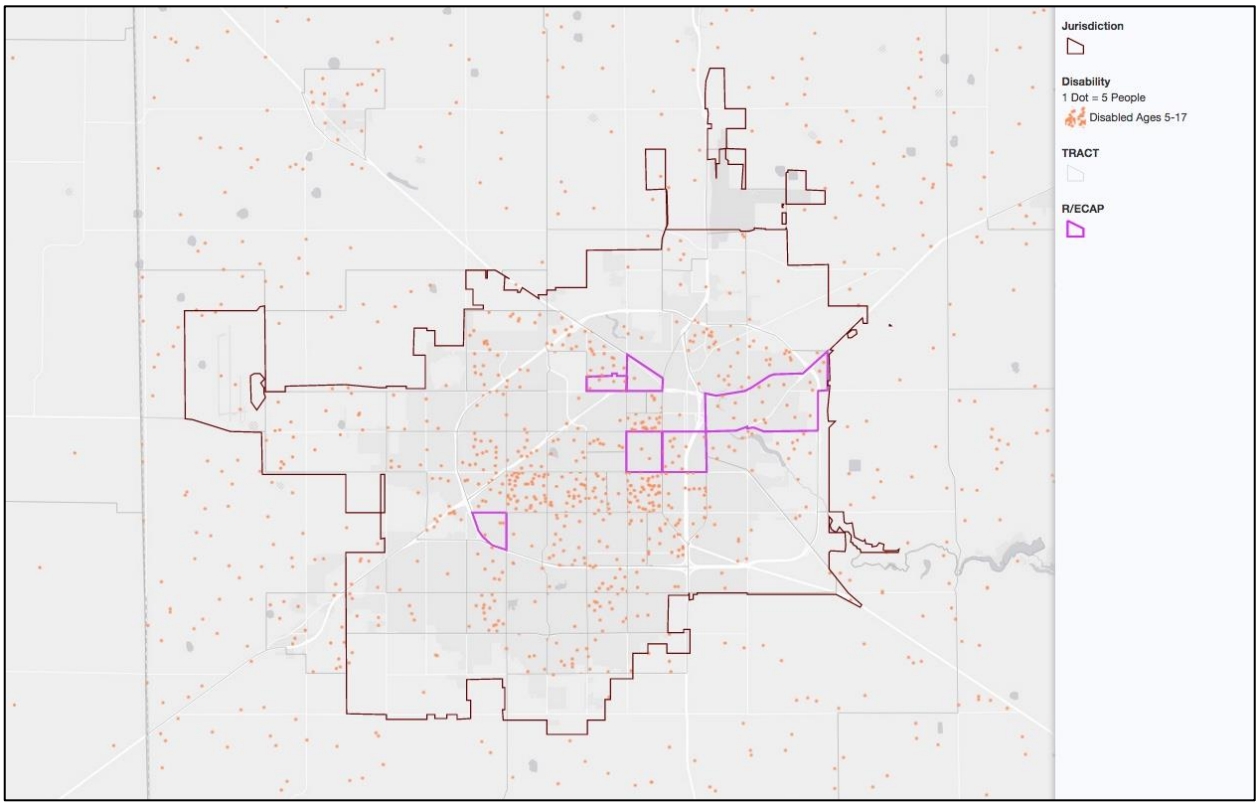
Most residents with a disability are between the ages of 18 and 64. In total, over 30,000 residents have a disability in Lubbock, with a third being elderly. Within each group, there is a higher percentage of residents with a disability for the elderly.

Table: Disability by Age Group				
	Lubbock, TX (Jurisdiction)		**Lubbock, TX (Region)**	
Disability Type	**#**	**%**	**#**	**%**
age 5-17 with Disabilities	2,897	1.36%	3,804	1.41%
age 18-64 with Disabilities	18,111	8.49%	22,358	8.30%
age 65+ with Disabilities	10,800	5.07%	14,390	5.34%
Source: 2009-2013 ACS (HUD AFFHT0004, Table 14 - Disability by Age Group) Data Note 1: All % represent a share of the total population within the jurisdiction or region.				

Persons Age 5-17 with Disabilities

Children with disabilities are in many Census Tracts throughout the City of Lubbock. However, there are a few tracts in the central area that have a greater concentration of children with disabilities than elsewhere. These are not in R/ECAP tracts.

MAP: Disability by Age, 5-17 Years Old

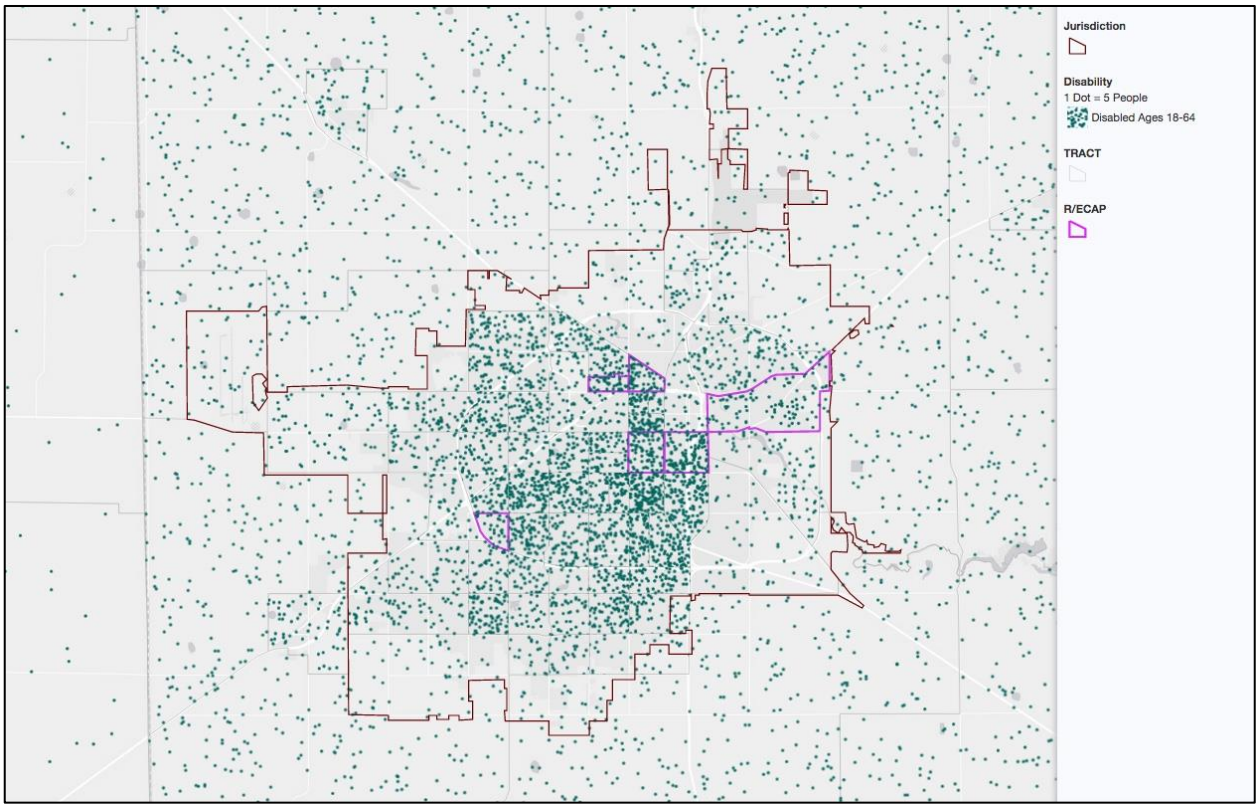


Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

Persons Age 18-64 with Disabilities

Working age adults with disabilities are found in every census tract in the City of Lubbock, but the eastern central area has the largest concentration. Five of the R/ECAP tracts appear to have a relatively large number of adults with disabilities.

MAP: Disability by Age, 18-64 Years Old

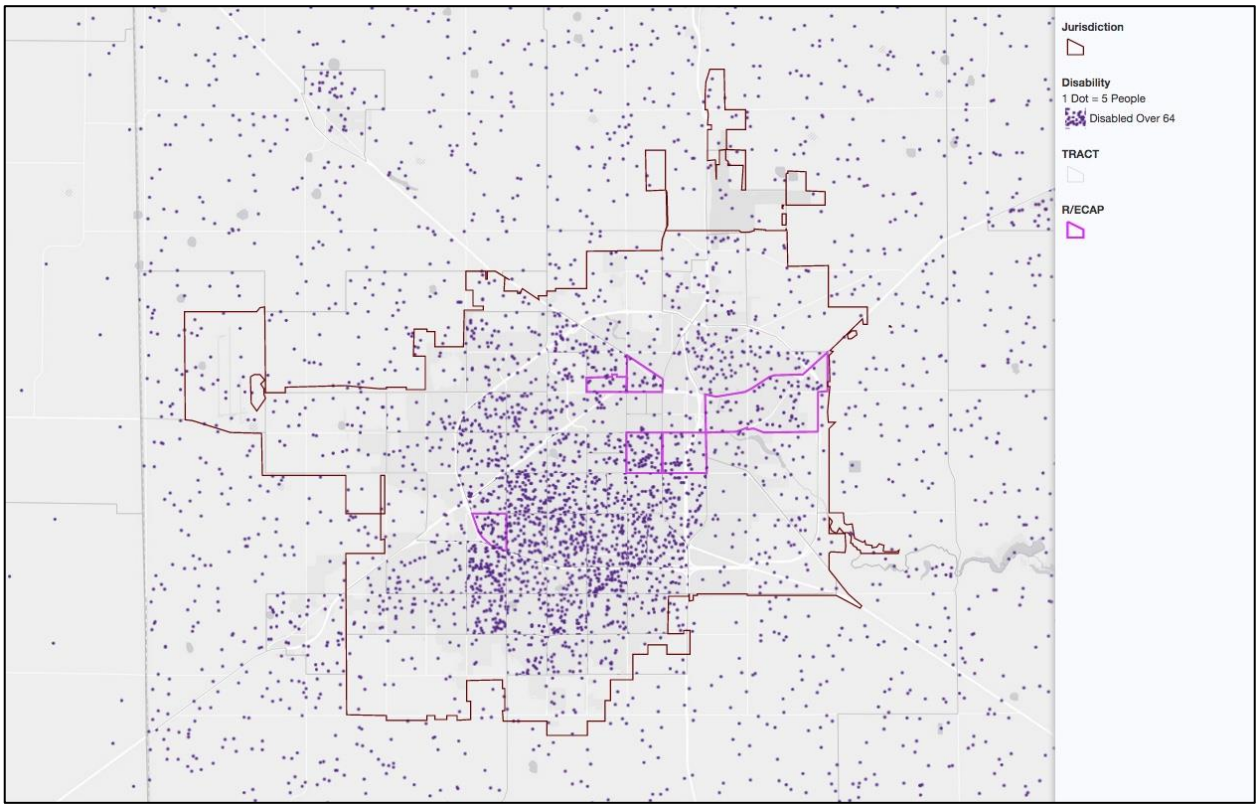


Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

Persons Age 65+ with Disabilities

Elderly residents with disabilities are more common in the southern portions of Lubbock. This includes one R/ECAP tract.

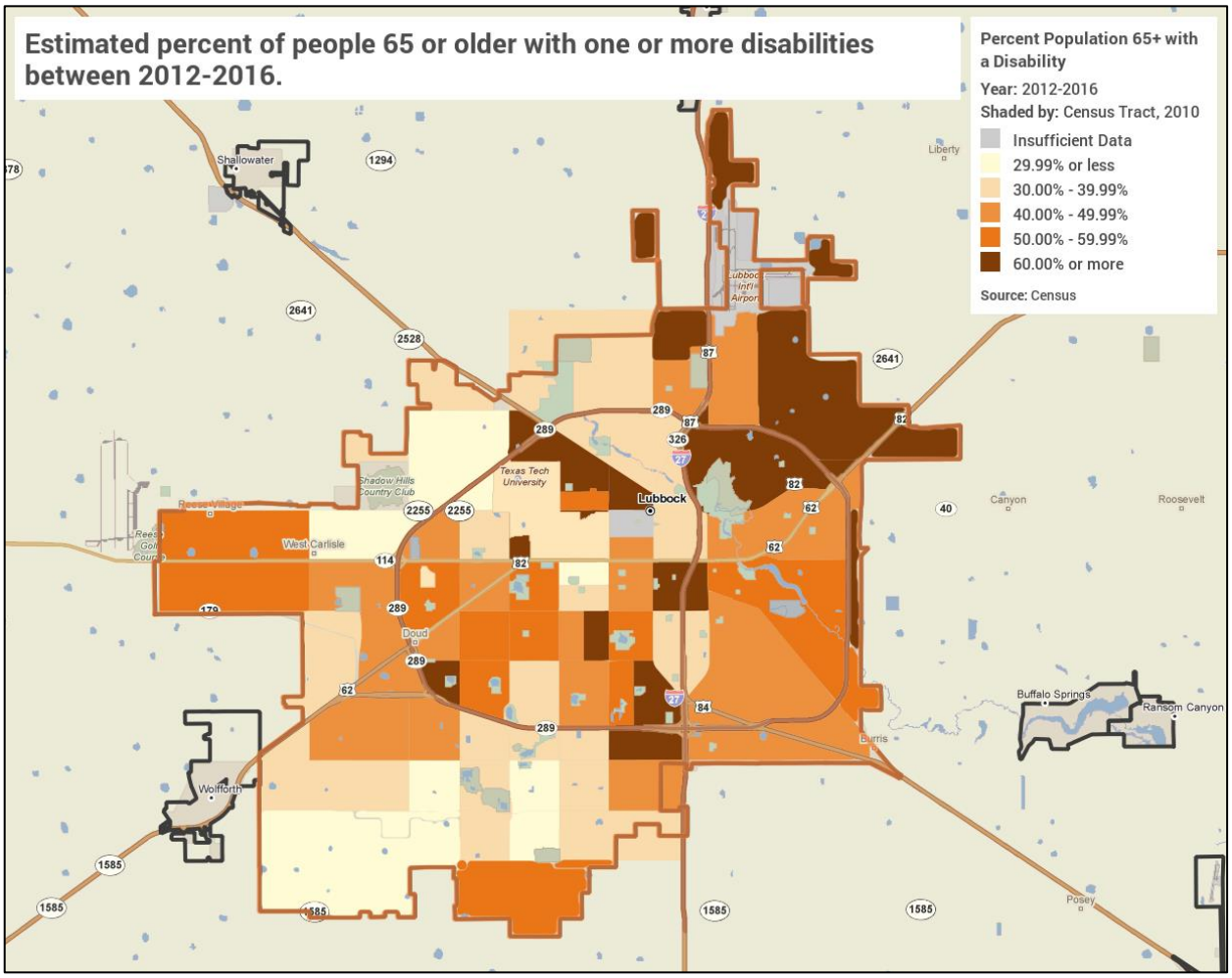
MAP: Disability by Age, 64 Years and Over



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

The following map shows the percentage of elderly residents with a disability, as opposed to a dot map which shows population. From this visualization it is clear that there are some concentrations of elderly residents with disabilities. Many census tracts, including three R/ECAP tracts have over 60 percent of the elderly residents present with a disability.

MAP: Population 65 Years and Over with a Disability (%)

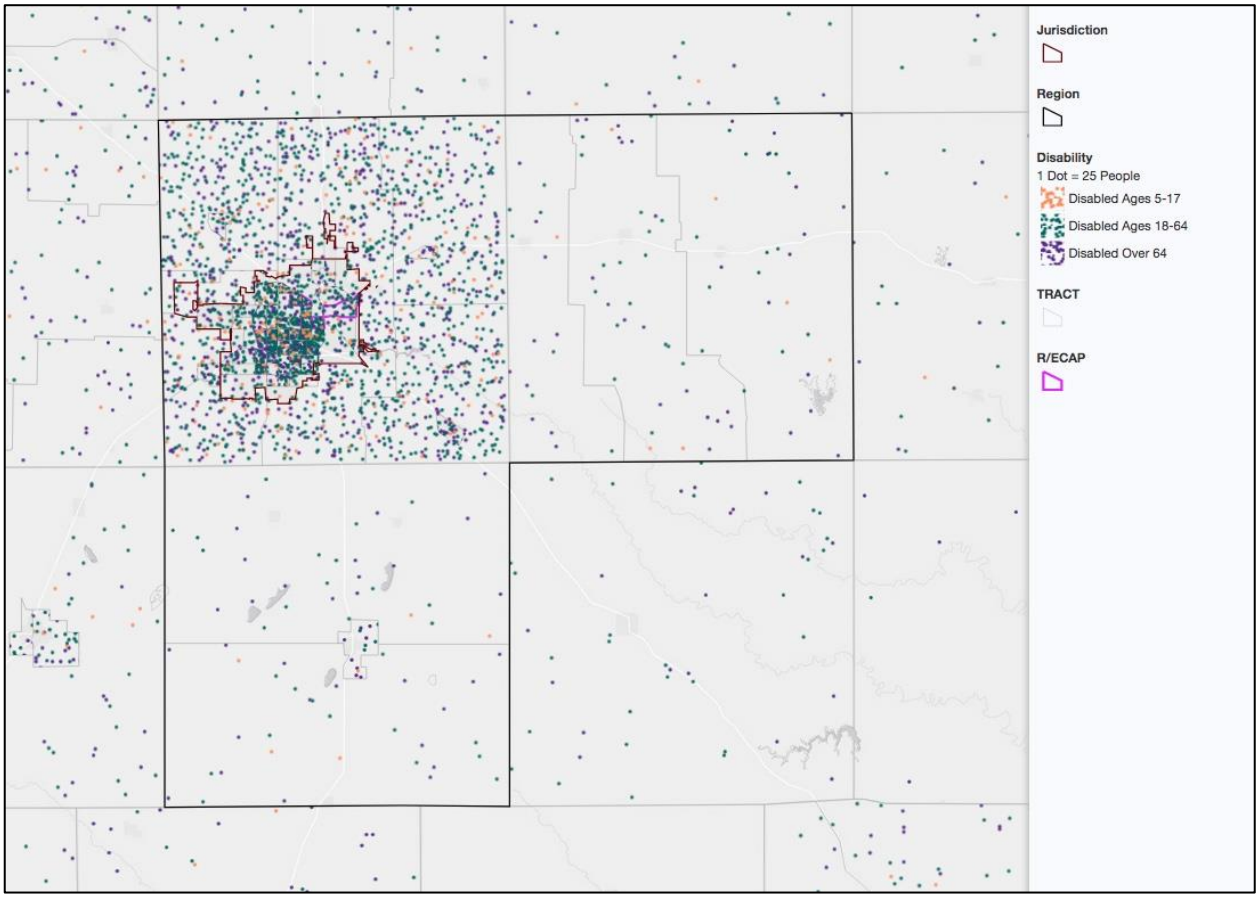


Source: 2012-2016 ACS via PolicyMap

Disability by Age (Region)

Regionwide, Census Tracts closer to the City of Lubbock have a much larger concentration of residents with a disability regardless of age. This is likely due to both the larger population of those tracts and the greater medical and support requirements of residents with disabilities. Rural environments often lack the support and medical care necessary to assist residents with disabilities.

MAP: Disability by Age, All Ages 5 years and over (Region)



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

2. Housing Accessibility

a. Describe whether the jurisdiction and region have sufficient affordable, accessible housing in a range of unit sizes.

There is a lack of decent affordable housing units for the residents of Lubbock. There are plenty of houses in Lubbock to house the population, but there is a disconnect between the homes available and the homes needed by the population. High home values and rents result in much of the housing stock being too costly for large portions of the populations, particularly at-risk populations like the elderly, disabled, LEP, and foreign-born.

In Lubbock, Black, non-Hispanic residents are severely cost burdened nearly 25 percent of the time. This is a much higher rate of financial difficulty than the White, non-Hispanic population. Non-family households are also likely to experience severe cost burden.

Table: Demographics of Households with Severe Housing Cost Burden

Households with Severe Housing Cost Burden*	Lubbock, TX (Jurisdiction)		
Race/Ethnicity	# with severe cost burden	# households	% with severe cost burden
White, Non-Hispanic	8,705	55,590	15.66%
Black, Non-Hispanic	1,540	6,365	24.19%
Hispanic	4,225	23,290	18.14%
Asian or Pacific Islander, Non-Hispanic	298	1,885	15.81%
Native American, Non-Hispanic	30	253	11.86%
Other, Non-Hispanic	200	968	20.66%
Total	14,998	88,345	16.98%
Household Type and Size			
Family households, <5 people	4,554	45,325	10.05%
Family households, 5+ people	930	7,450	12.48%
Non-family households	9,520	35,580	26.76%

Source: 2009-2013 CHAS (HUD AFFHT0004, Table 10 - Demographics of Households with Severe Housing Cost Burden)
Note 1: Severe housing cost burden is defined as greater than 50% of income.
Note 2: All % represent a share of the total population within the jurisdiction or region, except household type and size, which is out of total households.
Note 3: The # households is the denominator for the % with problems and may differ from the # households for the table on severe housing problems.

Rates of severe cost burden is similar at the regional level. The Black, non-Hispanic population and non-family households are again the most likely groups to face this financial difficulty.

Table: Demographics of Households with Severe Housing Cost Burden (Region)

Households with Severe Housing Cost Burden*	Lubbock, TX (Region)		
Race/Ethnicity	# with severe cost burden	# households	% with severe cost burden
White, Non-Hispanic	9,700	70,269	13.80%

Black, Non-Hispanic	1,625	6,854	23.71%
Hispanic	4,860	29,080	16.71%
Asian or Pacific Islander, Non-Hispanic	298	1,950	15.28%
Native American, Non-Hispanic	40	298	13.42%
Other, Non-Hispanic	305	1,164	26.20%
Total	16,828	109,620	15.35%
Household Type and Size			
Family households, <5 people	5,565	58,641	9.49%
Family households, 5+ people	1,205	10,458	11.52%
Non-family households	10,051	40,527	24.80%

Source: 2009-2013 CHAS (HUD AFFHT0004, Table 10 - Demographics of Households with Severe Housing Cost Burden)

Note 1: Severe housing cost burden is defined as greater than 50% of income.

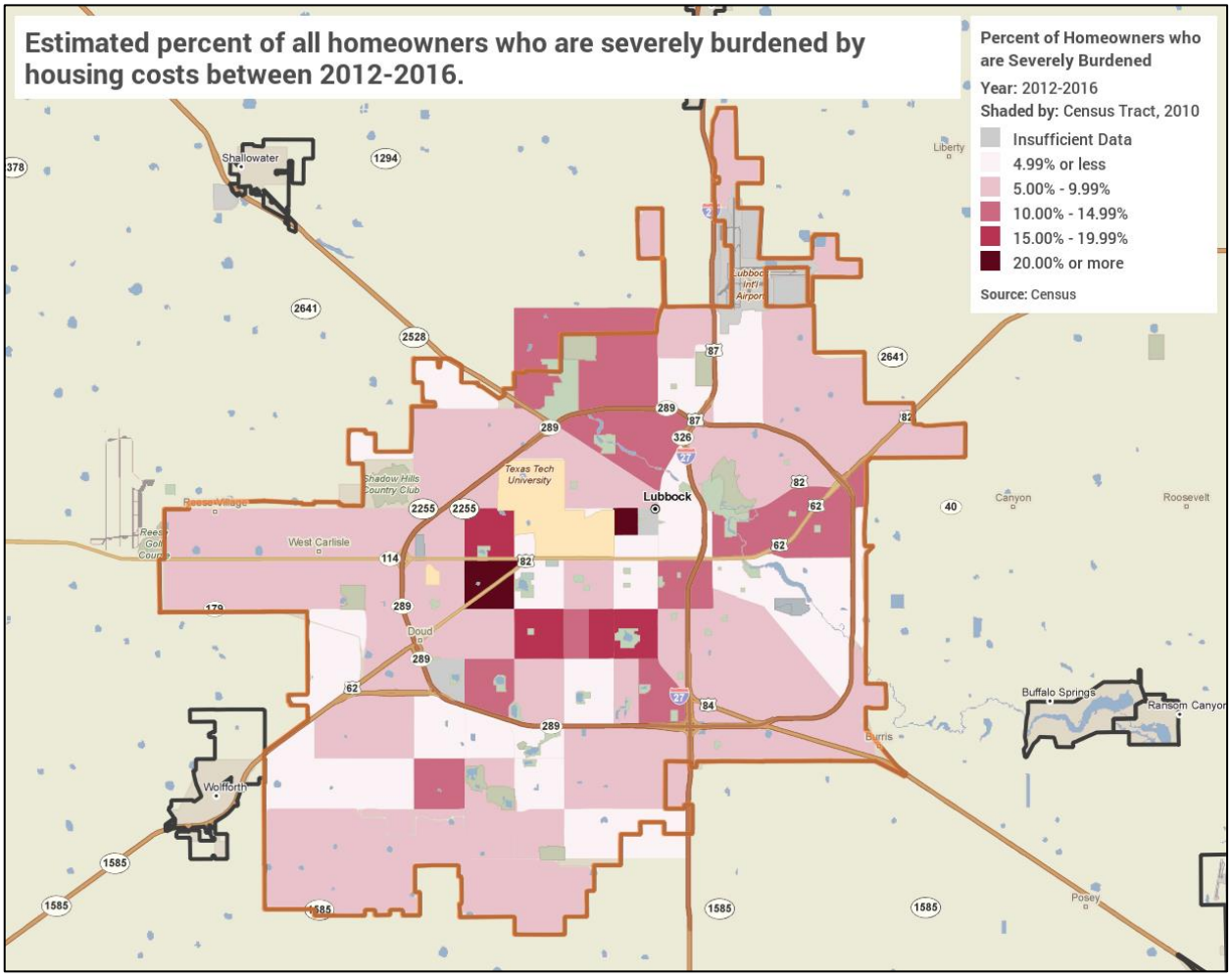
Note 2: All % represent a share of the total population within the jurisdiction or region, except household type and size, which is out of total households.

Note 3: The # households is the denominator for the % with problems and may differ from the # households for the table on severe housing problems.

Location of Severely Cost Burdened Households

According to the most recent data provided by the US Census Bureau there are two census tracts where 20 percent or more of the homeowners are severely cost burdened. Both are near the downtown area near Texas Tech University.

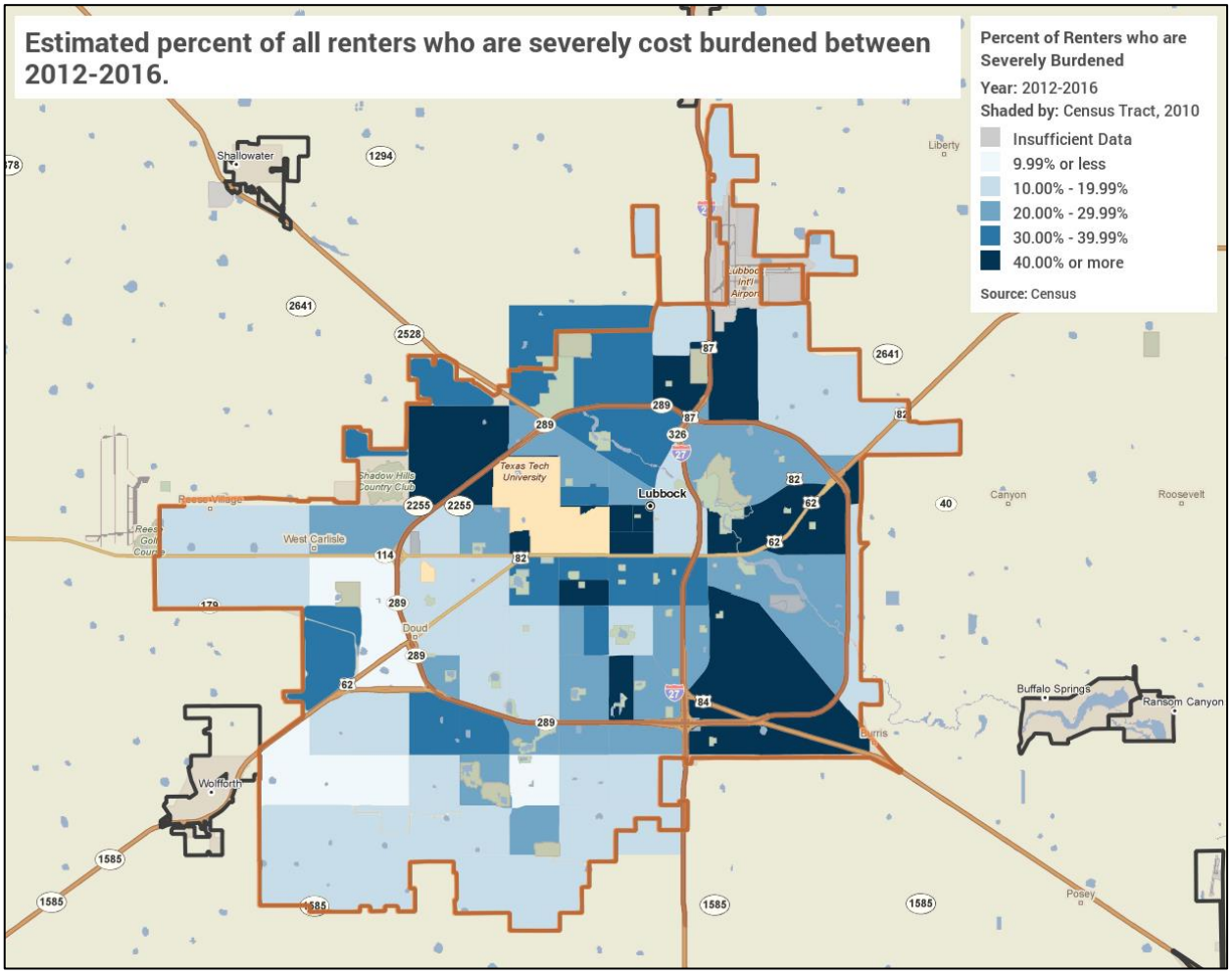
MAP: Severely Cost Burdened Homeowners



Source: 2012-2016 ACS via PolicyMap

Severely cost burdened renters are much more common than severely cost burdened homeowners. There are multiple Census Tracts throughout the City where 40 percent or more of the renters are severely cost burdened. This includes one R/ECAP tract on the eastern edge of the City.

MAP: Severely Cost Burdened Renters



Source: 2012-2016 ACS via PolicyMap

Public Housing Condition

The condition of public housing is critical in determining the availability of affordable housing for disabled residents who require assistance in the City of Lubbock. Although inspections may not occur every year, HUD releases physical inspection scores annually for public housing developments across the nation. Below are the inspection scores for Lubbock's public housing developments.

Public Housing Physical Inspection Scores 2016

Site	Address	PHA	Score	Inspection Date
Behner Place/Mary Myers	5401 Utica Ave	LHA	92	1/5/2015
Cherry Point/36 South	1318 52nd St	LHA	97	1/6/2015
96 West	2412 Frankford Ave	LHA	90	10/19/2015
Park Meadows	2627 Oak Dr Apt 611	LHA	77	10/20/2015
Source: HUD				

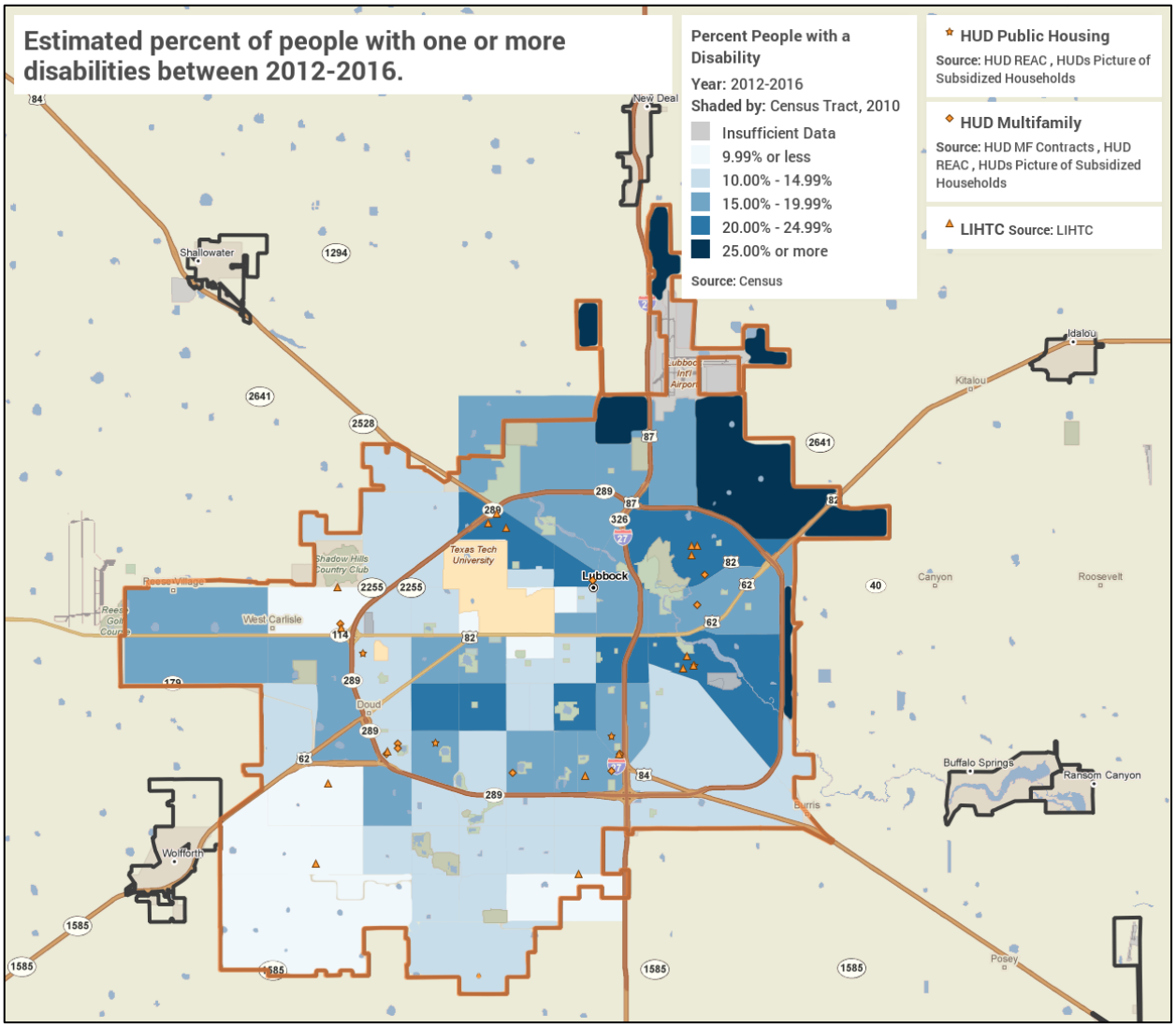
Overall, the public housing developments in Lubbock are above average except for one, Park Meadows. HUD physical inspection scores are deficiency based, meaning all development scores start at 100 points and each deficiency reduces the overall score. They are weighted by inspection areas: site (15), building exterior (15), building systems (20) common areas (15), and dwelling units (35). In general, high performing developments will have a score of 90 or above and troubled developments have a score of less than 60.

b. Describe the areas where affordable accessible housing units are located in the jurisdiction and region. Do they align with R/ECAPs or other areas that are segregated?

Accessible Publicly Supported Housing for Persons with a Disability

Publicly supported housing is primarily located in tracts on the eastern part of the city with a few in the northwest and southwest. These units are near census tracts with a relatively high number of residents with a disability.

MAP: Persons with a Disability and Proximity to Publicly Supported Housing

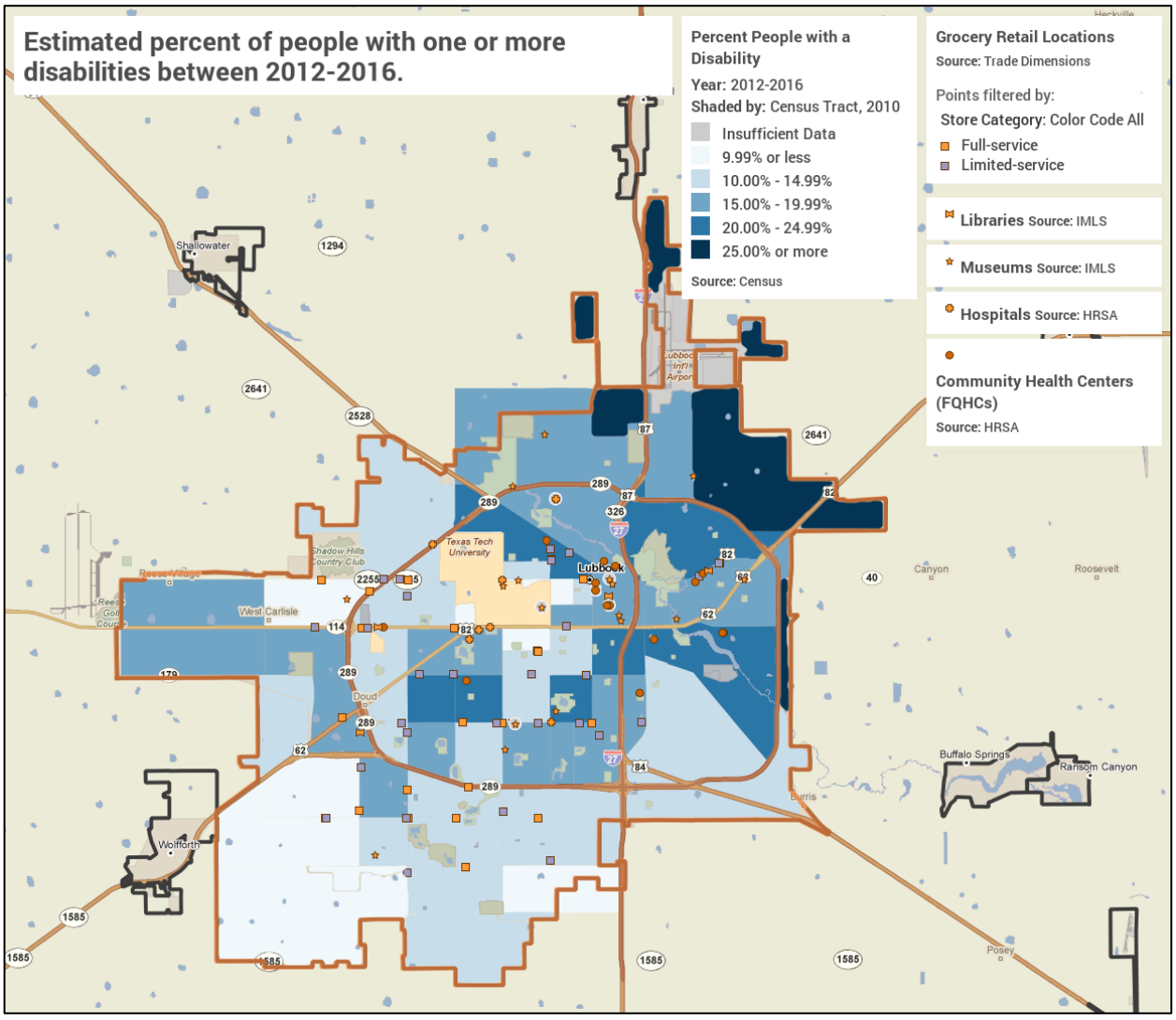


Source: 2012-2016 ACS, HUD, LIHTC via PolicyMap

Disability and Access

Libraries, museums, hospitals, and grocery locations are located throughout the City. Unfortunately, there are not any in the census tracts with the largest proportion of the population with a disability.

MAP: Disability and Access



Source: 2012-2016 ACS, Trade Dimensions, IMLS, HRSA via PolicyMap

c. To what extent are persons with different disabilities able to access and live in the different categories of publicly supported housing in the jurisdiction and region?

The Lubbock Housing Authority is a HUD recognized and funded public housing authority. All HUD-funded programs and projects are required to conform to the ADA regulations and be Section 504 compliant.

While the City of Lubbock and the LHA promote and make reasonable accommodations for all persons with a disability it is difficult to cover the needs of all people with disabilities. The Housing Choice Voucher program has the highest percentage of residents with a disability, approximately 25 percent. Just over 13 percent of public housing and more than 10 percent of Project Based Section 8 housing has a resident with a disability. Residents have access to publicly supported housing but there is still a greater need in the community.

3. Integration of Persons with Disabilities Living in Institutions and Other Segregated Settings

a. To what extent do persons with disabilities in or from the jurisdiction or region reside in segregated or integrated settings?

In 1991, the US Department of Justice defined "the most integrated setting appropriate to the needs of qualified individuals with disabilities" as "a setting that enables individuals with disabilities to interact with nondisabled persons to the fullest extent possible."

In 2011, they further reinforced this statement:

> …those that provide individuals with disabilities opportunities to live, work, and receive services in the greater community, like individuals without disabilities. Integrated settings are located in mainstream society; offer access to community activities and opportunities at times, frequencies and with persons of an individual's choosing; afford individuals choice in their daily life activities; and provide individuals with disabilities the opportunity to interact with non-disabled persons to the fullest extent possible.

Two factors immediately influence the ability to integrate the settings of persons with a disability: where the individual lives and how the individual will travel to places. Deciding where to live for an individual with a disability is often a complicated process with several layers of considerations, which can lead to less affordability and accessibility. As mentioned previously, residents with disabilities are spread across the City and region and are spread throughout the area with no significant concentration in segregated areas.

b. Describe the range of options for persons with disabilities to access affordable housing and supportive services in the jurisdiction and region.

Eligible persons with a disability have access to publicly supported housing through the Lubbock Housing Authority. According to the HUD-provided data, there are 375 residents using public housing who have a disability in the city.

As reported, there are 46 persons who reside in public housing developments with a disability, 85 in project-based Section 8 housing, 3 in Other Multifamily units, and 241 in the HCV Program. The HCV program serves the most disabled residents, by far, and it allows residents to seek housing throughout the City that can accommodate their needs.

Table: Disability by Publicly Supported Housing Program Category		
Lubbock, TX (Jurisdiction)	**People with a Disability**	
	#	**%**
Public Housing	46	13.29%
Project-Based Section 8	85	11.53%
Other Multifamily	3	4.62%
HCV Program	241	24.87%
Lubbock, TX (Region)		
	#	**%**
Public Housing	46	13.29%
Project-Based Section 8	85	11.53%
Other Multifamily	3	4.62%
HCV Program	299	27.03%
Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014 (HUD AFFHT0004, Table 15 - Disability by Publicly Supported Housing Program Category) Note 1: The definition of "disability" used by the Census Bureau may not be comparable to reporting requirements under HUD programs.		

4. Disparities in Access to Opportunity

a. To what extent are persons with disabilities able to access the following in the jurisdiction and region? Identify major barriers faced concerning:

i. Government services and facilities

The City of Lubbock complies with the Americans with Disabilities Act (ADA) policy and provides notices that it will not discriminate against qualified individuals with disabilities in the City's services, programs, or activities. The City government does not discriminate based on any class or characteristic protected by law. For employment, the City does not discriminate based on disability in its hiring or employment practices and complies with all regulations by the U.S. Equal Employment Opportunity Commission under Title I of the ADA

To allow persons with a disability to participate equally with the City's programs, services, and activities, the City will generally, upon request, provide appropriate aid and services that lead to effective communication for persons with a disability. The City will also make all reasonable modifications to policies and programs to ensure those with disabilities have an equal opportunity to enjoy all its facilities, programs, services, and activities. Anyone in need of aid or service for effective communication should contact the point of contact for the event 48 hours before the scheduled event.

ii. Public infrastructure (e.g., sidewalks, pedestrian crossings, pedestrian signals)

iii. Transportation

Transportation services for persons with a disability in the City of Lubbock is provided by Citibus. Citibus provides a demand response service to all eligible passengers who are unable to utilize the regular Citibus fixed service. This service runs from 4:30am until 8:00pm, Monday thru Saturday and is available for all residents who meet the criteria established by the Americans with Disabilities Act.

iv. Proficient schools and educational programs

Public schools in the City of Lubbock are compliant with the Americans with Disabilities Act. The school district administers all programs without discrimination against any person based on gender, race, color, national origin, religion, age, or disability.

v. Jobs

Of the 18,097 persons between the ages of 20 and 64 who had a disability in Lubbock, 44.4 percent are employed. When comparing the percentage of persons with a disability employed in certain industries with residents who do not have a disability, a higher percentage of residents with a disability were employed in the Construction Industry. One out of every ten employed resident with a disability is in the Construction industry but only 5.7 percent of the population without a disability is in Construction.

Table: Employment Status of Persons with a Disability				
	Total	**Labor Force Participation Rate**	**Employment / Population Ratio**	**Unemployment Rate**
Population 20 to 64 years old	146,900	76.40%	72.70%	4.60%
With any disability	18,097	49.20%	44.40%	9.60%
Source: 2012-2016 American Community Survey 5-Year Estimates (S2301)				

Employment Rights for Persons with a Disability

Persons with a disability are protected through the US Equal Employment Opportunity Commission (EEOC), which enforces the Americans with Disabilities Act of 1990 and Sections 501 and 505 of the Rehabilitation Act of 1973. The EEOC is responsible for enforcing federal laws that make discrimination against hiring an applicant or an employee illegal based on race, color, national origin, sex, religion, age, or disability. The laws apply to all types of work situations and include hiring, promotions, harassment, training, wages, benefits, and firing. The EEOC has the authority to investigate charges of discrimination against employers who are covered by the law. Charges of discrimination in hiring or in the workplace can be brought to the EEOC online at https://www.eeoc.gov/contact/index.cfm or by phone at (800) 669-4000 or TTY (800) 669-6820.

b. Describe the processes that exist in the jurisdiction and region for persons with disabilities to request and obtain reasonable accommodations and accessibility modifications to address the barriers discussed above.

In accordance with the Americans with Disabilities Act of 1990, the City of Lubbock will not discriminate against qualified persons with a disability on the basis of any disability in its services, programs, activities, and employment. For anyone with a disability who wishes to participate in city services, programs and activities, or for hiring and employment accommodations, there is a procedure to obtain access. If any person with a disability feels the need to file a complaint alleging discrimination on the basis of disabilities in the provision of services, programs, activities, and employment related issues, a grievance procedure is also available.

c. Describe any difficulties in achieving homeownership experienced by persons with disabilities and by persons with different types of disabilities in the jurisdiction and region.

Persons with a disability in Lubbock face the added difficulty of purchasing homes that must often be brought up to applicable state and local or Americans with Disabilities Act codes. These modifications can add considerable cost to purchasing and owning a home. According to the 2012-2016 American Community Survey 5-Year Estimate, persons with a disability earn 36 percent less than persons without a disability.

Table: Median Earnings in the Past 12 Months	
Lubbock, TX	**Estimated Median Earnings**
With a disability	$17,465
Without a disability	$23,804
Source: 2012-2016 American Community Survey 5-Year Estimates (B18140)	

5. Disproportionate Housing Needs

a. Describe any disproportionate housing needs experienced by persons with disabilities and by persons with certain types of disabilities in the jurisdiction and region.

The City of Lubbock recognizes the importance of responding to the critical needs of disabled individuals to promote self-sufficiency and independent living opportunities. To examine this issue, an estimate of the number of persons by disability type is an important indicator in determining housing needs. HUD is provided data by disability type in Lubbock by the ACS, which defines disability based on questions asked to determine if the persons are one or more of the following categories:

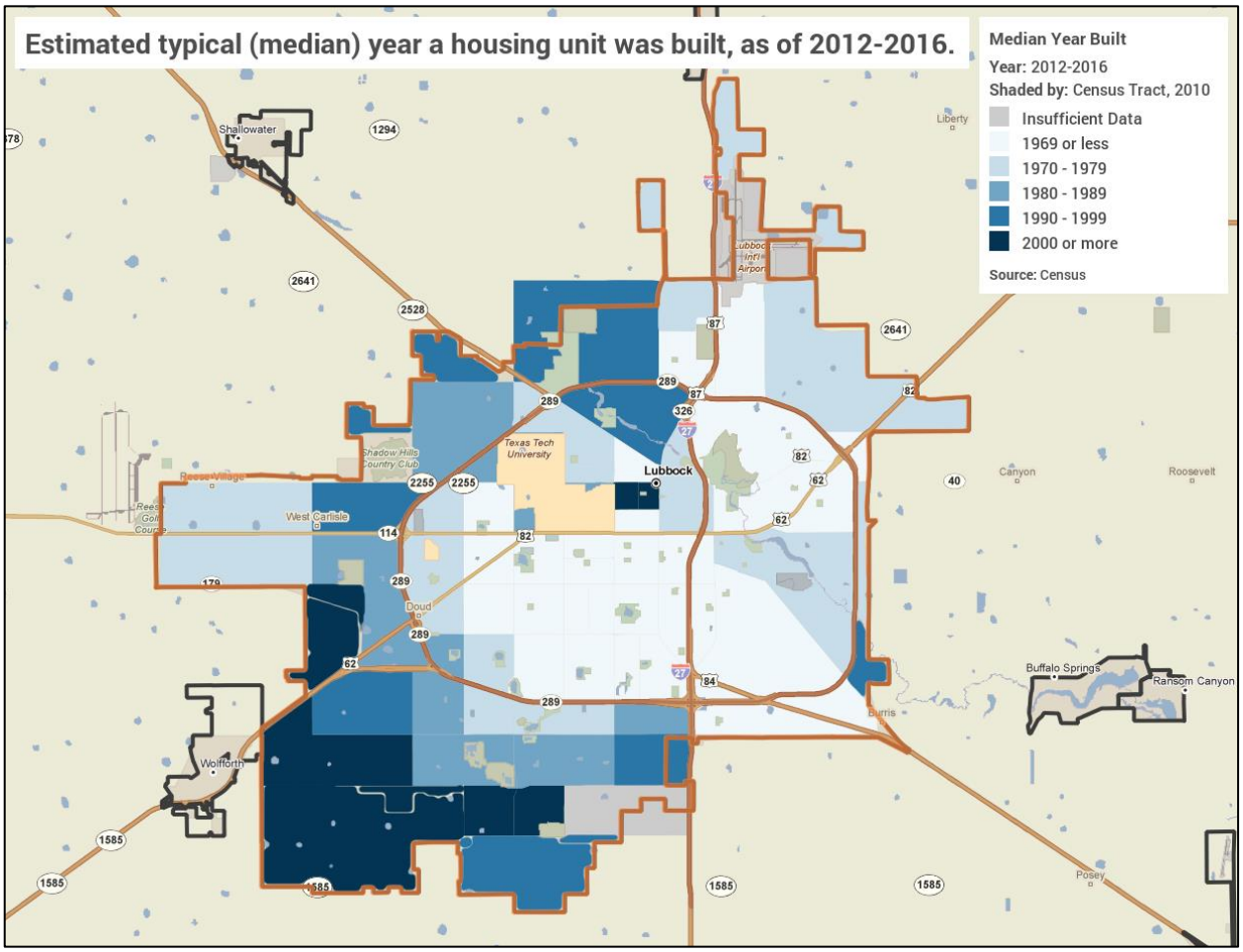
- Hearing Disability: Is this person deaf or do they have serious difficulty hearing?
- Visual Disability: Is this person blind or do they have serious difficulty seeing even when wearing glasses?
- Cognitive Disability: Due to a physical, mental, or emotional condition, does this person have serious difficulty concentration, remembering, or making decisions?
- Ambulatory Disability: Does this person have serious difficulty walking or climbing stairs?
- Self-Care Disability: Does this person have difficulty dressing or bathing?
- Independent Living Disability: Due to a physical, mental, or emotional condition, does this person have difficulty doing errands alone such as visiting a doctor's office or shopping?

As mentioned above, affordability remains one of the most important issues persons with a disability face in achieving homeownership in Lubbock. For working individuals, persons with a disability make 36 percent less than a person without a disability.

<u>Age of Housing</u>

An additional barrier to housing for residents with a disability is the age of housing in Lubbock. Older homes are less likely to conform with ADA standards and may require costly modifications. In Lubbock, the median year built for homes in many census tracts was 1969 or earlier. Suburban tracts, particularly in the southwest are the only areas with homes built primarily in this century.

MAP: Median Year Housing Unit was Built



Source: 2012-2016 ACS via PolicyMap

6. Additional Information

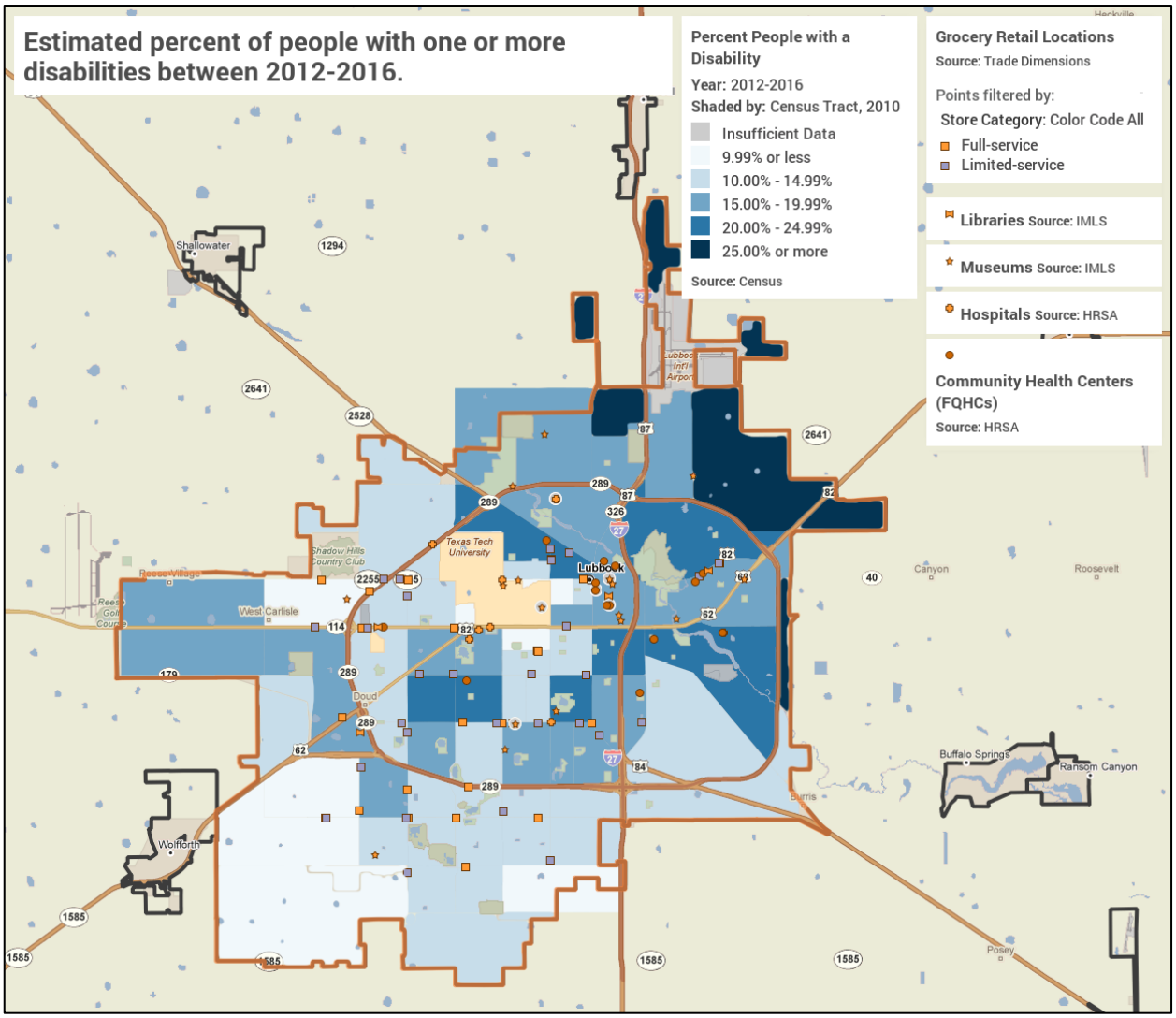
a. Beyond the HUD-provided data, provide additional relevant information, if any, about disability and access issues in the jurisdiction and region including those affecting persons with disabilities with other protected characteristics.

No additional information is available beyond HUD-provided data.

b. The program participant may also describe other information relevant to its assessment of disability and access issues.

It is necessary for planners to consider the needs of residents with disabilities. There are two primary issues to take into consideration: where residents with disabilities live and how accessible important resources are. Recreation, healthcare, and grocery retail centers need to be near residents with disabilities and/or transportation options must exist. Currently, the majority of these locations are found close to the downtown area of Lubbock, which is not necessarily accessible to census tracts with a large number of residents with disabilities.

MAP: Disability and Access



Source: 2012-2016 ACS, Trade Dimensions, IMLS, HRSA via PolicyMap

7. Disability and Access Issues Contributing Factors

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of disability and access issues and the fair housing issues, which are Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor, note which fair housing issue(s) the selected contributing factor relates to.

- **Access for persons with disabilities to proficient schools**
- **Access to publicly supported housing for persons with disabilities**
- **Access to transportation for persons with disabilities**
- **Inaccessible government facilities or services**
- **Inaccessible public or private infrastructure**
- **Lack of access to opportunity due to high housing costs**
- **Lack of affordable in-home or community-based supportive services**
- **Lack of affordable, accessible housing in range of unit sizes**
- **Lack of affordable, integrated housing for individuals who need supportive services**
- **Lack of assistance for housing accessibility modifications**
- **Lack of assistance for transitioning from institutional settings to integrated housing**
- **Lack of local or regional cooperation**
- **Land use and zoning laws**
- **Lending discrimination**
- **Location of accessible housing**
- **Loss of Affordable Housing**
- **Occupancy codes and restrictions**
- **Regulatory barriers to providing housing and supportive services for persons with disabilities**
- **Source of income discrimination**
- **State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing, shared housing and other integrated settings**
- **Other**

There is a ***lack of affordable, integrated housing for individuals who need supportive services*** for persons with a disability in Lubbock. The housing stock in Lubbock is relatively old and older homes do not accommodate the needs of disabled residents. Additional resources are needed to upgrade and assist residents with disabilities in acquiring safe, secure housing.

Throughout the city the ***loss of affordable housing*** is a contributing factor. Residents with disabilities are particularly vulnerable to rising housing costs due to lower wages, fixed incomes, and increased medical and housing costs.

While the Lubbock Housing Authority provides a significant amount of housing for residents with disabilities, there is still a need for greater ***access to publicly supported housing for persons with disabilities.***

Fair Housing Enforcement, Outreach Capacity, and Resources Analysis

1. **List and summarize any of the following that have not been resolved:**

- **A charge or letter of finding from HUD concerning a violation of a civil rights-related law;**
- **A cause determination from a substantially equivalent state or local fair housing agency concerning a violation of a state or local fair housing law;**
- **Any voluntary compliance agreements, conciliation agreements, or settlement agreements entered into with HUD or the Department of Justice;**
- **A letter of findings issued by or lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of a fair housing or civil rights law;**
- **A claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally, including an alleged failure to affirmatively further fair housing; or**
- **A pending administrative complaints or lawsuits against the locality alleging fair housing violations or discrimination.**

The following cases were filed with HUD's Department of Fair Housing and Economic Opportunity between 2008 and 2017.

		BASES CITED					
YEAR	TOTAL FILINGS	Race	Sex	Disability	Familial Status	National Origin	Religion
2008	6	4	2	5			
2009	7	2			5		
2010	4		1		2	1	
2011	5	3	2	2			
2012	3	3		1	1		
2013	5	3	1			1	
2014	1			1			
2015	9			9			
2016	3			2	1		
2017	3	1	1	3			
TOTAL	46	16	7	23	9	2	0

2. **Describe any state or local fair housing laws. What characteristics are protected under each law?**

The City of Lubbock and Lubbock County do not have additional fair housing laws, but the State of Texas has a fair housing law that is similar to the Federal Fair Housing Act.

According to the Texas Department of Housing and Community Affairs:

“the Texas Fair Housing Act protects your right to rent an apartment, buy a home, obtain a mortgage, or purchase homeowners insurance free from discrimination based on: race, color, national origin, religion, sex, familial status, and disability.”

The Texas Fair Housing Act is found in Title 15, Chapter 301 of the Texas State Property Code. Subchapter B states:

“SUBCHAPTER B. DISCRIMINATION PROHIBITED

Sec. 301.021. SALE OR RENTAL. (a) A person may not refuse to sell or rent, after the making of a bona fide offer, refuse to negotiate for the sale or rental of, or in any other manner make unavailable or deny a dwelling to another because of race, color, religion, sex, familial status, or national origin

(b) A person may not discriminate against another in the terms, conditions, or privileges of sale or rental of a dwelling or in providing services or facilities in connection with a sale or rental of a dwelling because of race, color, religion, sex, familial status, or national origin.

(c) This section does not prohibit discrimination against a person because the person has been convicted under federal law or the law of any state of the illegal manufacture or distribution of a controlled substance.

Sec. 301.022. PUBLICATION. A person may not make, print, or publish or effect the making, printing, or publishing of a notice, statement, or advertisement that is about the sale or rental of a dwelling and that indicates any preference, limitation, or discrimination or the intention to make a preference, limitation, or discrimination because of race, color, religion, sex, disability, familial status, or national origin.

Sec. 301.023. INSPECTION. A person may not represent to another because of race, color, religion, sex, disability, familial status, or national origin that a dwelling is not available for inspection for sale or rental when the dwelling is available for inspection.

Sec. 301.024. ENTRY INTO NEIGHBORHOOD. A person may not, for profit, induce or attempt to induce another to sell or rent a dwelling by representations regarding the entry or prospective entry into a neighborhood of a person of a particular race, color, religion, sex, disability, familial status, or national origin.

Sec. 301.025. DISABILITY. (a) A person may not discriminate in the sale or rental of, or make unavailable or deny, a dwelling to any buyer or renter because of a disability of:

(1) the buyer or renter;

(2) a person residing in or intending to reside in that dwelling after it is sold, rented, or made available; or

(3) any person associated with the buyer or renter.

(b) A person may not discriminate against another in the terms, conditions, or privileges of sale or rental of a dwelling or in the provision of services or facilities in connection with the dwelling because of a disability of:

(1) the other person;

(2) a person residing in or intending to reside in that dwelling after it is sold, rented, or made available; or

(3) any person associated with the other person.

(c) In this section, discrimination includes:

(1) a refusal to permit, at the expense of the person having a disability, a reasonable modification of existing premises occupied or to be occupied by the person if the modification may be necessary to afford the person full enjoyment of the premises;

(2) a refusal to make a reasonable accommodation in rules, policies, practices, or services if the accommodation may be necessary to afford the person equal opportunity to use and enjoy a dwelling; or

(3) the failure to design and construct a covered multifamily dwelling in a manner:

(A) that allows the public use and common use portions of the dwellings to be readily accessible to and usable by persons having a disability;

(B) that allows all doors designed to allow passage into and within all premises within the dwellings to be sufficiently wide to allow passage by a person who has a disability and who is in a wheelchair; and

(C) that provides all premises within the dwellings contain the following features of adaptive design:

(i) an accessible route into and through the dwelling;

(ii) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;

(iii) reinforcements in bathroom walls to allow later installation of grab bars; and

(iv) kitchens and bathrooms that are usable and have sufficient space in which an individual in a wheelchair can maneuver.

(d) Compliance with the appropriate requirements of the American National Standard for buildings and facilities providing accessibility and usability for persons having physical disabilities, commonly cited as "ANSI A 117.1," satisfies the requirements of Subsection (c)(3)(C).

(e) Subsection (c)(3) does not apply to a building the first occupancy of which occurred on or before March 13, 1991.

(f) This section does not require a dwelling to be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others.

(g) In this subsection, the term "covered multifamily dwellings" means:

(1) buildings consisting of four or more units if the buildings have one or more elevators; and

(2) ground floor units in other buildings consisting of four or more units.

Sec. 301.026. RESIDENTIAL REAL ESTATE RELATED TRANSACTION. (a) A person whose business includes engaging in residential real estate related transactions may not discriminate against another in making a real estate related transaction available or in the terms or conditions of a real estate related transaction because of race, color, religion, sex, disability, familial status, or national origin.

(b) In this section, "residential real estate related transaction" means:

(1) the making or purchasing of loans or the provision of other financial assistance:

(A) to purchase, construct, improve, repair, or maintain a dwelling; or

(B) to secure residential real estate; or

(2) the selling, brokering, or appraising of residential real property.

Sec. 301.027. BROKERAGE SERVICES. A person may not deny another access to, or membership or participation in, a multiple-listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings, or discriminate against a person in the terms or conditions of access, membership, or participation in such an organization, service, or facility because of race, color, religion, sex, disability, familial status, or national origin."

3. Identify any local and regional agencies and organizations that provide fair housing information, outreach, and enforcement, including their capacity and the resources available to them.

Lubbock Housing Authority: Administers public housing in Lubbock and adheres to federal and local fair housing laws in ADA requirements.

Texas Department of Housing and Community Affairs: The TDHCA is committed to meeting HUD requirements to expand fair housing choice and opportunities. Complaints can be filed with the Texas Workforce Commission.

4. Additional Information

a. Provide additional relevant information, if any, about fair housing enforcement, outreach capacity, and resources in the jurisdiction and region.

Unlike five other Texas jurisdictions (Austin, Corpus Christi, Dallas, Fort Worth, and Garland), there is no local public entity certified as a Fair Housing Assistance Program authorized to enforce fair housing in Lubbock. The Texas Workforce Commission is a statewide resource that facilitates the resolution of fair housing complaints, provides information about anti-discrimination laws, and promotes equal housing opportunities.

Information about submitting a complaint is available at:
http://www.twc.state.tx.us/partners/how-submit-housing-discrimination-complaint

b. The program participant may also include information relevant to programs, actions, or activities to promote fair housing outcomes and capacity.

Some organizations within the City provide limited fair housing education opportunities such as Habitat for Humanity and Legal Aid.

5. Fair Housing Enforcement, Outreach Capacity, and Resources Contributing Factors

Consider the listed factors and any other factors affecting the jurisdiction and region. Identify factors that significantly create, contribute to, perpetuate, or increase the lack of fair housing enforcement, outreach capacity, and resources and the severity of fair housing issues, which are Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each significant contributing factor, note which fair housing issue(s) the selected contributing factor impacts.

- **Lack of local private fair housing outreach and enforcement**
- **Lack of local public fair housing enforcement**
- **Lack of resources for fair housing agencies and organizations**
- **Lack of state or local fair housing laws**
- **Unresolved violations of fair housing or civil rights law**
- **Other**

There is a ***lack of local private fair housing outreach and enforcement*** and ***lack of local public fair housing enforcement*** in the City of Lubbock. The only available resource is a statewide organization that is responsible for the majority of the state.

There is also a ***lack of local fair housing laws*** to provide protection for residents. The lack of a local housing law does not inhibit protected classes from receiving fair housing but there are additional at-risk residents who could benefit from additional housing protection.

1,250 Units or fewer PHA Insert - LHA

Lubbock Housing Authority

This section is only to be completed when a PHA with 1,250 or fewer combined public housing units and housing choice vouchers partners with a Local Government, when the Local Government is the lead entity in the joint or regional Assessment of Fair Housing. A collaborating PHA's analysis of fair housing issues in its Assessment of Fair Housing may either be conducted by using this section or sections V.A.-E. of the Assessment Tool for its service area and region, along with all other sections in this Assessment Tool, and as directed by the questions and instructions.

1. Demographics

Describe demographic patterns in the PHA's service area (and region, if applicable). Explain how demographic trends have changed over time.

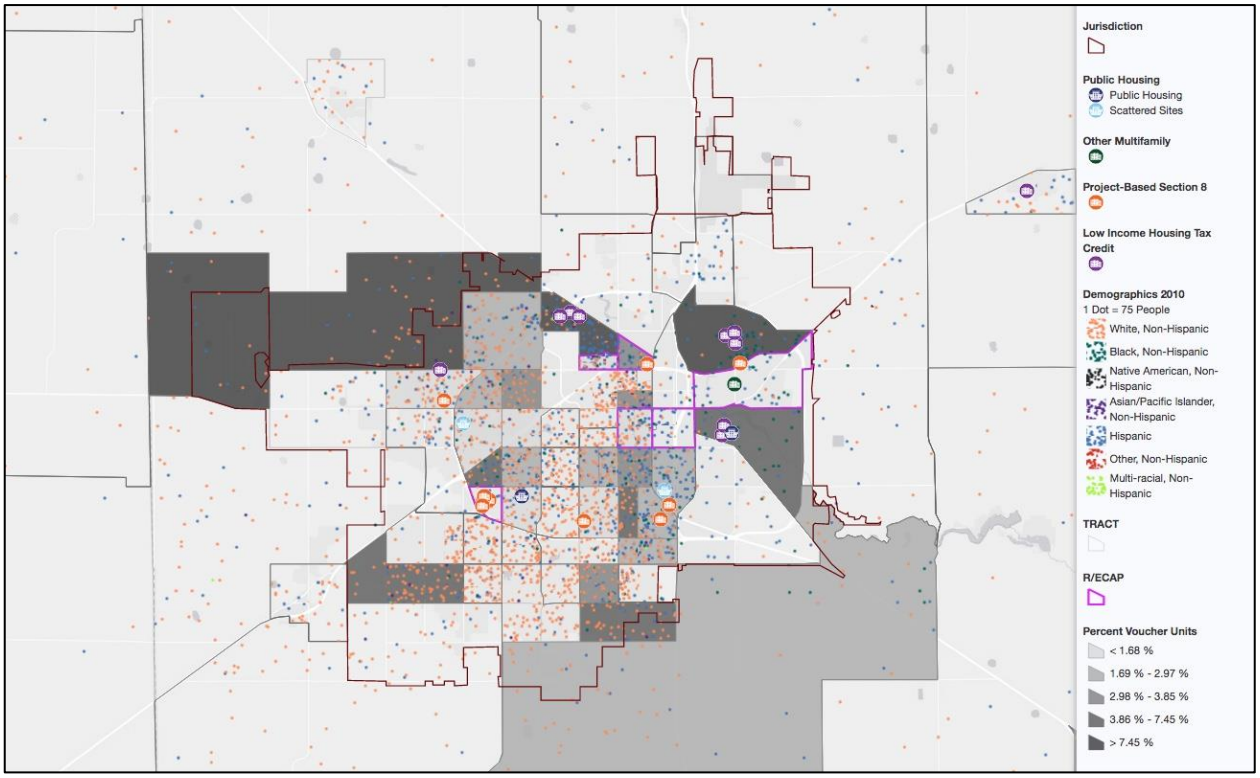
The Lubbock Housing Authority of the City of Lubbock (LHA) is a public agency that provides subsidized housing to LMI individuals and families. LHA operates both Public Housing and the Section 8 Housing Choice Voucher Program. The PHA's service area covers the entire City of Lubbock.

As highlighted previously in this document, non-Hispanic Whites are a slight majority in Lubbock making up 56 percent of the population. Hispanic residents are the second largest demographic and make up almost one-third of the population. The third most common racial demographic is Black, non-Hispanic with 8.1 percent of the population.

Since 1990, the PHA's service area has undergone some demographic shifts. The proportion of the population who identify as White, non-Hispanic has reduced from 67.6 percent to 55.7 percent. This 12 percent reduction nearly perfectly mirrors the 10 percent increase in Hispanic-identified residents. Overall, the Hispanic population has grown significantly in 20 years from approximately 42,000 people to approximately 74,000 people. Along with this demographic shift there has been greater racial and ethnic integration within the City.

LHA distributes housing vouchers across a large part of the City, publicly supported housing is clustered in a few census tracts on the outer ring of the downtown area. The following HUD provided map displays the geographic location of publicly supported housing. Of the nine LIHTC locations are in three census tracts and these are all census tracts that border a R/ECAP. Darker shaded areas show a higher voucher concentration.

MAP: Publicly Supported Housing and Race/Ethnicity



Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004)

A full demographic summary in the jurisdiction and region can be found in the section "Demographic Summary".

2. Segregation/Integration

Describe any areas of segregation and integration in the PHA's service area (and region, if applicable). Identify the protected class groups living in any such area. Explain how any area of segregation has changed over time.

Over the last 20 years the City of Lubbock has become increasingly integrated, but there are still areas with relative segregation. The southwest areas of the service area are primarily White, non-Hispanic and the eastern part of the City have a larger Hispanic and Black, non-Hispanic population. In 1990, these patterns of segregation were more pronounced.

A full description of Segregation and Integration issues in the jurisdiction and region can be found in the section "Segregation/Integration".

3. R/ECAPs

Describe the locations of R/ECAPs, if any, in the PHA's service area (and region, if applicable). Identify the protected class groups living in R/ECAPs and describe how R/ECAPs have changed over time.

There are six R/ECAP tracts in LHA's service area. These tracts have a disproportionately large minority population when compared to the City as a whole. Only 28 percent of the R/ECAP population is White, non-Hispanic. The Black, non-Hispanic population makes up 12 percent of R/ECAP tracts and Hispanic residents make up 54 percent.

A full description of the R/ECAP tracts in the jurisdiction and region can be found in the section "Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs)".

4. Disparities in Access to Opportunity

Describe any disparities in access to the following opportunities for households in the service area (and region, if applicable), based on protected class:

- **Educational opportunities**
- **Employment opportunities**
- **Transportation opportunities**
- **Low poverty exposure opportunities**
- **Environmentally healthy neighborhood opportunities**

The PHA's service area includes the entire City of Lubbock and includes the same disparities in access to opportunities. There are two protected classes that have a significant disparity in access to educational opportunities. The Black, non-Hispanic and Hispanic populations have significantly lower scores on the School Proficiency Index and live in geographic areas that lack access to proficient schools. Living patterns are highly related to educational opportunities.

Employment opportunities in the service area also so a disparity in access to opportunities when it comes to employment. The Black, non-Hispanic and Hispanic populations have lower Labor Market

Index scores than other racial or ethnic groups. These populations are less likely to be involved in the labor market and/or have college degrees.

Exposure to poverty is much more common for both Black, non-Hispanic and Hispanic populations. These two protected classes both have significantly lower scores on the Low Poverty Index. Poverty is also highly correlated with living patterns.

Throughout the PHA's service area access transportation opportunities and access to environmentally healthy neighborhoods are relatively uniform. There is very little disparity in access in these two areas.

Overall, the populations that are more populous in publicly supported housing are also the populations that have disparities in access to opportunities.

A full description of the disparities in access to opportunities in the jurisdiction and region can be found in the section "Disparities in Access to Opportunity".

5. Disproportionate Housing Needs

Describe which protected class groups in the PHA's service area (and region, if applicable) experience higher rates of housing problems (housing cost burden, severe housing cost burden, substandard housing conditions, and overcrowding).

Black, non-Hispanic and Hispanic households have disproportionately higher rates of housing problems in the PHA's service area. Slightly over one-third of the overall population have housing problems but nearly 50 percent of the Black, non-Hispanic population and 42 percent of the Hispanic population have housing problems.

The overwhelming causes of housing problems in the PHA's service area are related to cost burden. While 17 percent of City population were severely cost burdened, nearly 25 percent of the Black, non-Hispanic and over 18 percent of the Hispanic population experience severe cost burden

A full description of housing problems in the jurisdiction and region can be found in the section "Disproportionate Housing Needs".

6. Contributing Factors of Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs

Consider the factors listed that are generally applicable to Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs and any other factors affecting the service area (and region, if applicable). Identify factors that significantly create, contribute to, perpetuate, or increase the severity of one or more fair housing issues. For each contributing

factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

Generally Applicable Contributing Factors (Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs)

- **Community opposition**
- **Displacement of residents due to economic pressures**
- **Lack of community revitalization strategies**
- **Lack of local or regional cooperation**
- **Lack of public and/or private investments in specific neighborhoods, including services or amenities**
- **Lack of access to opportunity due to high housing costs**
- **Land use and zoning laws**
- **Location and type of affordable housing**
- **Loss of affordable housing**
- **Occupancy codes and restrictions**
- **Policies related to payment standards, FMR, and rent subsidies**
- **Private discrimination**
- **Source of income discrimination**
- **Other**

General contributing factors for Segregation are: *1) Community opposition; 2) displacement of residents due to economic factors; and 3) loss of affordable housing*

General contributing factors for R/ECAP tracts are: *1) Community opposition; 2) location and type of affordable housing; and 3) displacement of residents due to economic pressure*

A full description of these contributing factors can be found in Sections "Segregation/Integration" and "Racially or Ethnically Concentrated Areas of Poverty".

Additional Contributing Factors Related to Disparities in Access to Opportunity

- **Access to financial services**
- **Availability, type, frequency, and reliability of public transportation**
- **Impediments to mobility**
- **Impediments to portability**
- **Lack of job training programs**
- **Location of employers**
- **Location of environmental health hazards**
- **Location of proficient schools and school assignment policies**
- **Other**

General contributing factors for Disparities in Access to Opportunity are: *1) the availability, type, frequency, and reliability of public transportation; 2) location of employers; 3) location and type of affordable housing; and 4) location of proficient schools*

A full description of contributing factors can be found in "Disparities in Access to Opportunity".

Additional Contributing Factors Related to Disproportionate Housing Needs

- **Availability of affordable units in a range of sizes**
- **Other**

General contributing factors for Disproportionate Housing Needs are: *1) the availability of affordable units in a range of sizes; 2) displacement of residents due to economic pressures; and 3) land use and zoning laws*

A full description of contributing factors can be found in "Disproportionate Housing Needs".

7. Publicly Supported Housing Section

Questions on the location and occupancy of the PHA's publicly supported housing

a. Demographics

Provide demographic information, including protected class groups, on the residents of the PHA and compare these with the demographics of the service area (and region, if applicable).

In Lubbock there are two racial/ethnic groups that are more likely to be residing in publicly supported housing. The Black, non-Hispanic population makes up 7.2 percent of total households in the City but makes up 21.5 percent and 42.6 percent of the residents in different publicly supported housing programs. Approximately 26 percent of the total population identify as Hispanic but between 32 percent and 50 percent of residents in publicly supported housing. These two protected classes also have significantly lower access to opportunities in the service area.

A full description of location of publicly supported housing and race/ethnicity location can be found in "Publicly Supported Housing Analysis".

b. Segregation and R/ECAPs

i. Describe the location of the PHA's properties in relation to areas of segregation and R/ECAPs in the service area.

LHA maintains approximately 367 units throughout its jurisdiction. According to the HUD-provided data, public housing units are not available in R/ECAP tracts, but they are located near them. They are also in areas of relative segregation

A full description of location of publicly supported housing and race/ethnicity location can be found in "Publicly Supported Housing Analysis".

ii. Describe the location of the PHA's Housing Choice Vouchers in relation to areas of segregation and R/ECAPs in the service area (and region, if applicable).

LHA's voucher program recipients live primarily outside R/ECAP tracts. Voucher recipients who are within R/ECAP tracts are more likely to be Hispanic than those outside of R/ECAP tracts. Voucher recipients are more common on the east side of Lubbock in areas of relatively high segregation.

A full description of location of publicly supported housing and race/ethnicity location can be found in "Publicly Supported Housing Analysis".

iii. If there are R/ECAPs, describe any differences in the demographics, including by protected class group, of PHA assisted households who live in R/ECAPs versus those who live outside of R/ECAPs in the service area.

LHA assisted households that live in R/ECAPs are more likely to be Hispanic than in non-R/ECAP tracts. Residents in R/ECAP tracts are also more likely to be elderly or have a disability versus those that live in non-R/ECAP tracts.

iv. Describe the demographics, by protected class group, of each of the PHA's publicly supported developments.

LHA manages four public housing developments, nine Project-based Section 8 locations and one multifamily assisted housing location. The following table displays the demographics of protected classes in the publicly supported developments.

Table: Demographics of LHA Supported Developments

Development Name	White	Black	Hispanic	Asian	HHs with Children
Public Housing					
Cherry Point / 36 South	12%	43%	44%	N/a	75%
Behner Place / Mary Myers	20%	26%	53%	2%	49%
96 West	18%	40%	42%	N/a	76%
Park Meadows	7%	73%	20%	N/a	73%
Project Based Section 8					
High Plains Apartments	25%	16%	59%	N/a	82%
Homestead Apartments	80%	2%	17%	N/a	N/a
Parkview Place, Lubbock	84%	1%	14%	N/a	N/a
Silver Village	63%	4%	31%	1%	N/a
South Plains Apartments	22%	14%	63%	1%	63%
Cornerstone Homes Winwood	49%	35%	16%	N/a	80%
Casa Orlando	6%	27%	67%	N/a	69%
Castle Gardens / Cricket Ct	8%	45%	47%	N/a	85%
Garden Apartments	27%	35%	39%	N/a	82%

Multifamily Assisted Housing					
Courtyard At Kings Dominion	26%	23%	48%	2%	N/a
Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014, 2009-2013 ACS, Decennial Census. (HUD AFFHT0004, Table 8 - Demographics of Publicly Supported Housing Developments, by Program Category)					

c. Disparities in Access to Opportunity

Describe any disparities in access to opportunity for residents of publicly supported housing in the service area (and region, if applicable), including within different program categories of publicly supported housing.

Areas with a concentration of publicly supported housing fall within the areas that have low Access to Low Poverty Neighborhoods. Residents in publicly supported housing are more likely to be in neighborhoods with higher rates of poverty and wealthier areas lack publicly supported housing. Additionally, most of the publicly supported housing developments are in areas with lower access to high performing schools. In particular, LIHTC and voucher recipients are in areas with high poverty and low performing schools.

A full description of location of publicly supported housing and race/ethnicity location can be found in "Publicly Supported Housing Analysis".

d. Disproportionate Housing Needs

i. Compare the demographics, including by protected class group, of the PHA's assisted households to households in the service area with disproportionate housing needs in the service area (and region, if applicable).

Black, non-Hispanic residents are significantly overrepresented in publicly supported housing. Approximately 8 percent of the population of Lubbock identifies as Black, but they make up 38.5 percent of Public Housing, 21.5 percent of Project-Based Section 8, and 22.2 percent of Other Multifamily. Hispanic families are also overrepresented in publicly supported housing. They make up 32 percent of the City's population but 45 percent of Public Housing, 40.5 percent of Project-Based Section 8, and 49.2 percent of Other Multifamily.

Black, non-Hispanic and Hispanic households have disproportionate housing needs in Lubbock. Approximately 35.9 percent of the population has a housing problem but 48.3 percent of Black households and 42 percent of Hispanic families experience housing problems.

ii. Compare the needs of families with children in the PHA's service area (and region, if applicable) for housing units with two, and three or more bedrooms, with the PHA's available stock of assisted units.

In the City of Lubbock families with five or more people have a higher rate of living in a home with housing problems than smaller families. Approximately 3,645 large households (or 48.93 percent) face housing problems. To address this problem, it is important that publicly supported housing provide quality housing options that are large enough for families.

In Lubbock, 34.3 percent of all publicly supported housing units have 2 bedrooms and 31.4 percent of have 3+ bedrooms. In total, that is 1,357 multi-bedroom units provided for only 1,081 households with children. Larger units can still assist with larger families but there appears to be adequate housing.

Table: Publicly Supported Housing by Program Category: Units by Number of Bedrooms and Number of Children

	Households in 0-1 Bedroom Units		Households in 2 Bedroom Units		Households in 3+ Bedroom Units		Households with Children	
Housing Type	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Public Housing	68	19.65%	154	44.51%	119	34.39%	223	64.45%
Project-Based Section 8	261	35.41%	289	39.21%	179	24.29%	395	53.60%
Other Multifamily	65	100.00%	0	0.00%	0	0.00%	N/a	N/a
HCV Program	313	32.30%	265	27.35%	351	36.22%	463	47.78%

Source: Inventory Management System (IMS)/ PIH Information Center (PIC), 2016; Tenant Rental Assistance Certification System (TRACS), 2016; Low Income Housing Tax Credit (LIHTC) database, 2014
(HUD AFFHT0004, Table 11 - Publicly Supported Housing by Program Category: Units by Number of Bedrooms and Number of Children)

e. Policies and Practices

Describe any policies and practices of the PHA and how they relate to fair housing choice including:

- **Access for persons with disabilities (e.g., processing of reasonable accommodation requests, program access, and providing auxiliary aids and services necessary for effective communication)**
- **Admissions policies, preferences, and housing designations (including grounds for denial of admission, eviction, and subsidy termination)**
- **Affirmative marketing plan**
- **Comprehensive Community Revitalization Plans**
- **Meaningful access for persons with limited English proficiency (e.g., language assistance plans, interpretation assistance, and translation of vital documents)**
- **Voucher mobility and portability policies and practices**

LHA is an equal access public housing authority. Persons who are disabled are given reasonable accommodation in the application process and services through the PHA. TTD/TTY communication is available for persons with hearing impairments and large-print or audio versions of key documents are available for persons with vision impairments.

Tenants of public housing units pay 30 percent of their income towards rent. PHA conducts a criminal background investigation and applicants must be able to have utilities connected to their name. An application may be denied if false information is provided.

LHA's 2018 Proposed Administrative Plan includes improving access to services for persons with limited English proficiency. Interpretation services will be provided free of charge and written documents can be translated.

For voucher mobility and portability, an eligible family that has been issued a housing choice voucher may use that voucher to lease a unit anywhere in the United States where there is a housing agency operating a housing choice voucher program. The ability to port out may depend on whether the receiving housing authority is absorbing or billing.

f. Questions on other categories of publicly supported housing

Describe other publicly supported housing programs, if any, in the PHA's service area. Identify the location by category of publicly supported housing in relation to areas of segregation and R/ECAPs and the demographics of the households of each category of publicly supported housing, by protected class in the service area (and region, if applicable).

In addition to the programs run by LHA, there are a variety of properties available that provide affordable housing. LHA lists 17 HUD Assisted and/or Tax Credit Properties in Lubbock. The target demographic for these properties is varied. Some accept all applicants, some only multifamily, and some elderly. These properties are located throughout the City but tend to be in or near R/ECAP tracts and areas of relatively high poverty. Many of these locations also have a disproportionately high Black, non-Hispanic and Hispanic population. Specific demographic data for these programs is not available.

g. Contributing Factors of Publicly Supported Housing

Consider the listed factors and any other factors affecting the service area and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to publicly supported housing, including Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

- **Admissions and occupancy policies and procedures, including preferences in publicly supported housing**
- **Community opposition**
- **Displacement of residents due to economic pressures**
- **Impediments to mobility**
- **Impediments to portability**
- **Lack of access to opportunity due to high housing costs**

- **Lack of meaningful language access**
- **Lack of local or regional cooperation**
- **Lack of public and/or private investment in specific neighborhoods, including services and amenities**
- **Land use and zoning laws**
- **Loss of affordable housing**
- **Occupancy codes and restrictions**
- **Policies related to payment standards, FMR, and rent subsidies**
- **Quality of affordable housing information programs**
- **Siting selection policies, practices and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs**
- **Source of income discrimination**
- **Other**

Contributing factors related to public housing are: *1) impediments to mobility and 2) lack of meaningful language access*

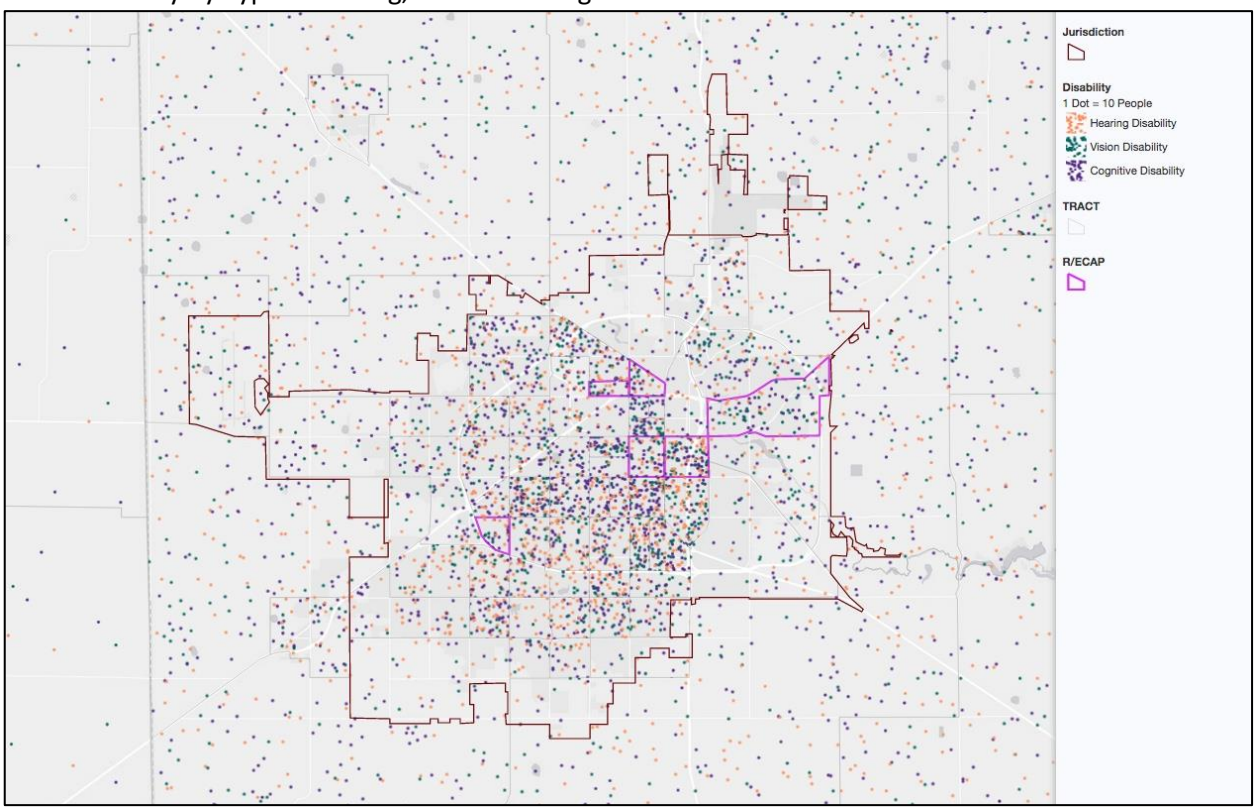
A full description of location of publicly supported housing and race/ethnicity location can be found in "Publicly Supported Housing Analysis."

8. Disability and Access

a. Describe how persons with disabilities are geographically dispersed or concentrated in the PHA's service area (and region, if applicable), including whether persons with disabilities reside in R/ECAPs and other segregated areas identified previously, and describe whether these geographic patterns vary for persons with each type of disability of persons with disabilities in different age ranges.

There is no clear pattern in disability living patterns and R/ECAPs or areas of segregation in LHA's service area for individuals with hearing, vision, and cognitive disabilities. There are residents with disabilities in each Census Tract, but concentrations appear to be areas with higher populations.

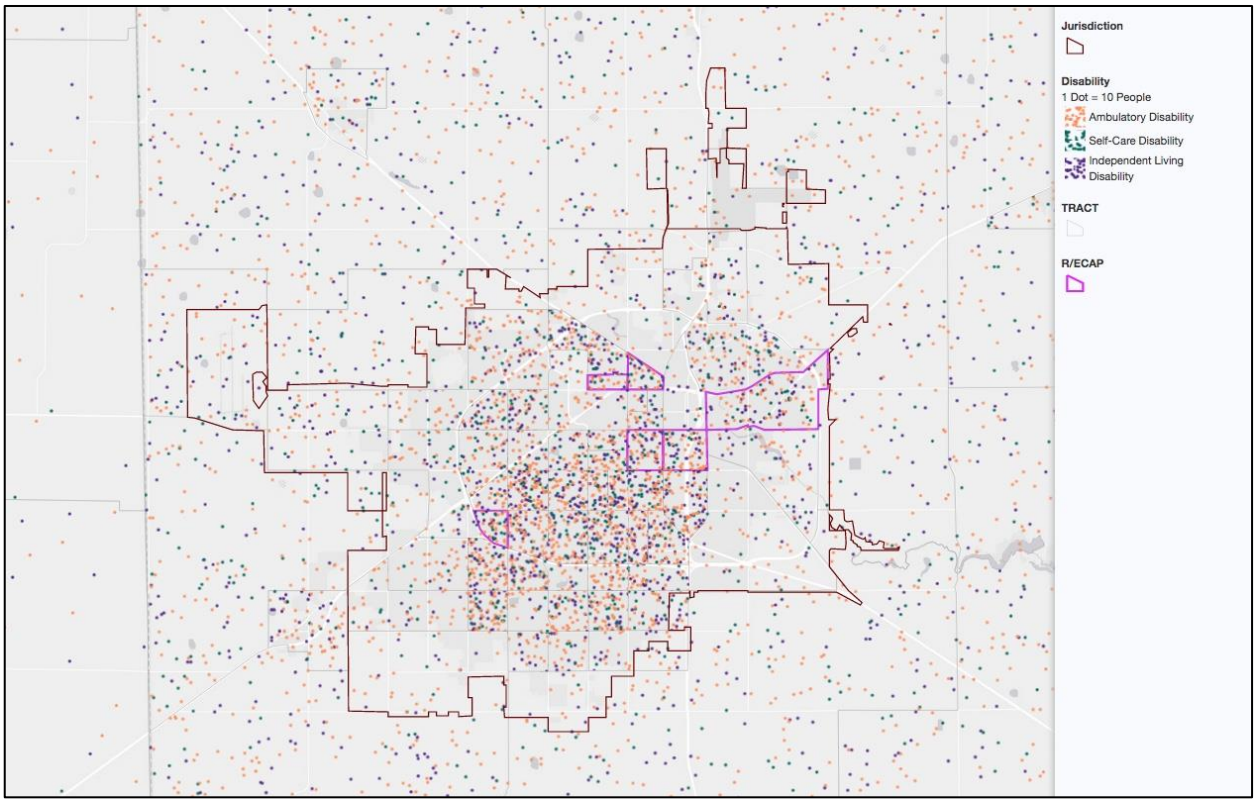
MAP: Disability by Type – Hearing, Vision and Cognitive



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

There is no clear pattern in disability living patterns and R/ECAPs or areas of segregation in the service areafor individuals with ambulatory, self-care, or independent living disabilities. There are residents with disabilities in each Census Tract, but concentrations appear to be areas with higher populations.

MAP: Disability by Type – Ambulatory, Self-Care, and Independent Living



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

A full description of location of publicly supported housing and race/ethnicity location can be found in “Disability and Access Analysis.”

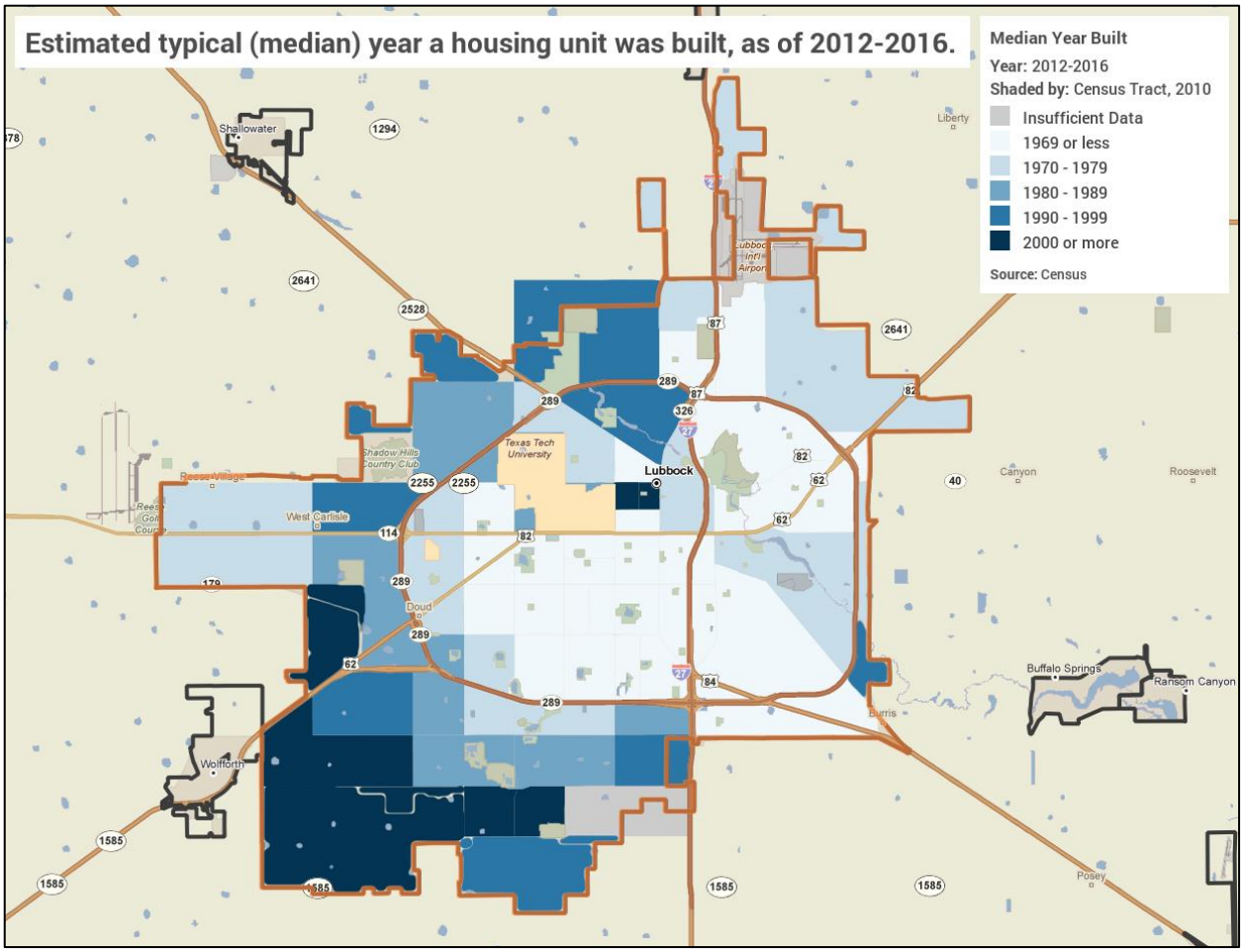
b. Describe whether the PHA's service area (and region, if applicable) has sufficient affordable, accessible housing in a range of unit sizes, describe the areas where affordable accessible housing units are located, and identify to what extent persons with different disabilities are able to access and live in the different categories of publicly supported housing.

Households spending more than 30 percent of income on housing costs are considered, by HUD's definition, to be cost burdened. According to the 2012-2016 ACS, 25.4 percent of homeowners and 54.5 percent of renters are housing cost burdened, pointing to a major disconnect between the housing supply and residents' income.

Persons with a disability in the service area face the added barrier of purchasing homes that must often be brought up to applicable jurisdiction or ADA codes, which will likely add to the cost of purchasing or owning a home. According to the 2012-2016 ACS, for working individuals, persons with a disability have a median income of $17,465 in comparison to persons with no disability with $23,804.

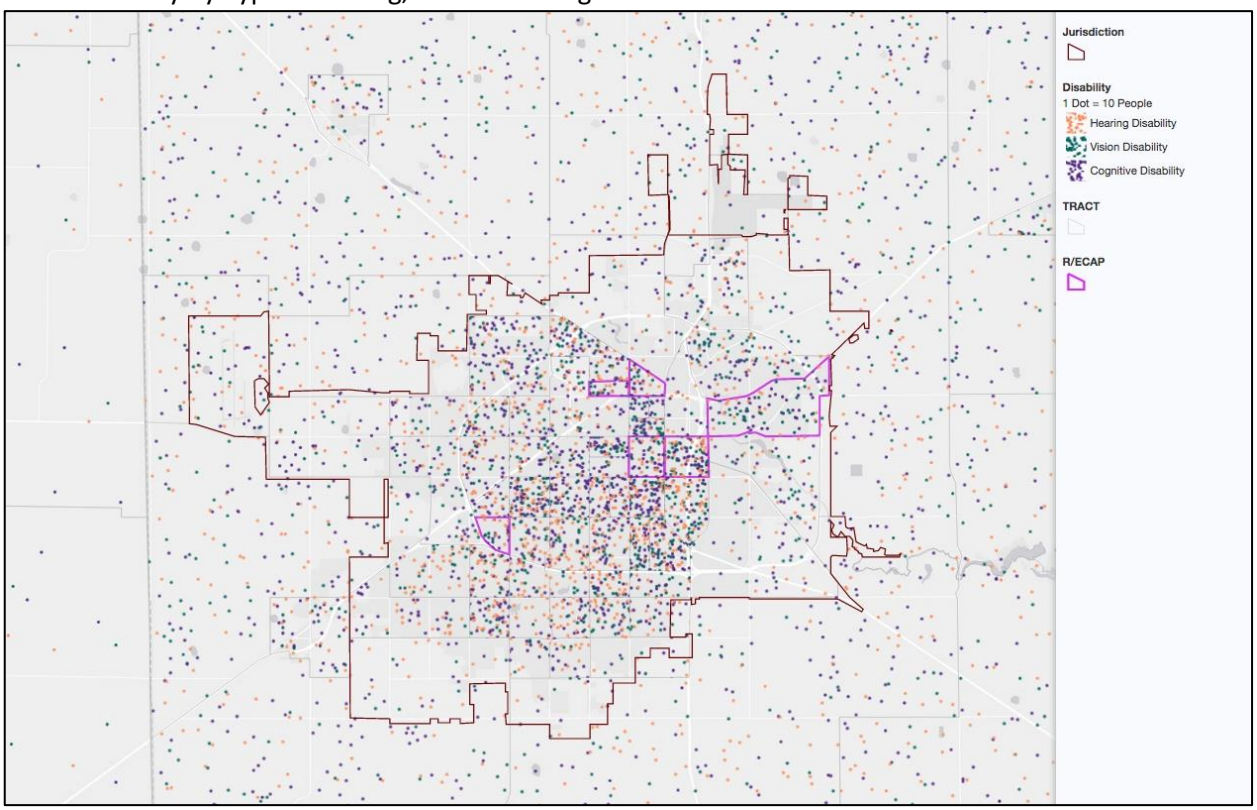
Accessible housing for disabled persons must accommodate for handicaps and also be affordable. The Fair Housing Act requires most multifamily properties built after 1991 to meet accessibility standards required by persons with a disability. Assuming compliance with federal law, it is generally accepted that multifamily housing built after this date meet the minimum level of accessibility. Though this is not a perfect indicator of accessibility, an analysis of the age of housing stock and its location can provide a picture of places where there are accessible units.

MAP: Median Year Built



Source: 2012-2016 ACS via PolicyMap

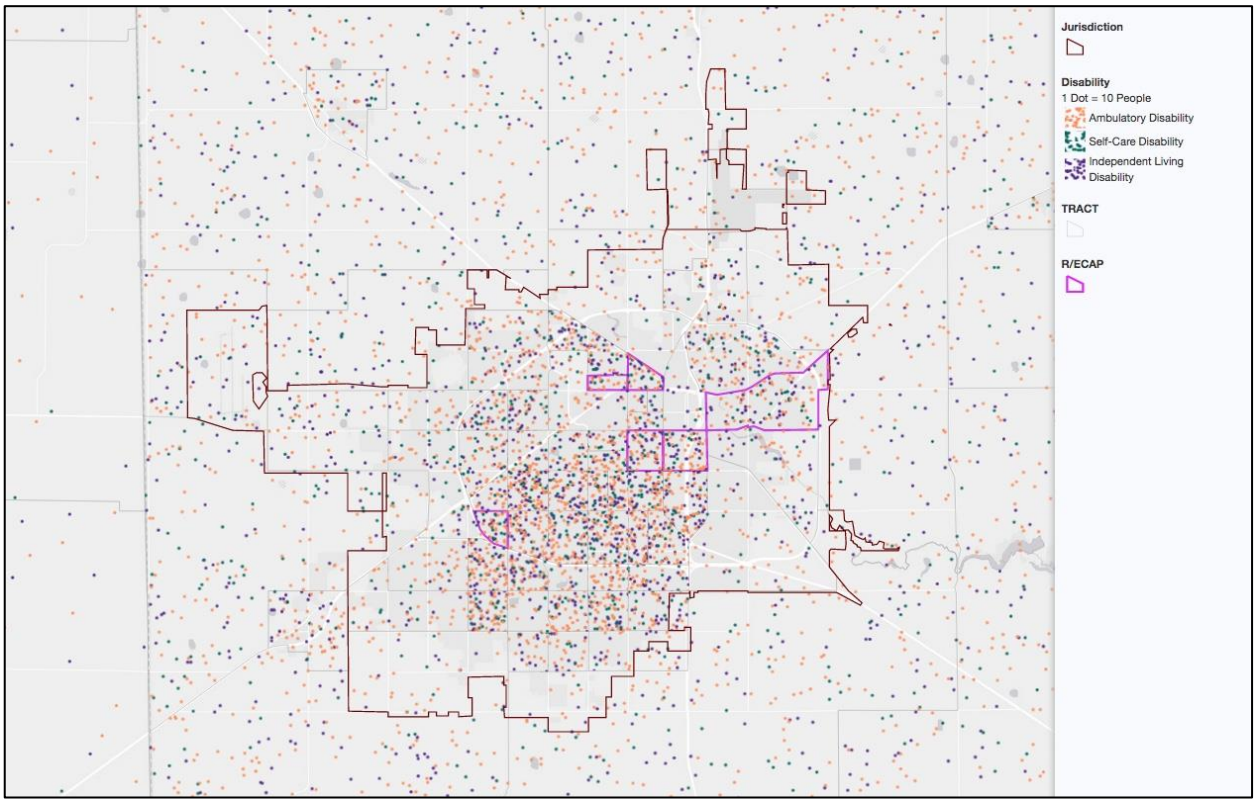
MAP: Disability by Type – Hearing, Vision and Cognitive



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

There is no clear pattern in disability living patterns and R/ECAPs or areas of segregation in Lubbock for individuals with ambulatory, self-care, or independent living disabilities. There are residents with disabilities in each Census Tract, but concentrations appear to be areas with higher populations.

MAP: Disability by Type – Ambulatory, Self-Care, and Independent Living



Source: 2009-2013 ACS, Decennial Census, 2010; Brown Longitudinal Tract Database (LTDB) (HUD AFFHT0004)

A full description of location of accessible and affordable housing in relation to disabled persons can be found in "Disability and Access Analysis."

c. Contributing Factors of Disability and Access

Consider the listed factors and any other factors affecting the service area and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to disability and access, including Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

- **Access to publicly supported housing for persons with disabilities**
- **Access for persons with disabilities to proficient schools**
- **Access to transportation for persons with disabilities**

- **Admissions and occupancy policies and procedures including preferences in publicly supported housing**
- **Inaccessible public or private infrastructure**
- **Lack of access to opportunity due to high housing costs**
- **Lack of affordable, accessible housing in range of unit sizes**
- **Lack of affordable in-home or community-based supportive services;**
- **State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, and other integrated settings;**
- **Lack of affordable, integrated housing for individuals who need supportive services**
- **Lack of assistance for transitioning from institutional settings to integrated housing;**
- **Lack of public and/or private investment in specific neighborhoods including services and amenities**
- **Lack of local or regional cooperation**
- **Land use and zoning laws**
- **Location of accessible housing**
- **Laws, policies, regulatory barriers to providing housing and supportive services for persons with disabilities**
- **Siting selection policies, practices and decisions for publicly supported housing**
- **Source of income discrimination**
- **Other: Lack of assistance for housing accessibility modifications**

Contributing factors for issues of disabilities and access are: *1.) lack of affordable, integrated housing for individuals who need support, 2) lack of affordable housing, and 3) access to publicly supported housing for persons with disabilities.*

A full description of contributing factors for disabled persons in relation to public housing can be found in "Disability and Access Analysis."

9. Fair Housing Enforcement

a. Describe whether the PHA is currently the subject of any of the following:

- **A charge or letter of finding from HUD concerning a violation of a civil rights-related law;**
- **A cause determination from a substantially equivalent state or local fair housing agency concerning a violation of a state or local fair housing law;**
- **Any voluntary compliance agreements, conciliation agreements, or settlement agreements entered into with HUD or the Department of Justice;**
- **A letter of findings issued by or lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of a fair housing or civil rights law; or**
- **A claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally, including an alleged failure to affirmatively further fair housing.**

Currently, there are no outstanding fair housing complaints against the Lubbock Housing Authority.

b. <u>Contributing Factors of Fair Housing Enforcement</u>

Consider the listed factors and any other factors affecting the service area and region. Identify factors that significantly create, contribute to, perpetuate, or increase the severity of fair housing issues related to fair housing enforcement, including Segregation, R/ECAPs, Disparities in Access to Opportunity, and Disproportionate Housing Needs. For each contributing factor that is significant, note which fair housing issue(s) the selected contributing factor relates to.

- **Lack of local public and/or private fair housing outreach, and/or enforcement and/or resources**
- **Private discrimination and/or lack of fair housing laws**
- **Unresolved violations of fair housing or civil rights law**
- **Other**

Contributing factors to Fair housing enforcement are: *1) lack of local fair housing outreach and enforcement, 2) lack of local public fair housing enforcement, and 3) lack of local fair housing laws*

A full description of contributing factors of fair housing enforcement can be found in "Fair Housing Enforcement."

10. Additional PHA Information

The PHA may also describe other information relevant to its assessment of fair housing.

Unlike five other Texas jurisdictions (Austin, Corpus Christi, Dallas, Fort Worth, and Garland), there is no local public entity certified as a Fair Housing Assistance Program authorized to enforce

fair housing in Lubbock. The Texas Workforce Commission is a statewide resource that facilitates the resolution of fair housing complaints, provides information about anti-discrimination laws, and promotes equal housing opportunities.

Information about submitting a complaint is available at:
http://www.twc.state.tx.us/partners/how-submit-housing-discrimination-complaint

V. Fair Housing Goals and Priorities

1. For each fair housing issue, prioritize the identified contributing factors. Justify the prioritization of the contributing factors that will be addressed by the goals set below in Question 2. Give the highest priority to those factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance.

2. For each fair housing issue with significant contributing factors identified in Question 1, set one or more goals. Explain how each goal is designed to overcome the identified contributing factor and related fair housing issue(s). For goals designed to overcome more than one fair housing issue, explain how the goal will overcome each issue and the related contributing factors. For each goal, identify metrics and milestones for determining what fair housing results will be achieved, and indicate the timeframe for achievement.

Goal #1: Seek options for improving housing affordability for renters

INSERT SUMMARY

Goal #1	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Seek options for improving housing affordability for renters	Convert single family homes to rental by CHDOs; evaluate change in rental cost burden as new data becomes available; and partner with local apartment association to review tenant selection practices particularly for seniors and renters with delinquent accounts.	• Because of university populations, housing around the schools where there is often job opportunities is too high for low income workers because those living in a roommate situation look at price points differently than a family household • Renter cost burden increased to 55% from 44% since 2010. • Renters are often burdened by rental fees and penalties, and the use of Tenant Tracker by many landlords makes it difficult for delinquent renters to move beyond past difficulties. • Seniors are also affected by rental housing practices as many properties require two-months rent to movie in and seniors on fixed incomes are unable to save to afford that cost.	The availability of affordable units in a range of sizes	Short-Term	Converted Units; Housing Analysis in Con Plan; and MOU	CHRB & LHA; City CD; and Apartment Association

Goal #2: Improve transportation routes to provide access to greater employment opportunities

INSERT SUMMARY

Goal #2	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Improve transportation routes to provide access to greater employment opportunities	Do a comprehensive study of CitiBus routes with micro (smaller more efficient vehicles) focus on transit solutions -- funded by Texas Department of Transportation (TXDOT)	• There is a lack of affordable housing opportunities near areas that contain employment opportunities • Bus routes do not extend to parts of town experiencing development • Stakeholders reported that there are not enough accessible bus routes	Location of employers The availability, type, frequency, and reliability of public transportation Access to transportation for persons with disabilities	Mid-Term	Completion of studies	CitiBus and TXDOT

Goal #3: Increase code enforcement and investment in older neighborhoods.

INSERT SUMMARY

Goal #3	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Increase code enforcement and investment in older neighborhoods	Increase code enforcement, including through demolitions and provide housing rehab to targeted to low -income areas • CDBG funds minor rehabs for homeowners – sustainability of property – elderly/ disabled • HOME major rehab for homeowners – sustainability of property	• Residents in low income areas reported that neighborhood conditions have worsened while residents in higher income areas have reported improvements.	Lack of public investment in specific neighborhoods, including services or amenities. Deteriorated and abandoned properties.	Short-Term	Complete 20 demolitions and 80 rehabs in low income areas annually	City Code Department; City CD

Goal #4: Improve financial literacy and access to financial services for lower income individuals and neighborhoods

INSERT SUMMARY

Goal #4	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Improve financial literacy access to financial services for lower income individuals and neighborhoods.	Plan a coordinated approach for improving financial literacy and access to financial services.	• East and North Lubbock do not have financial institutions to serve residents and many rely on pay day lenders. • While organizations offer financial literacy training to individuals seeking homeownership opportunities, not all individuals are ready for homeownership. • Employers of low income and young workers without bank accounts are using systems such as Netspend and GreenDot for paychecks resulting in a lack of credit history.	Access to financial services Lack of private investment in specific neighborhoods	Mid-Term	Prepare and implement strategy.	City CD; Homebuyer Counseling Agencies; and Financial Institutions

Goal #5: Identify additional ways to connect persons with disabilities to accessible housing

INSERT SUMMARY

Goal #5	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Identify additional ways to connect persons with disabilities to accessible housing	Create new accessible units through CHDO; continue rehab of units to make them accessible for people with disabilities	• Stakeholders report that there are not enough units for disabled individuals • Senior population requires more accessible units and as the senior population grows the demand for these types of units increases.	Location of accessible housing Lack of assistance for housing accessibility modifications Lack of affordable, accessible housing in a range of unit sizes Access to publicly supported housing for persons with disabilities	Short-Term	Complete 6 new accessible units in next two years; and complete 50 rehabs annually to address accessibility concerns	CityCD/CHDO

Goal #6: Increase public awareness of fair housing rights and improve opportunity for reporting concerns

INSERT SUMMARY

Goal #6	Strategy	Fair Housing Issues	Contributing Factors	Timeframe for Action	Measurement and Achievement	Responsible Program Participant(s)
Increase public awareness of fair housing rights and improve opportunity for reporting concerns	Contract with West Texas Legal Aide for services and collaborate with local apartment association	• Lubbock does not have a fair housing group so it's difficult for people to know where to go for help. • Generally there is a lack of information and services for people dealing with Fair Housing Concerns. From 2008-2017 only 47 housing complaints were filed. Disability was the most cited claim followed by race.	Lack of resources for fair housing agencies and organizations Lack of local private fair housing outreach and enforcement	Short-Term	Establish the contract between the City and West Texas Legal Aid and consult with the Lubbock Apartment Association	City CD; West Texas Legal Aid; Lubbock Apartment Association

Kristen Sager

From: Ashley Padilla
Sent: Wednesday, July 26, 2023 7:56 AM
To: Kristen Sager
Subject: FW: Proposed Zoning Change to Build a 700 Bed 7 story apartment Complex

From: Bobby mcmillan <1chappymac@gmail.com>
Sent: Tuesday, July 25, 2023 7:29 PM
To: Ashley Padilla <AshleyPadilla@mylubbock.us>
Subject: Proposed Zoning Change to Build a 700 Bed 7 story apartment Complex

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

I am writing in opposition to the proposed zoning change in the South Overton neighborhood between 14th and 15th Street near University Ave. I have lived in Lubbock since August 1992 when I was appointed to serve as Senior Pastor of St. John's United Methodist Church, located at 1501 University. I served that congregation for 10 years before retiring in 2002.

I know that neighborhood very well since I also lived on 17th street in the parsonage provided by the church. My concern is for the impact that the proposed building of a 7 story apartment complex for 700 beds will have on the infrastructure of the neighborhood. The traffic flow will greatly affect those streets with more congestion detrimental to the community and not only St. John's United Methodist Church, but also St. Paul of the Plains Episcopal Church. Parking will be detrimentally affected also, because the streets in that area are already limited.

I urge the Planning and Zoning Commission to recommend to the City Council that the proposed zoning changes be denied.

Thank you for your consideration of this urgent request.

Sincerely,

Bobby J. McMillan
Ordained United Methodist Pastor, Retired

Kristen Sager

From: David George <david_george@att.net>
Sent: Tuesday, July 25, 2023 10:10 PM
To: brandon.hardaway@kimley-horn.com; Christy Martinez; Shelia Patterson Harris; Mark McBrayer; Jennifer Wilson; Tray Payne; Kristen Sager; Ashley Padilla; ahernandez@jdmatexas.com; jordan@jwlubbock.com
Subject: Zoning Case # 2016-D

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Hello, My name is David George.

I own several properties within blocks of this proposed zoning change (I have listed my properties at the bottom of this email). I am against the zoning change because of the number of beds/students and therefore cars and traffic that it will bring to the neighbor hood. I believe the land should stay A-2 (high density apartments) and should NOT be rezoned to A-3 (high rise apartments).

My reasoning for this is simple: traffic and parking. Overton South is already at a capacity far more that it was designed for, which was for families with one or two cars. Now there is a car for every bedroom and every back house, meaning there are properties with 3, 4 and 5 vehicles. As you know, the streets are narrow with already crowded parking. The introduction of 700+ more cars would be a disaster. Not to mention the wear and tear on the old, already in bad shape, brick streets.

There is a reason that all of the new multi-family apartments north of Broadway are not 7 stories. The City of Lubbock stuck to its zoning regulations. Not to mention that the new apartments north of Broadway are on new, master planned streets. This proposed multi-family unit would be adjacent to 3 narrow streets (14th, 15th and Ave X).

Regardless of how many stories or units, the City of Lubbock needs to hold the line on parking spaces per the established guidelines (1+ parking space per bedroom). This is the most critical issue.

I believe the appropriate use for the property would be low rise, high density, apartments consistent with the existing zoning.

Respectfully,

David George
809-787-0009

I own the following properties through my LBB DG Rentals, LLC:
2305 14th St (currently in my dad's estate)
2307 14th St
1508 Ave W
1510 Ave W
1512 Ave W
1514 Ave W
1516 Ave W
1518 Ave W
Note: My 1508-1518 Ave W properties were restricted by height, parking and density zoning restrictions when I built it in 2017-2018. There is a secured parking space for every bedroom and there are still the occasional cars parked on the street from guests. And that's with only 6 units!

My son and I own the following properties through our BetterLubbock Properties, LP partnership:
2301 15th St
2324 16th St

Kristen Sager

From: Holle Humphries <holle_h@att.net>
Sent: Wednesday, July 26, 2023 4:30 PM
To: Kristen Sager
Subject: Objection to proposed zoning change in South Overton neighborhood to accommodate a multiple (7) story residence

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Dear Ms. Sager,

I would very much appreciate it if you would please convey my objection to the proposed zoning change in the South Overton neighborhood to accommodate a multiple (7) story residence, to the Lubbock Planning and Zoning Commissioners:

Zach John Sawyer, Chair
James Bell
Tanner Noble
Aviraj H. Patel
Abel Hernandez
Jordan G. Wheatley
John Z. Sawyer
Susan L. Tomlinson
Brandon Hardaway

I object to the proposed zoning change: from A-2 to A-3, with a Planned Development classification for Lots 1-7 and 17-24 of Block 102 Overton Addition to the City of Lubbock.

I do not feel that a change is warranted to convert several duplex homes to a single mid-rise development that will accommodate a 7-story student housing facility.

First, it is not needed. This building is not necessary to serve the Texas Tech student population for two reasons: 1. Texas Tech University already has on its planning boards, consideration for adding several new student housing facilities to its campus:

https://www.asumag.com/facilities/housing-residence-halls/article/21261598/texas-tech-authorizes-plans-for-38-million-residence-all

and

2. the population of Texas Tech students in the next decade is *not* projected to grow past 4000 students -- and the current number of housing options vacant in 2023 today and which will be available to TTU students ten years from now after new TTU dormitory residences on the planning boards are constructed by 2035, will be able to accommodate them:

Table 3. Participation Projections by Region, Texas Public Institutions of Higher Education				
High Plains Region				
	(actual)			
	2020	**2025**	**2030**	**2035**
Texas Tech University	**39,574**	**41,793**	**43,436**	**45,708**

See: page 19: https://reportcenter.highered.texas.gov/reports/data/enrollment-forecast-2021-2035-january-2021/

Second, such multi-story monstrosities built using stripped down "urban Modernism" in their exterior facades, as is reflected in the photographs of the building that is planned,*do nothing* to enhance the "aesthetic aspects" of *any* residential neighborhood. That is because such towering buildings that engulf entire blocks, overwhelm any sense of human scale whatsoever -- with human scale understood to mean the average height of most human beings.

In other words, the charm of "human scale" explains in part the reason why tourists flock to Florence, Italy and *not* to downtown Chicago, Illinois, much less any neighborhood in the U.S.A. wherein which such "public housing projects" -- so similar in scale and appearance to this one that is planned -- dominate the surrounding urban residential environment.

Contrary to the assertions of Mr. Alan Holly, P.E., the Civil Engineer behind this project, a seven-story building taking up all the green space of the lots it requires to accommodate its massive footprint, and blocking in the process the view of open sky to all other nearby residents, will most distinctly *not* improve the "overall aesthetic" of the Overton area, and will *not* make improvements to "public infrastructure" because it instead will cause glut in the overcrowding of human beings and the resources they need to live a normal life, into a highly compacted, highly compressed space.

Permitting this building to be erected in a historic neighborhood will only accelerate the propagation of more high-density housing by developers eager to pursue profit at the expense of Quality of Life for those Lubbock and TTU student residents who prefer to live in family homes in a residential area and *not* in a multi-story concrete ghetto.

Destroying a residential neighborhood by inserting this multi-story monstrosity into it merely in the interest of making profit, is a sure fire way to create in this historic neighborhood of Lubbock, dense-pack scenery as distressing as that that borders UT Austin's, where high density housing distressingly crowds the entire area surrounding the UT campus along and near to Guadalupe Avenue.

I know, because I worked as a professor at the University of Austin for eight years.

Scientific studies verify that crowding any animal -- to include the human mammal -- induces stress.

And the traffic and crowding adjacent to UT Austin all along Guadalupe Avenue in the shadow of high rise, high-density housing -- was always frantic. Gudalupe Avenue was never a place where *anyone* wanted to linger and enjoy the view -- because -- there flat wasn't one, and, there were so many people crowding and jostling one another along the sidewalk of such a densely occupied area -- that one's first impulse was to conduct one's business and get out of there -- as soon as possible.

Do we really want that for the City of Lubbock that forms the boundary around the beautiful bucolic Texas

Tech campus landscape?

To permit inserting a multiple story, high density housing into a historic residential neighborhood -- will only be the beginning of inducing and later exacerbating stress.

IS that what we want for historic South Overton? Or for our Texas Tech students?

I think not.

Respectfully submitted,
Holle Humphries, Ph.D. (in the Fine Arts: with a focus on *Aesthetics)*
3008 26th St.
Lubbock, TX 79410

Kristen Sager

Subject: FW: Student housing on Avenue X

From: Jane Henry
Sent: Monday, July 24, 2023 5:50 PM
To: ksanger@mylubbock.us
Subject: Student housing on Avenue X

I'm sure you have no doubt where I come down on the unfortunate plan to dump 720 students on to Avenue X between 14th and 15th Streets! My family lived three houses down from St. Paul's Church when I was a child, and I would be protesting in the street if that little house still belonged to us! Now I can only wring my hands from afar. What a nightmare for the wonderful historic neighborhood if hundreds of extra cars and trucks are suddenly taking up parking spaces in this wonderfully walkable neighborhood! Not to mention the overwhelming arrival of two or three hundred dogs with owners who may be less than diligent about picking up after them!

South Overton is gem of a neighborhood, perfectly suited for Texas Tech faculty, students, first home buyers and the elderly looking to downsize. Burdening its infrastructure and changing its historic character and appeal would be such a mistake! What a shame that developers can't be encouraged to see the long-term benefit of enhancing what is already there - repairing, renovating, and remodeling would greatly benefit the center of the city with its neighborly setting. Instead, dropping in a grossly oversized building would benefit only one owner and one developer (and I suppose the city tax base for that one project) at the cost of reducing the tax base and desirability on the rest of the South Overton historic district.

So much money has been spent over the last few decades to expand the city limits. This has been at the cost to taxpayers of new streets, schools, fire stations, etc. It seems to me that the center of education, culture, law, sports, and entertainment has remained in the center of the city. We are lucky to have our central housing areas like South Overton, Heart of Lubbock, and Tech Terrace still walkable, neighborly, and adaptable in the middle of this, ripe for improvement and already supplied with streets, schools, fire stations and other amenities! Dropping a huge number of temporary residents in any one of these neighborhoods would destroy them. And once the first such project is approved, others will follow.

I would be very grateful if you would share my letter with the Planning and Zoning Commission before they meet on Thursday, July 27. I apologize that I will not be able to attend the meeting that evening. Thank you for your help.

Sincerely,

Jane U. Henry

25 July 2023

To: Members of the Lubbock City Council
Members of the Planning and Zoning Committee

I live and own a home in the Historic South Overton neighborhood and am strongly opposed to the zone change that would allow a 7-story, 707-bed apartment complex to be built in the blocks of 14th and 15th between Avenue X and University, thereby increasing the neighborhood's population exponentially and putting intense pressure on already busy local roads and aging infrastructure.

My family roots in Lubbock go back three-quarters of a century, when my grandparents' 60th Street house was on the distant outskirts of town. Growth is inevitable and often desirable, but we should be wary of irreversibly encroaching on our rich past when embracing the future. Just as the city has begun to appreciate and revitalize its formerly neglected historic downtown district, we must also protect this historic residential neighborhood—along with the economic benefits of stabilizing, rehabilitating, and renovating properties designated as historic landmarks.

This proposed project—along with the significant increase in traffic, noise, and litter it would bring—in no way complements the historic charm and appeal of our neighborhood, but instead conspicuously jeopardizes it.

There is a time and place for appropriate change and growth, but a seven-story modern complex on the border of a National Historic District is not it. Please consider the adverse impact on such a vital part of Lubbock's history—and future—and vote to deny this request.

Thank you for listening, and for your service to the citizens of Lubbock.

Sincerely,

Laura Story

Laura Story

2314 17th Street (two blocks from proposed new development)
caprockweb@yahoo.com
806-470-4568

July 27, 2023

Lubbock City Council
Lubbock Planning and Zoning Commission
City of Lubbock
Lubbock, Texas 79401

Council members and P&Z members,

I am reaching out to you to voice my support for the approval of the requested zoning changes for South Overton student housing project located off University between 14th and 15th streets. I am a local practicing architect with an office on Broadway. For the last 20 plus years, I have anticipated downtown redevelopment and envisioned a revitalized and thriving ***City*** of Lubbock. I have fostered young, talented interns, only to lose them to the draw of the metroplex where they can live in a walkable, urban environment. It is important to me to support investment and developments that increase opportunities for Lubbock and further efforts to invigorate growth in the center city.

Student housing has a significant impact on the local community, particularly the economy. The construction and maintenance of this project will create jobs and generate revenue for local businesses. Additionally, having a stable student population in the vicinity encourages businesses to thrive and cater to the student demographic and property owners. As we see University Avenue retail staples, such as Varsity bookstore close their doors, I cannot help but believe that it is exactly this type of project that can stimulate University retail and inject vibrancy back into our beloved Texas Tech streetscape.

I have read of concerns regarding height and parking. My understanding is that this project follows the newly adopted UDC standard for parking, and I believe that those drawn to this type of housing solution are looking for that urban walkable city experience. There are numerous examples of high density adjacent to residential development that coexist without issue throughout the nation, and I have no doubt that this type of density diversity offers greater opportunity than challenge.

This student housing project will reduce traffic congestion and carbon footprint by providing students with a convenient living option close to Tech and with more than adequate parking. It also promotes public safety as it reduces the need for students to commute long distances and eliminates the need to even drive to class, especially during high traffic or even late hours.

I fear we will discourage interest in investment in our great City by sidelining these projects of significance. The benefits of this student housing project will have a positive ripple effect on Texas Tech, the local economy, the South Overton Neighborhood, and will serve as catalyst for more City of Lubbock investment overall. As we watch the urban sprawl moving to the south, let us support and encourage redevelopment of our center.

Thank you for considering the significance of this project and its impact toward the good and growth of our community.

Sincerely,

Lenora Ask, AIA
612 Broadway, Lubbock, Texas 79401

Kristen Sager

From: Ashley Padilla
Sent: Wednesday, July 26, 2023 3:34 PM
To: Kristen Sager
Subject: FW: Atten: P&Z hearing on July 27th!

From: Linda L Adkins <lindaadkins2@sbcglobal.net>
Sent: Wednesday, July 26, 2023 3:04 PM
To: Ashley Padilla <AshleyPadilla@mylubbock.us>; CityPlanning <cityplanning@mylubbock.us>
Cc: Linda Adkins <lindaadkins2@sbcglobal.net>
Subject: Atten: P&Z hearing on July 27th!

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This letter is for Kristin Sager and members of the Lubbock Planning and Zoning Commission:
ZONE CASE #2016-D, scheduled to be heard Thursday, July 27th, 2023.

I am very familiar with the neighborhood where there is a proposal for a multi-story apartment/dorm large enough to house 720 students, but only available parking for 400 cars. The streets and homes in this area are very small. I have been a long term member of St. John's Methodist Chuch, which was honored with a Lubbock Historical plaque just in the last year or so. As I understand it, this neighborhood has already earned the distinction of being on the National Historic Registry. A new structure such as the one being preposed would be so out of character and have such a negative impact on this area, that I hope you will take into consideration the impact it will have on the small neighborhood churches that have been there for years, and the sizes of the small homes that surround them in every direction.
It seems to me a more appropriate location for a building of this size would be north and west of the campus where there are newer, larger scale buildings and larger open areas for new construction.
I hope you will accept and consider hearing the concerns expressed here,
Thank you for your consideration,
Linda L. Adkins
3221-64th Street
Lubbock, Tx 79413
lindaadkins2@sbcglobal.net
806-785-2282

LUBBOCK HERITAGE SOCIETY

Preserving the Past to Inform the Future

Kristen Sager
Planning Director
City of Lubbock Planning & Zoning Commission

Re: Zoning Case #2016-D

July 26, 2023

Dear Ms. Sager,

I am writing this letter on behalf of the Lubbock Heritage Society. I thank you for taking the time to read this note of concern, and would greatly appreciate your sharing the letter with members of the Lubbock Planning & Zoning Commission.

The Lubbock Heritage Society strongly opposes a zoning change proposed at Avenue X between 14th and 15th Streets for the purpose of a massive student housing complex.

The South Overton neighborhood is a designated National Trust for Historic Preservation neighborhood containing many single-family residences. Approving a zoning change to allow a privately-owned, multi-storied, commercial structure that would cram 700+ students and 500+ vehicles into essentially a half block site would bring undue congestion and elevated noise to South Overton. It would also overtax the neighborhood's physical infrastructure and adversely skew its community personality.

Texas Tech University is aware of its student housing needs and what is on the horizon for student enrollment for the next 10 years. The university has chosen to construct a new, reasonably sized residence hall to fit these needs in an area of campus where there is more availability for parking. West Village II Residence Hall is a 300-bed facility to be built west of the Texas Tech Federal Credit Union. It is currently in the design phase. Additionally, this new residence hall will not impact a single-family resident neighborhood such as South Overton.

The Lubbock Heritage Society encourages the Planning & Zoning Commission to consider these factors as it deliberates on the proposed South Overton zoning change request. Please do not vote for this zoning change which will overall negatively impact the South Overton neighborhood.

Sincerely,

B. Lynn Whitfield
President, Lubbock Heritage Society
whitfieldbl@yahoo.com

Kristen Sager

From: CityPlanning
Sent: Thursday, July 27, 2023 7:57 AM
To: Kristen Sager
Subject: FW: Item. 5.2 on July 26, 2023 Agenda of City Planning &Zoning Commission

From: Mike Woodward <mwoodward@hslawmail.com>
Sent: Wednesday, July 26, 2023 7:59 PM
To: CityPlanning <cityplanning@mylubbock.us>
Cc: Lisa Holderness <lisaholderness4@gmail.com>; Molly Williams (twilliamsfamily@sbcglobal.net) <twilliamsfamily@sbcglobal.net>; Pancho Edwards <pancharita@live.com>; celeste patterson <celeste@806sales.com>
Subject: Item. 5.2 on July 26, 2023 Agenda of City Planning &Zoning Commission

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To the Planning & Zoning Commission:

Please accept this email communication submitted on behalf of Happy Six Sales, Inc., the owner of the property located at 2324 15th Street in Lubbock, Texas, in opposition to Zone Case 2016-D, a request to zone change from Family Apartment District (A-1) to High-Rise Apartment District (A-3).

Our father, Lewis O. Woodward, Jr., purchased this property on the northeast corner of 15th and Ave. X in 1978 so that my sisters and I could live there while we attended Texas Tech University. Upon his death, he left the property to my sisters and me, and as a result our offspring have also had the privilege to live in the historic South Overton Neighborhood while attending the university.

Ironically, I can recall that when our father purchased the property, he wanted to upgrade the garage apartment in the back of the property to allow increased living space for me while my sisters lived in the house in front. The application to convert the upstairs apartment into a two-story apartment was denied by this Commission in 1978 due to concerns of overloading the sewer and insufficient parking, even though he has already expanded the parking in front of the garage apartment at 1407 Ave. X. As a result, the improvement was never made, and the downstairs of the garage apartment continues to serve simply as storage. He never could understand why he wasn't allowed to make an investment in the property to improve both his property and the neighborhood.

Fast forward 45 years and I have now learned from an article in the Avalanche-Journal that a 7-story structure for student housing is proposed to be constructed across the street from the very property our father was denied the opportunity to improve. My sisters and I are not opposed to improvements in the neighborhood. In fact we recognize that the neighborhood desperately needs help. It breaks my heart to see the state much of the neighborhood has become. We have attempted to be good stewards and have upkept the property so that it is safe and not an eyesore. However, it is clear some of the owners surrounding us have not been near as diligent. I guess I should have known something was up for the block between 15th and 14th, west of Avenue X, for those structures were receiving no maintenance and were clearly uninhabitable. Nor has there any upkeep of the sidewalks in our "Historical" neighborhood. I kept asking myself how the City of Lubbock could allow the neighborhood south of Broadway to decline so badly and rapidly while north of Broadway appeared to be thriving with nice sidewalks and street lights. It is clear something needs to happen on our side of Broadway, but is a 7-story structure the way to go?

The same concerns that were expressed in 1978 when my father tried to improve the garage apartment apply today. There is a major concern about the congestion that will be caused by such a dense development across the street from single family homes. The intersection of 15th and Ave. X is a very busy intersection, and even though it is a 4 way stop, it is not unusual to see cars "roll through" the stop and many times outright run the stop sign. The area is also very heavily used by pedestrians and there needs to be some serious consideration to what the impacts might be by adding untold number of vehicles into the neighborhood. Similarly, we know from firsthand experience that there is already a severe shortage of parking in the neighborhood. As I indicated earlier in my message, we added an extra 2-3 parking spaces on our property to insure everyone and their visitors had a place to park. It is common for those spaces to be taken by students looking for a place close to campus to park for class. Students are also parking along the curbs in front of our house facing 15th Street. Game Day weekends are even crazier with the streets crammed with people looking for a place to park and the pedestrians heading to tailgate and the game. I am not convinced the neighborhood can handle another 500+ beds in a one block area! The article I read about the proposal indicated that the planned development would have a shortfall of 163 parking spaces based upon the number of beds planned. THAT IS UNACCEPTABLE! Parking is already extremely tight in the neighborhood, and the developer should not be allowed to overload the neighborhood without making appropriate provisions to handle at a minimum the added number of cars.

We are in favor of improving the existing conditions of these properties and support the enhancement of safety and livability of the neighborhood, but do not support a 7-story building with insufficient parking spaces. The plan is incompatible with the neighborhood and should not be approved as proposed. There is a great opportunity for the landowner and developer to come with a plan that enhances the character of the neighborhood and still provide a good return on investment, but the P&Z Commission needs to make sure that all the potential impacts on the neighborhood are considered and addressed before allowing any change to the current zoning for the property.

Thank you, and please add my name on the mailing list to receive notices of any future actions to be taken by the city with this property.

Mike Woodward
President of Happy Six Sales, Inc.

Michael L. Woodward
Hance Scarborough LLP
400 West 15 Street, Suite 950
Austin, TX 78620
512-479-8888

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Kristen Sager

From: Nancy Clopton <naclopton@gmail.com>
Sent: Tuesday, July 25, 2023 1:49 PM
To: Kristen Sager
Subject: Proposed Apartment Building in South Overton

WARNING: This message was sent from outside the City of Lubbock's email system.

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I am a member of St. John's UMC. I write to express my opposition to the 7-story apartment complex being proposed right across the street from my church. Our church has already had to contend with increased traffic from a new coffee shop to exit from the 15th street egress from our church. I cannot imagine how much worse the traffic problem will be with 700 students using that same exit to TTU and University Ave. Parking is also a problem. There needs to be enough off-street parking for every resident. Students do not come to college without a car. There needs to be enough parking off-street for every resident. Finding a parking space on the nearby street already requires cruising around looking for a spot, then having to walk several blocks.

I have worked with a non-profit group to gather the items left by students as they go home for the summer. At the end of the Spring semester, the campus dorms each order 4-5 roll-off dumpsters, which are filled to the brim with discarded items. Most of the discarded items are perfectly usable. Will students in a private dorm be any different? Will extra roll-off dumpsters be provided by the management?

Pets are a big concern. The neighborhood is already filled with stray cats, so much so that there is a volunteer group who trap and spay and neuter these cats. Many of them appear well-fed and tame. Many of them have been abandoned by Tech students going home for the summer. Where will pet dogs relieve themselves? The dog park is tiny compared to 200 pet dogs estimated. Will students take their dogs only to the park? Will they clean up after their pet? Will they clean up after other dog walkers who didn't clean up after their dogs but just left the mess for others? Will the lovely Overton Park area and St. John's UMC attract dog walkers to a much more pleasant walk than the dog walking park? I suspect that will be the case. I live in Carillon which is a neighbor to several small apartment buildings. Dog walkers use our sidewalks several times each day because the surroundings at Carillon are much more inviting. I can't blame them, but I don't want to go to a church surrounded by poop.

--
Nancy Clopton
4020 16th Street
Lubbock, TX 79416
(806)470-0134 (cell)
she/her

Kristen Sager

From: Ashley Padilla
Sent: Tuesday, July 25, 2023 4:36 PM
To: Kristen Sager
Subject: FW: 7 story, 700 bed complex

From: pate2u@att.net <pate2u@att.net>
Sent: Tuesday, July 25, 2023 3:05 PM
To: Ashley Padilla <AshleyPadilla@mylubbock.us>
Subject: 7 story, 700 bed complex

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Ashley, while driving down University to get to my Church, I see a nice community of small stores, churches, places where Tech students live, and residential areas. Why we would think it a good idea to have a 7-story, 700 bed apartment building in the area is beyond me. Although when it gets right down to the "why", it is all about someone making a lot of money.

I obviously am not for this building. Hopefully more thought will be given to keeping our community the way it already is. Improvements are always needed, but a 7-story 700 bed building will not be an improvement to the area.
Thank you,
Pat Ellerman

Kristen Sager

From: Rafe Foreman <srforeman@fightsforright.com>
Sent: Wednesday, July 26, 2023 11:44 AM
To: Kristen Sager; Ashley Padilla
Subject: Oppose zoning change

WARNING: This message was sent from outside the City of Lubbock's email system.

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Since not all Planning and Zoning Commissioners have email addresses available, this message is being sent to the Planning and Zoning staff members, trusting that they have the contact information necessary to see that the messages will be received in advance of the July 27 Planning and Zoning meeting and that the messages will also be included in the materials the commissioners are given for the meeting

Dear Lubbock Planning and Zoning Commissioners,

As a member of St. John's United Methodist Church, I strongly opposed the proposed zoning change. We are happy that our City of Lubbock government has recognized the value of our downtown neighborhoods and has been supportive of the designation of South Overton's success in achieving National Historic Neighborhood Designation. The City Council approved the 2040 Plan with its neighborhood emphasis; and with the establishment of the Neighborhood Planning Program, city government shows further support of our Lubbock neighborhoods.

Please give strength to the continuation of this support by voting not to recommend the Council approve the proposed zoning change to build a 700 bed 7 story high density apartment complex in South Overton between 14th and 15th Street near University Avenue. As members of St. John's United Methodist Church with property directly across 15th Street from the proposed project, we have for years had challenges getting back on 15th Street to have access to a light on University to travel north, south, or west. It has been compounded by the recent construction of a drive-in coffee shop on the corner. This narrow street, the other adjacent narrow streets and other low density infrastructure from the days of Lubbock's founding make this a totally inappropriate place for the proposed building. In addition this proposed building will house over 700 people, 40% of whom own pets, thus that's 280 dogs doing their business on the corner of our property, as we are the nearest grass, two or three times a day. What property could sustain over 560 neighborhood droppings per day? Next, if you study the statistics even 40% of people who own a garage don't park in their own garage. The number is staggeringly increased when the discussion is the percentage of people that park in the parking garage. This application has asked for less than ample parking, in this residents of this monstrosity they reveal that people aren't going to park in the provided spaces but along the narrow streets which were never built to handle parked cars. This zoning change and highrise across the street from us will do nothing but completely harm our property. The tax revenue generated will not exceed the infrastructure and damage to the historical neighborhood. Please vote no to this requested zoning change

A recommendation from the Planning and Zoning Commission that the City Council deny the zoning change is the right way to continue neighborhood support. It will help the City Council in the effort they have already

shown to be supportive of neighborhood preservation. They will no doubt appreciate that support, and so will we.

With appreciation for your challenging work,

With Gratitude,
S. Rafe Foreman

Dictated and not proofread for accuracy.

Lies are not free speech, the

S. Rafe Foreman, ESQ.
Partner
HUTCHISON & FOREMAN
FIGHTS FOR RIGHT

Freedom of religion, freedom of the press, freedom of person under protection of habeas corpus; and trial by juries impartially selected, these principles form the bright constellation which has gone before us, and guided our steps through an age of revolution and reformation. ***Thomas Jefferson***

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Tel: 806-491-4911
FW: 817-336-5533
Fax: 806-491-9911
Email: SRForeman@FightsForRight.com
Web: www.FightsForRight.com

1312 Texas Avenue, Suite 101
Lubbock, Texas 79401

500 East 4th Street, Suite 100
Fort Worth, Texas 76102

City of Lubbock, TX
Planning Department
Planning and Zoning Commission
Reply Form

If for any reason you will be unable to attend the public hearing advertised by this notice, and wish to present your comments regarding the case, please complete this form and return it to the Secretary of the Planning and Zoning Commission, c/o Planning Department, P.O. Box 2000, Lubbock, TX 79457 or email to CityPlanning@mylubbock.us.

If you have any questions pertaining to the case, please call the City of Lubbock Planning Department at 806-775-2108.

Please check one of the following to indicate if you are in favor of, or opposed to, the zone change requested by: **P&Z Case No.:** ***2016-D***

In Favor ____

Opposed ✓

Reasons and/or Comments:
Attached

Print Name Rev. Joshua Stueve
Signature: Rev. Joshua Stueve
Address: 1501 University Ave, Lubbock, TX 79401
Address of Property Owned: Same as Above
Phone Number: (806) 762-0123
Email: clergy@stjohnslubbock.org

Zone Case Number: **2016-D** R61833 Recipient 11 of 54
METHODIST CHURCH ST JOHNS
1501 UNIVERSITY AVE
LUBBOCK TX 79401-4496

ST. JOHN'S
UNITED METHODIST CHURCH

1501 University Ave | (806) 762-0123 | clergy@stjohnslubbock.org

July 25, 2023

Planning and Zoning Commission, City of Lubbock, TX
P.O. Box 2000
Lubbock, TX 79457

Dear Commissioners,

On behalf of St. John's United Methodist Church, we are writing to OPPOSE **Zone Case 2016-D: Parkhill for Thomas Kenneth Abraham.**

As a direct neighbor, we are concerned this will bring an increased density that will negatively impact St. John's and our neighbors. Our concerns, include, but are not limited too:

- *Lack of parking*: the proposal is approximately 10% shy of requirements. It is likely residents and visitors will park in our nearby lot devaluing an important asset. During the school year, our parking lot is full every day with *paid* parking permits.
- *Dangerous driving conditions*: the proposed parking garage has a single entrance/exit for over 500 spots that is directly across 15th St. from our parking lot. We have already seen an increase in traffic accidents following the construction of a single, small business at the corner of University and 15th.
- *Increased pets*: According to industry publications, there will be approximately 240+ pets (36%). The small dog park included in the proposal is insufficient. As the nearest grass, our property will see increased trash, mess, and smell.
- *Elevation scale is wrong for the neighborhood*: On 2.35 acres (½ a block) the structure is 7 stories high. This scale will create shade and privacy concerns.
- *Lack of affordable housing*: in our proximity to campus, we are in contact with many Texas Tech students. According to students, there is not a lack of housing options, but there is a lack of affordable housing options.

From what we know, since neither Mr. Abraham nor his representatives have contacted us, only a few stand to gain while the rest of the neighborhood will bear the harmful impacts. No plans have been publicized that will mitigate the multiple nuisances and safety concerns a development of this scale will create. In the end, our decision to oppose is based on love for our neighbors. We implore you to do the same by voting against this proposal.

In appreciation of your consideration,

Rev. Josh Stueve, Pastor

Marie Cox, Small Council Chair

Kristen Sager

From: Roy and Sandy Goodloe <rsgoodloe@hotmail.com>
Sent: Wednesday, July 26, 2023 2:23 PM
To: Tray Payne; Ashley Padilla; Kristen Sager; zachsawyer@umchealthsystemm.com; aviraj@pn3t.com; ahernandez@jdmatexas.com; jordan@jwlubbock.com; brandon.hardaway@kimley-horn.com; Christy Martinez; Shelia Patterson Harris; Mark McBrayer; Steve Massengale; Jennifer Wilson; Latrelle Joy
Subject: 7-Story, 700 Bed Apartment Complex Proposal

**WARNING: This message was sent from outside the City of Lubbock's email system.
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Dear Lubbock City Leaders,

We are contacting you regarding a proposal to build a 7-Story, 700 Bed Apartment Complex between Ave. X and University between 14th and 15th streets in the historic South Overton Neighborhood. We are long time members of St. John's United Methodist Church on the corner of University and 15th St. We are gravely concerned about this apartment complex proposal. The traffic on 15th St. already creates a challenge for church members to enter and exit the church parking lot. We already have the problem of people parking in our parking lot without authorization. The proposed apartment complex will have a parking garage that accommodates around 500 vehicles. Obviously, over 200 occupants will need to seek parking elsewhere. Since our parking lot is across from the proposed apartment complex, it will be a prime location for alternate parking. We will have to go through the time consuming process of placing notices on windshields and having vehicles towed. In addition to our regular worship services and other events, we have wedding and funeral services at various times of the day and night and therefore need the parking lot available. Additionally, the apartment complex will allow pets. Again our church landscape will be a convenient place for servicing their animals. With 700 occupants, our church grounds will be over-run with intruders with more clean-up and work for us to handle.
Our neighborhood is not zoned for this complex and developers are requesting a change in the established zoning. We adamantly Oppose this requested change in the established zoning! We respectfully request that you, as a city leader, oppose this request to change the established zoning for this apartment complex. Thank you for your time and attention to this matter.

Roy and Sandy Goodloe

Virus-free.www.avg.com

Kristen Sager

From: CityPlanning
Sent: Tuesday, July 25, 2023 4:56 PM
To: Kristen Sager
Subject: FW: Zone Case at 15th and Ave X-

From: abbefamily78@gmail.com <abbefamily78@gmail.com>
Sent: Tuesday, July 25, 2023 1:56 PM
To: CityPlanning <cityplanning@mylubbock.us>
Subject: Zone Case at 15th and Ave X-

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

I am a member of St. John's United Methodist Church, and fully support the letter that you have received from Josh Stueve and Marie Cox on behalf of the church. The direct physical impact of such a huge building on St. John's United Methodist church, the apartment complex's closest neighbor, is extremely detrimental, and the church will be forced to use its financial resources that should be reserved for good works to clean up after tenants and visitors and to protect our own parking lots and landscaping.

As a long-time historic preservationist and former urban planner, I am also very concerned about the effect of such a such a monolithic building and 700 plus additional tenants on the South Overton neighborhood as whole. This concentration of mostly one and two family homes is one of the oldest in the city, with housing dating from the 1920s. In addition to the City of Lubbock Landmark Designation and design standards, the entire neighborhood was listed on the National Register of Historic Places in 1996.

I hope that you have been able to see the shade and shadow studies done of the physical effect of the building. Blocking the sun from portions of whole blocks of homes at various times throughout the year is a travesty. And if you've ever slid by the Texas Tech office building/former bank tower at the southeast corner of 19th and University after a few days of ice and snow, you can imagine what the road conditions will be around this building in the winter.

I also am worried about adding that many people and vehicles to the aging infrastructure of the neighborhood. The surrounding streets were constructed for low-density housing, not 700 cars. The developer's submission indicates that the proposed parking garage will not contain enough spaces for every tenant. Few college students who have the means to live in luxury housing are without a car, and there will be friends visiting to take advantage of the proposed amenities. Drive through North Overton and try to find a parking space on the street!

Adding hundreds of toilets, sinks and showers in a seven-story building will have the same impact on the sewer and water infrastructure as a small residential subdivision would.

I would also ask you not to be fooled by the pretty pictures in the concept drawings. One elevation shows cars parking by the entrance, but since the site plan shows no surface parking on site, it seems that the parking shown belongs to the CVS on the corner of 14th and University. And the drawings are lushly landscaped, but the landscape tables show options that may not be.

The purpose statements of the A-3 and PD zoning districts in Chapter 40 of the city's Code of Ordinances indicate that developments under these districts should:

- minimize adverse effects on lower-density residential developments in surrounding areas
- provide for maximum compatibility with adjacent development
- ensure maximum protection of lower-density uses

The request for rezoning and the project as it is currently proposed seems to violate the spirit of both proposed zoning districts.

In conclusion, I'd like to address the argument that some make that this project will "clean up" this area by pointing out that Mr. Abraham has owned most of the properties on this and the adjacent block for decades. His neglect has caused the very conditions that this project is supposed to remedy.

Sincerely,

Sally Still Abbe
4607 23rd St.
Lubbock, TX 79407
806-470-4602

Kristen Sager

From: Stacey Carley <stacey.l.franklin@gmail.com>
Sent: Tuesday, July 25, 2023 10:46 PM
To: Ashley Padilla; Kristen Sager
Subject: Planning and Zoning Change in South Overton

WARNING: This message was sent from outside the City of Lubbock's email system.

It could contain harmful attachments or links to harmful web pages.

Dear Lubbock Planning and Zoning Commissioners,

My husband and I recently became aware of a proposal to build a seven-story, 700-bed apartment complex in the South Overton Neighborhood across the street from our church, St. John's. This does not make sense for a residential neighborhood with narrow streets. The increased population density would make it difficult to drive in the area.

We were thinking what it would be like if this apartment complex were being built in our residential neighborhood and would ask that members of the Planning and Zoning Commission do the same. How would we like a large apartment building towering over our homes and an increase of hundreds of cars in our neighborhood?

Another concern that has been brought to our attention is that insufficient parking has been planned for the apartment complex which will lead residents to park in front of local homes.

With this in mind, we ask that you make a recommendation to the City Council to deny the zoning change.

We appreciate your time and effort.

Sincerely,

Greg and Stacey Carley

Information

Agenda Item

Public Hearing - Planning (District 2): Consider a request for Zone Case 3486, a request of Core States Group for Ramona Prater and Estate of Charles Prater, for a zone change from Transition District (T) to Commercial District (C-4), at 11213 University Avenue, located north of 114th Street and east of University Avenue, on 2.852 acres of unplatted land out of Block E, Section 10, and consider an ordinance.

Item Summary

For detailed information on this request, please refer to the Planning Department Staff Report attached hereto. As noted in the report, staff recommends approval of this request. The Planning and Zoning Commission heard this case on July 27, 2023, and recommended approval of the request by a unanimous vote of 7-0-0.

Fiscal Impact

None.

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Kristen Sager, Director of Planning
Planning and Zoning Commission

Attachments

Zone Case 3486 Ordinance
Zone Case 3486 Staff Report
Zone Case 3486 Documentation

ORDINANCE NO._____

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 7084 AND THE OFFICIAL MAP OF THE CITY OF LUBBOCK MAKING THE FOLLOWING CHANGES: ZONE CASE NO. 3486; A ZONING CHANGE FROM T TO C-4 ZONING DISTRICT AT 11213 UNIVERSITY AVENUE, LOCATED NORTH OF 114TH STREET AND EAST OF UNIVERSITY AVENUE, ON 2.852 ACRES OF UNPLATTED LAND OUT OF BLOCK E, SECTION 10, LUBBOCK, TEXAS; PROVIDING A PENALTY; PROVIDING A SAVINGS CLAUSE; AND, PROVIDING FOR PUBLICATION.

WHEREAS, the proposed changes in zoning as hereinafter made have been duly presented to the Planning and Zoning Commission for its recommendation which was received by the City Council and, after due consideration, the City Council found that due to changed conditions, it would be expedient and in the interest of the public health, safety and general welfare to make those proposed changes in zoning; and

WHEREAS, all conditions precedent required by law for a valid amendment to the Zoning Ordinance and Map have been fully complied with, including giving notices in compliance with Section 40.01.005 of the Code of Ordinances, City of Lubbock, Texas, and the notices provided by the Texas Local Government Code §211.007 (Vernon, 1990), and notice was duly published in the Lubbock Avalanche-Journal more than fifteen (15) days prior to the date of the public hearing before the City Council on such proposed amendment, and the public hearing according to said notice, was held in the City Council Chamber of the Municipal Building, Lubbock, Texas, at which time persons appeared in support of the proposal; and after said hearing, it was by the City Council determined that it would be in the public interest, due to changed conditions, that the Zoning Ordinance and the Zoning Map be amended in the manner hereinafter set forth in the body of this Ordinance and this Ordinance having been introduced prior to first reading hereof; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

ZONE CASE NO. 3486

SECTION 1. THAT Ordinance No. 7084 and the Official Zoning Map are amended as follows:

A change of zoning under the provisions of Section 40.01.005 of the Code of Ordinances of the City of Lubbock from **T** to **C-4** zoning district at 11213 University Avenue, located north of 114th Street and east of University Avenue, on 2.852 acres of unplatted land out of Block E, Section 10, City of Lubbock, Lubbock County, Texas, and being further described as follows:

METES AND BOUNDS DESCRIPTION: Attached as Exhibit "A".

SECTION 2. THAT violation of any provision of this Ordinance shall be deemed a misdemeanor punishable by fine not to exceed Two Thousand and No/100 Dollars ($2,000.00) as provided in Section 40.01.006 of the Zoning Ordinance of the City of Lubbock.

SECTION 3. THAT should any paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 4. THAT the City Secretary is hereby authorized to cause publication of the descriptive caption of this Ordinance as an alternative method provided by law.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Kristen Sager, Director of Planning

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

vw/cityatt/Kelli/ZoneCase/ZC3486
7.28.23

Exhibit "A"

Property Description from Survey

PROPERTY DESCRIPTION:

A 2.852 acre tract of land being a portion of that certain tract described in Warranty Deed recorded in Volume 1607, Page 672 of the Deed Records of Lubbock County, Texas, all lying in Section 10, Block E, Lubbock County, Texas, said 2.852 acre tract being more particularly described by metes and bounds as follows;

BEGINNING at the Southwest corner of Section 10,

THENCE North 01 degree 47 minutes 57 seconds East, along the WEst line of Section 10, a distance of 350.00 feet to a point; (Bearings realtive to the Texas Coordinate System, North Central Zone, NAD83)

THENCE South 88 degrees 11 minutes 25 seconds East, at a distance of 55.0 feet pass a 3/8" iron rod with cap marked "HBD" set for reference, continue for a total distance of 355.00 feet to a 3/8" iron rod with cap marked "HBD" set;

THENCE South 01 degree 47 minutes 57 seconds West, at a distance of 300.00 feet pass a 3/8" iron rod with cap marked "HBD" set in the North line of 114th Street, continue for a total distance of 350.00 feet to a point on the South line of Section 10;

THENCE North 88 degrees 11 minuts 25 seconds West, alogn the South line of Section 10, a distance of 355.00 feet to the POINT OF BEGINNING;

Said tract contains a computed area of 2.852 acres of land, of which 0.786 acres lie within right of way easements for University Avenue and 114th Street.

Written Explanation

Currently this site is unzoned and in the ETJ of Lubbock, TX. We are requesting this site be annexed into the city and zoned as a C-4 Commercial property. This will allow the proposed circle k gas station to be constructed and connected to city utilities.

Planning Department
City of Lubbock

Staff Report	Zone Case 3486
City Council Meeting	August 22, 2023

Applicant Core States Group

Property Owner Prater Ramona and Estate of Charles Prater

Council District 2

Recommendations

- Staff recommends approval of this request.

Prior Board or Council Action

- August 23, 1979, Ordinance No. 7900: The subject property was annexed and zoned Transition District (T).
- July 27, 2023, Zone Case 3486: The Planning and Zoning Commission recommended approval of a zone change from Transition District (T) to Commercial District (C-4) by a vote of 7-0-0.

Notification Summary

- Notifications Sent: 5
- Received In Favor: 0
- Received In Opposition: 0

Site Conditions and History

The subject property is currently unplatted and undeveloped.

Adjacent Property Development

The subject property is adjacent to an apartment complex (under construction), zoned High-Density Apartment District (A-2) to the north and east with an apartment complex, zoned Family Apartment District (A-1) and vacant land, zoned General Retail District (C-3) to the west. To the south is vacant land, zoned Transition District (T).

Zoning Request and Analysis

Item Summary

The subject property is currently addressed at 11213 University Avenue, north of 114th Street and east of University Avenue. The applicant requests a zone change from T to Commercial District (C-4).

Current zoning: **Transition District (T)**

Requested zoning: **Commercial District (C-4)**

Intent Statements

The intent of the current T zoning is, "… to protect existing and future development in newly annexed territory until the proper zone classification can be determined and established by zone change."

The intent of the proposed C-4 zoning is, "…to provide for heavy retail and wholesale commercial uses which serve a city-wide or regional area. Such districts should have frontage on regional thoroughfares such as state or federal highways."

Traffic Network/Infrastructure Impacts
The proposed zone change location will be north of 114th Street and east of University Avenue. The Master Thoroughfare Plan, 2018, designates 114th Street as a Minor Arterial and University Avenue as a Principal Arterial. Arterial streets provide connectivity across the transportation network and are continuous routes whose function is to serve high volume needs to local traffic and regional traffic.

Compatibility with Surrounding Property
The proposed zoning is compatible with the surrounding area and will not change the character of the existing development.

Conformance with Comprehensive Plan Principles and Future Land Use Map
The Future Land Use Map designates this area for "Commercial" land use. The proposed zone change to C-4 would be in conformance with this designation and would be in conformance with the principles of the 2040 Comprehensive Plan. This request would be appropriate next to the existing C-4 zoning to the west of the subject property.

Conformance with Zoning Ordinance
The proposed zoning request is in conformance with the zoning ordinance and is appropriate for this area.

Suitability of Property for Allowed Uses
The property is suitable for the proposed use and may need additional public improvements to support the intensity of uses described in the C-4 zoning district, as the property is currently unplatted.

Attachments
A. Case Information
B. Thoroughfare Plan Map
C. Aerial Map
D. Zoning Map
E. Future Land Use Map
F. Photos
G. Application and supporting documentation

Staff Contacts

Cassie Bermea
Planner
Planning Department
806-775-2096
cassiebermea@mylubbock.us

Victor Escamilla
Planning and Zoning Manager
Planning Department
806-775-3029
vescamilla@mylubbock.us

Case Information: Zone Case 3486

Allowable Uses: Commercial District (C-4)

Transportation: The proposed development has points of access from University Avenue and 114th Street.

Thoroughfare	Existing	Per Thoroughfare Development Plan
114th Street, Minor Arterial, Partially Completed	R.O.W. 60 feet, three-lane, undivided, paved	R.O.W. 100 feet, five-lane, undivided, paved
University Avenue, Principal Arterial, Partially Completed	R.O.W. 42 feet, four-lane, undivided, paved	R.O.W. 1100 feet, five-lane, undivided, paved

Engineering Comments: No comments.

Public Works Comments: No comments.

Building Safety Comments: No comments.

Fire Marshal Comments: No comments.

Draft Planning and Zoning Commission Minutes

District 2

5.3 **Zone Case 3486:** Core States Group for Prater Ramona and Estate of Charles Prater, request for a zone change from Transition District (T) to Commercial District (C-4), at:

- 11213 University Avenue, located north of 114th Street and east of University Avenue, on 2.852 acres of unplatted land out of Block E, Section 10.

PLANNER CASSIE BERMEA stated there were five (5) notifications sent out and none returned. Staff shared the location of the property, including pictures and maps and discussed the surrounding properties. Staff recommended approval of the request.

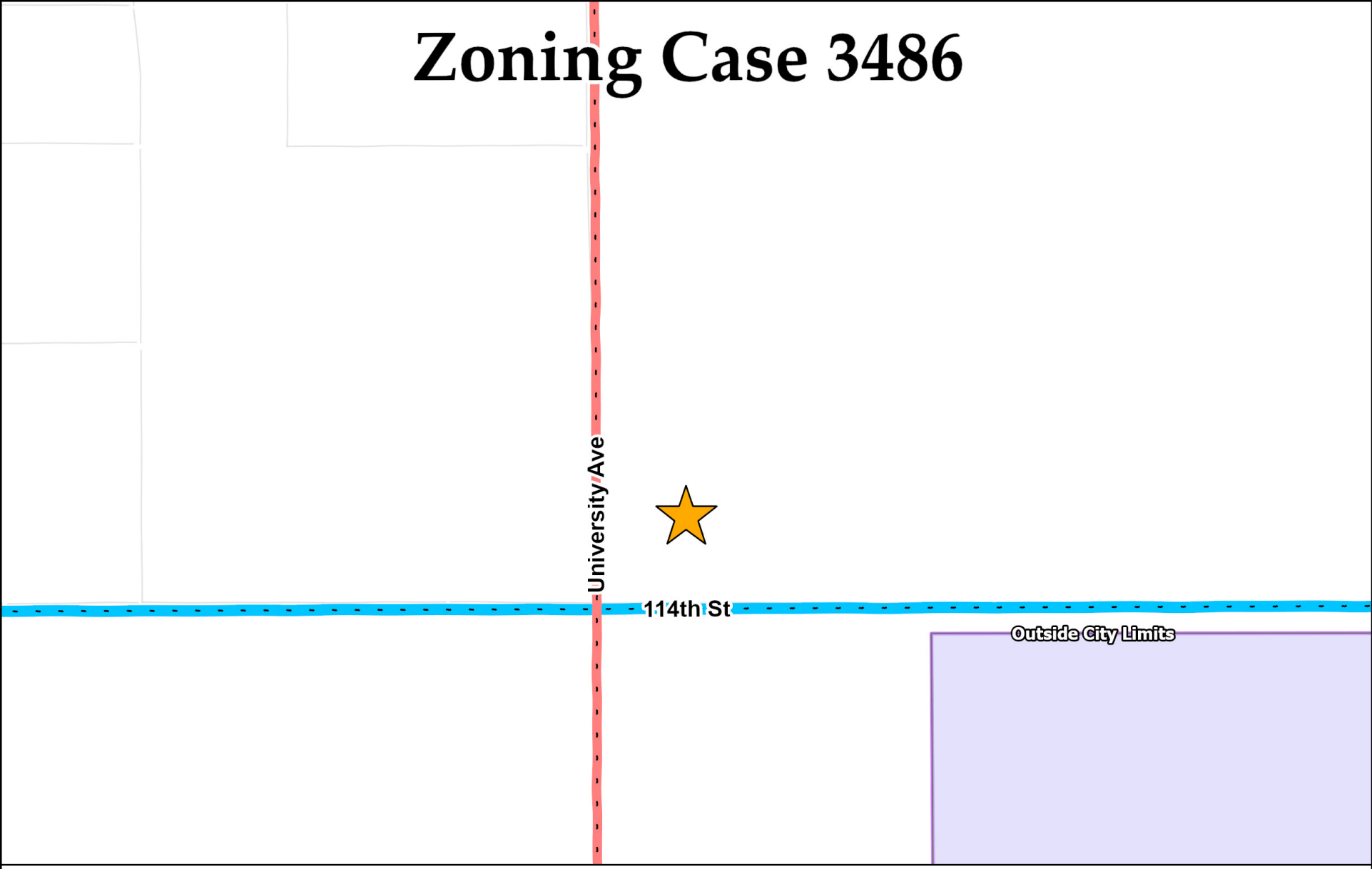
APPLICANT GARREN HIXSON, 5257 Shaw Avenue, St. Louis, Missouri, stated that he had no additional comments to add and was available for any questions from the Commission.

No one spoke in favor or in opposition of the request.

CHAIR SAWYER noted that the property had been vacant for a long time.

In the matter of **Zone Case 3486,** a motion was made by **JAMES BELL** and seconded by **JORDAN WHEATLEY** to approve the request. The Commission members voted 7 (in favor) to 0 (in opposition) to approve the motion. The item will be forwarded to City Council for consideration.

Zoning Case 3486

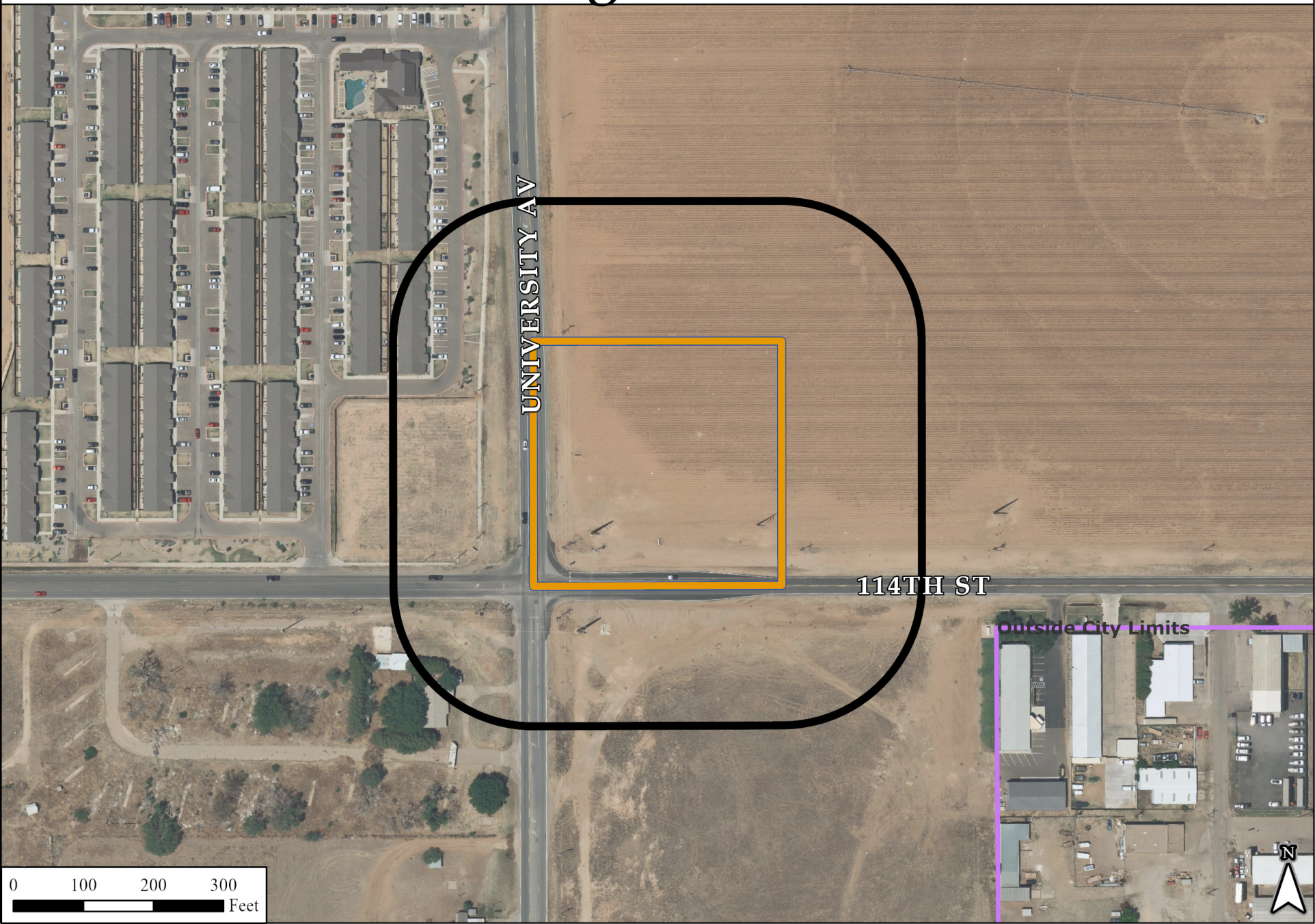


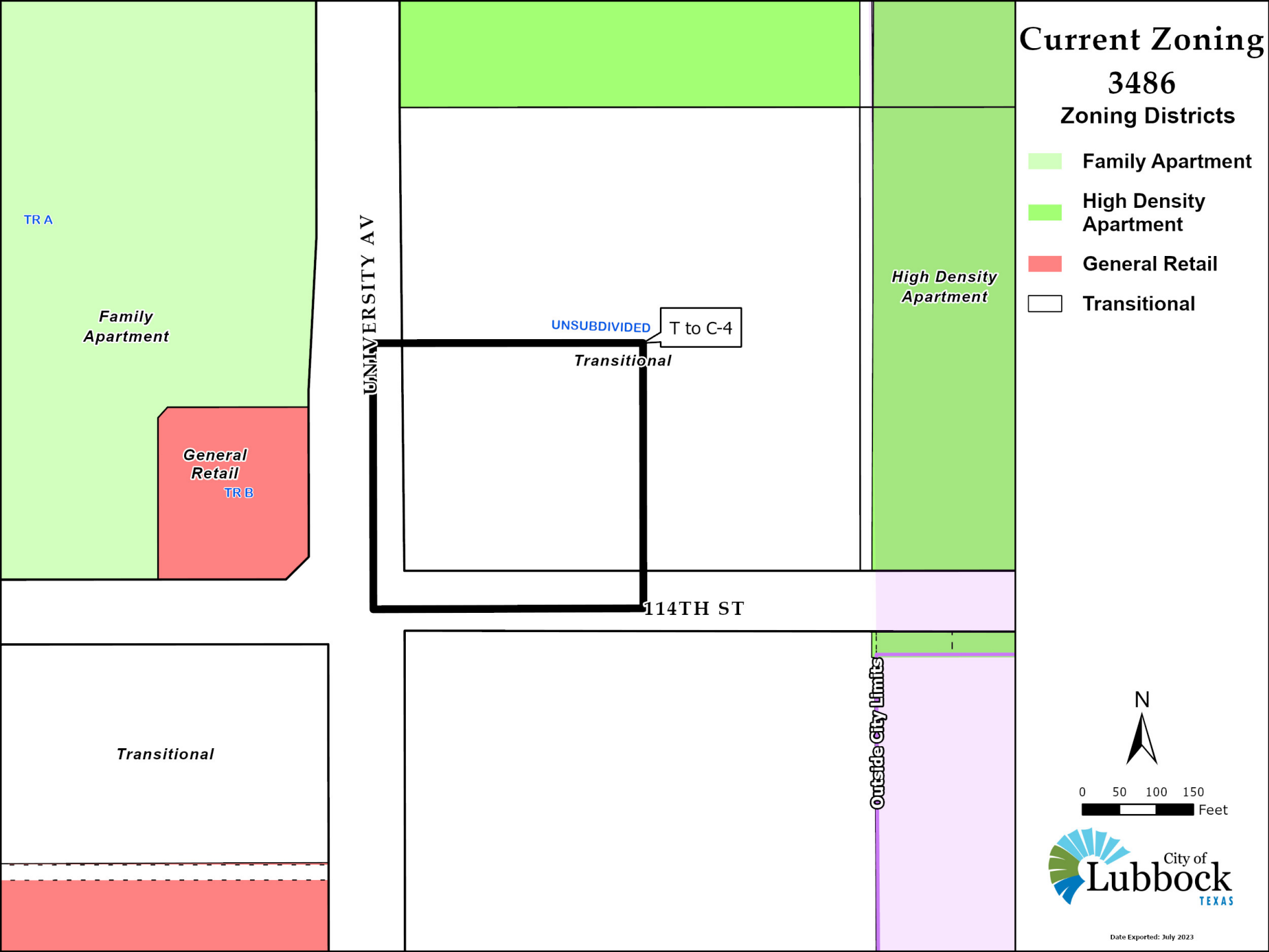
Collector	Minor Arterial	Modified Arterial	Principal Arterial	Freeway
Completed	Completed	Partial	Completed	Completed
Partial	Partial	Future	Partial	Partial
Future	Future		Future	Proposed Outer Loop

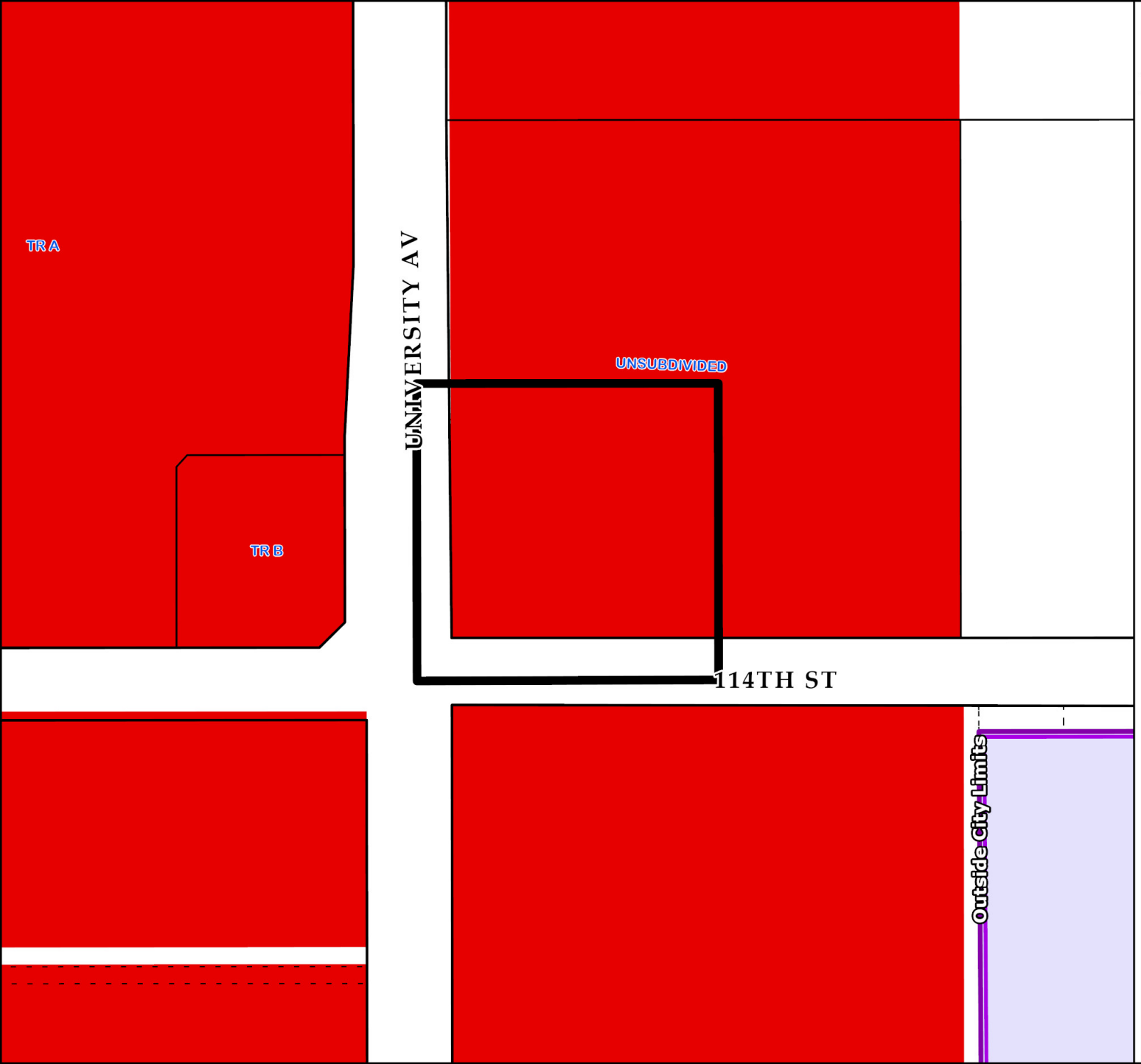
N
W E
S

Date Exported: July 2023

Zoning Case 3486




Current Zoning
3486
Zoning Districts
Family Apartment
High Density Apartment
General Retail
Transitional
TR A
Family Apartment
General Retail
TR B
UNIVERSITY AV
UNSUBDIVIDED
T to C-4
Transitional
High Density Apartment
114TH ST
Transitional
Outside City Limits
N
0 50 100 150
Feet
City of Lubbock TEXAS
Date Exported: July 2023



Future Land Use Plan
Case 3486

Future Land Use Type

- Commercial
- Heavy Commercial
- Downtown
- Office
- Industrial
- Interstate Commercial
- Interstate Industrial
- Mixed Use
- Parks
- Public/ Semi-Public
- Residential Low Density
- Residential Medium Density
- Residential High Density

N

0 50 100 150 200 Feet

City of Lubbock TEXAS

Date Exported: July 2023

West View.

East View.

North View. Subject Property

South View.

Lubbock Planning Department
PO Box 2000 / 1314 Avenue K
Lubbock, TX 79457

APPLICATION FOR ZONING CHANGE

Project Information

Location or Address: Northeast Corner of University Ave and 114th St, Lubbock, TX 79423

Lots/Tracts: Loc ID R85668, BLK E SEC 10

Survey & Abstract: Blew & Associates

Metes and Bounds Attached: Yes ☑ No ☐ Total Acreage of Request: 1.99 +/-

Existing Land Use: Vacant Existing Zoning: Annexation Zoning

Requested Zoning: C-4 Commercial

If property is not subdivided, will a preliminary plat be submitted? Yes ☑ No ☐

Representative/Agent Information (if different from owner)

Firm Name: Core States Group

Name: Garren Hixson

Address: 5257 Shaw Ave City: St. Louis State: MO

ZIP Code: 63110 Telephone: 314-730-0773 Email: ghixson@core-states.com

Applicant's Signature: Garren Hixson

Date: 6/20/23 Printed Name: Garren Hixson

Owner Information

Firm Name:

Owner: PRATER RAMONA & EST OF CHARLES PRATER

Address: 4910 93RD STREEt City: LUBBOCK State: TX

ZIP Code: 79424 Telephone: Email:

Property Owner's Signature: Ramona Prater

Date: 6/1/23 Printed Name: Ramona Prater

Preparer Information

Preparer's Signature: Garren Hixson

Date: 6/20/23 Printed Name: Garren Hixson

For City Use Only

Zone Case No: Planning and Zoning Commission Date:

Request for zoning change from: To:

Lots: Blocks:

Addition:

By signing this application, Applicant agrees and warrants that any and all materials submitted to the City in support or reference to this application are not protected by copyrights or, in cases of potential copyrighted materials, the Applicant is the sole owner of any copyrighted interest and grants to the City permission and license to reproduce, publish, distribute and utilize such materials.

If you have any questions pertaining to the zoning process, please contact the City of Lubbock Planning Department by phone at (806) 775 - 2108 or by e-mail at cityplanning@mylubbock.us.

Information

Agenda Item

Public Hearing - Planning (District 4): Consider a request for Zone Case 3257-P, a request of Hugo Reed and Associates, Inc. for 1585 Development, LLC and Rocket Partners I, LLC, for a zone change from Single-Family District (R-1) Specific Use for Reduced Setbacks to Single-Family District (R-1) Specific Use for Townhouse/Garden Home, generally located west of Elgin Avenue and south of 137th Street, on 3 acres of unplatted land out of Block AK, Section 1, and consider an ordinance.

Item Summary

For detailed information on this request, please refer to the Planning Department Staff Report attached hereto. As noted in the report, staff recommends approval of this request. The Planning and Zoning Commission heard this case on July 27, 2023, and recommended approval of the request by a unanimous vote of 7-0-0.

Fiscal Impact

None

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Kristen Sager, Director of Planning
Planning and Zoning Commission

Attachments

Zone Case 3257-P Ordinance
Zone Case 3257-P Staff Report
Zone Case 3257-P Documentation

ORDINANCE NO._____

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 7084 AND THE OFFICIAL MAP OF THE CITY OF LUBBOCK MAKING THE FOLLOWING CHANGES: ZONE CASE NO. 3257-P; A ZONING CHANGE FROM R-1 SPECIFIC USE FOR REDUCED SETBACKS TO R-1 SPECIFIC USE FOR TOWNHOUSE/GARDEN HOME, GENERALLY LOCATED WEST OF ELGIN AVENUE AND SOUTH OF 137TH ON 3 ACRES OF UNPLATTED LAND OUT OF BLOCK AK, SECTION 1, LUBBOCK, TEXAS; PROVIDING A PENALTY; PROVIDING A SAVINGS CLAUSE; AND, PROVIDING FOR PUBLICATION.

WHEREAS, the proposed changes in zoning as hereinafter made have been duly presented to the Planning and Zoning Commission for its recommendation which was received by the City Council and, after due consideration, the City Council found that due to changed conditions, it would be expedient and in the interest of the public health, safety and general welfare to make those proposed changes in zoning; and

WHEREAS, all conditions precedent required by law for a valid amendment to the Zoning Ordinance and Map have been fully complied with, including giving notices in compliance with Section 40.01.005 of the Code of Ordinances, City of Lubbock, Texas, and the notices provided by the Texas Local Government Code §211.007 (Vernon, 1990), and notice was duly published in the Lubbock Avalanche-Journal more than fifteen (15) days prior to the date of the public hearing before the City Council on such proposed amendment, and the public hearing according to said notice, was held in the City Council Chamber of the Municipal Building, Lubbock, Texas, at which time persons appeared in support of the proposal; and after said hearing, it was by the City Council determined that it would be in the public interest, due to changed conditions, that the Zoning Ordinance and the Zoning Map be amended in the manner hereinafter set forth in the body of this Ordinance and this Ordinance having been introduced prior to first reading hereof; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

ZONE CASE NO. 3257-P

SECTION 1. THAT Ordinance No. 7084 and the Official Zoning Map are amended as follows:

A change of zoning under the provisions of Section 40.01.005 of the Code of Ordinances of the City of Lubbock from **R-1 Specific Use for Reduced Setbacks** to **R-1 Specific Use for Townhouse/Garden Home** zoning generally located west of Elgin Avenue and south of 137th on 3 acres of unplatted land out of Block AK, Section 1, City of Lubbock, Lubbock County, Texas, and being further described as follows:

METES AND BOUNDS DESCRIPTION: Attached as Exhibit "A".

SECTION 2. THAT the granting of this specific use zoning is hereby made subject to compliance with all provisions of Zoning Ordinance No. 7084, as amended, including particularly, but not limited to, Section 40.03.3102 of the Codified Zoning Ordinance, which provides that a Building Permit shall be applied for and secured within thirty (30) months of the effective date of the zone change or all undeveloped property shall automatically revert back to the previous zoning classification, which in this case is the **R-1 Specific Use for Reduced Setbacks** zone district; and if such reversion occurs, the Director of Planning is directed to remove from the Zoning Map the legend indicating such specific use. The Specific Use authorized by this Ordinance is permitted under provision of Section 40.03.3101-40.03.3103 of Codified Zoning Ordinance No. 7084 on the property described as generally located west of Elgin Avenue and south of 137th on 3 acres of unplatted land out of Block AK, Section 1, City of Lubbock, Lubbock County, Texas.

SECTION 3. THAT violation of any provision of this Ordinance shall be deemed a misdemeanor punishable by fine not to exceed Two Thousand and No/100 Dollars ($2,000.00) as provided in Section 40.01.006 of the Zoning Ordinance of the City of Lubbock.

SECTION 4. THAT should any paragraph, sentence, clause, phrase or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 5. THAT the City Secretary is hereby authorized to cause publication of the descriptive caption of this Ordinance as an alternative method provided by law.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Kristen Sager, Director of Planning

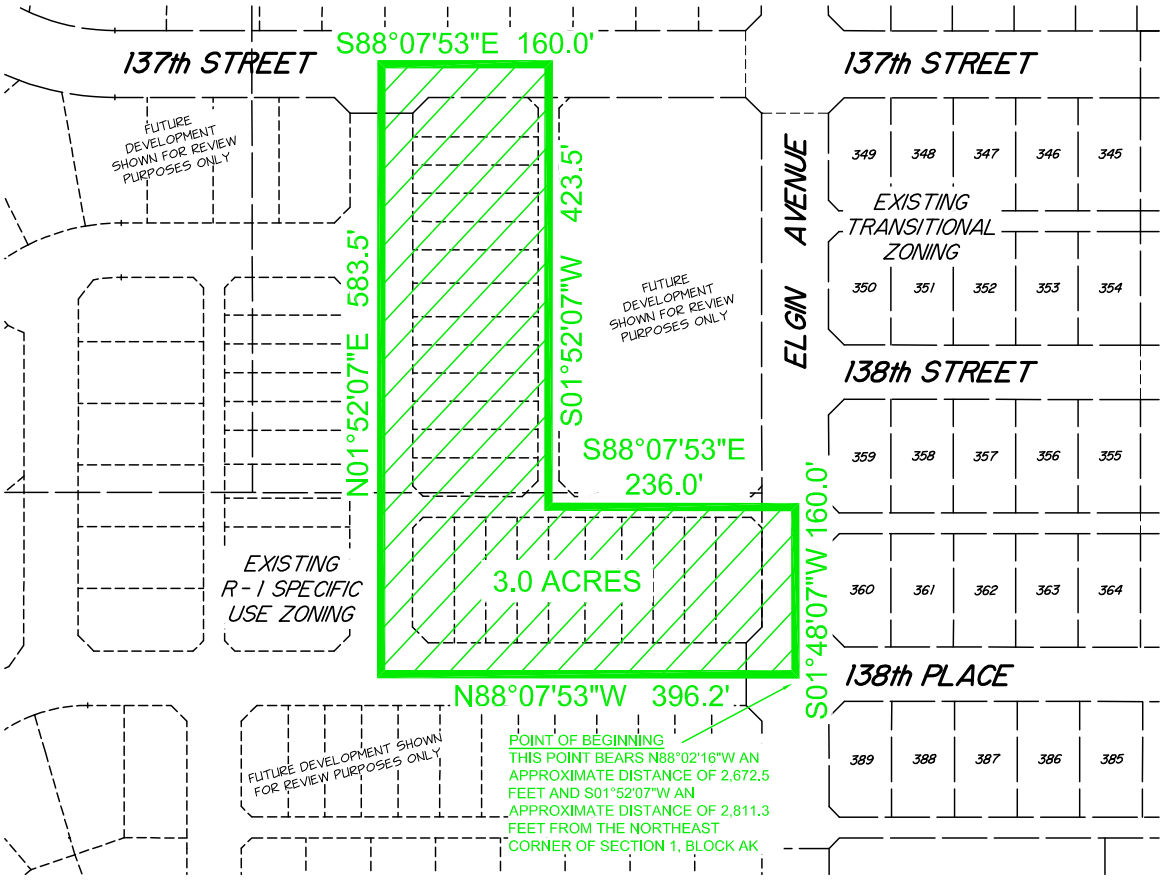
APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

vw/CityAtt/Kelli/Zones/ZC3257-P
7.28.23

PROPOSED ZONING

LOCATED IN SECTION 1, BLOCK AK



HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS
CIVIL ENGINEERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
1601 AVENUE N
LUBBOCK, TEXAS 79401
PHONE: 806 / 763-5642
FAX: 806 / 763-3891

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE.

THIS DOCUMENT IS RELEASED FOR ZONING PURPOSES ONLY.

RELEASE DATE: July 26, 2021

Planning Department
City of Lubbock

Staff Report	Zone Case 3257-P
City Council Meeting	August 22, 2023

Applicant Hugo Reed and Associates, Inc.

Property Owner 1585 Development, LLC and Rocket Partners I, LLC

Council District 4

Recommendations

- Staff recommends approval of this request.

Prior Board or Council Action

- December 18, 2014, Ordinance No. 2014-O0148: The northern portion of the subject property was annexed and zoned Transition District (T).
- July 9, 2015, Zone Case 3257-A, Ordinance No. 2015-O0069: The northern portion of the subject property was rezoned from T to Single-Family District (R-1) Specific Use for reduced setbacks.
- April 28, 2016, Original Zoning Ordinance No. 2016-O0054: The southern portion of the subject property was annexed and zoned Transition District (T).
- October 13, 2016, Zone Case 3257-B, Ordinance No. 2016-O0147: The full subject property was rezoned to R-1 Specific Use for reduced setbacks.
- October 12, 2021, Zone Case 3257-M, Ordinance No. 2021-O0138: The subject property was rezoned to R-1 Specific Use for reduced setbacks.
- July 27, 2023, Zone Case 3257-P: The Planning and Zoning Commission recommended approval of a zone change from Single Family District (R-1) Specific Use for reduced setbacks to Single Family District (R-1) Specific Use for Townhouse/ Garden Home by a vote of 7-0-0.

Notification Summary

- Notifications Sent: 15
- Received In Favor: 0
- Received In Opposition: 0

Site Conditions and History

The subject property is unplatted and undeveloped.

Adjacent Property Development

The subject property is adjacent to vacant land, zoned R-1 Specific Use for reduced setbacks to the north and south, east and west.

Zoning Request and Analysis

Item Summary

The subject property is generally located west of Elgin Avenue and south of 137th Street. The applicant requests a zone change from (R-1) Specific Use for reduced setbacks to Single-Family District (R-1) Specific Use for Townhouse/Garden Home.

Current zoning: **Single Family District (R-1)** Specific Use for reduced setbacks

Requested zoning: **Single Family District (R-1)** Specific Use for Townhouse/Garden Home

Intent Statements
The intent of the current R-1 zoning is "… to promote orderly and proper development of single-family residential units; to protect established and future single-family residential developments from inharmonious and harmful land uses; and to provide a "quality environment" for the residents of the district and city."

The intent of the current Specific Use zoning is "…to provide for design and land use flexibility in the various districts. This district provides for variations in the land use standards within the [zoning] ordinance, provided the intent, principles, and innovations of modern urban planning and design are used."

The intent of the Proposed R-1 zoning is "… to promote orderly and proper development of single-family residential units; "to protect established and future single-family residential developments from inharmonious and harmful land uses; and to provide a "quality environment" for the residents of the district and city."

The intent of the Proposed Specific Use zoning is "…to provide for design and land use flexibility in the various districts. This district provides for variations in the land use standards within the [zoning] ordinance, provided the intent, principles, and innovations of modern urban planning and design are used."

Traffic Network/Infrastructure Impacts
The proposed rezoning location will be located west of Elgin Avenue and south of 137th Street. The Master Thoroughfare Plan, 2018, designates Elgin Avenue as a Collector Street. Collectors are designed for medium volumes of vehicles operating at lower speeds (i.e., 30-35 mph) and 137th Street as a local street. Local streets typically provide access to smaller destination-oriented areas.

Compatibility with Surrounding Property
The proposed zoning is compatible with the surrounding area and will not change the character of the existing development.

Conformance with Comprehensive Plan Principles and Future Land Use Map
The Future Land Use Map designates this area for residential low density uses. The proposed zone change to R-1 Specific Use for Townhouses/ Garden Homes would be in conformance with this designation and would be in conformance with the principles of the 2040 Comprehensive Plan. This request would be appropriate adjacent to other residential uses.

Conformance with Zoning Ordinance
The proposed zoning request is in conformance with the zoning ordinance and is appropriate for this area.

Suitability of Property for Allowed Uses
The property is suitable for the proposed use and may need additional public improvements to support the intensity of uses described in the C-4 zoning district, as the property is currently unplatted.

Attachments
A. Case Information
B. Thoroughfare Plan Map
C. Aerial Map
D. Zoning Map
E. Future Land Use Map
F. Photos
G. Application and supporting documentation

Staff Contacts

Cassie Bermea
Planner
Planning Department
806-775-2096
cassiebermea@mylubbock.us

Victor Escamilla
Planning and Zoning Manager
Planning Department
806-775-3029
vescamilla@mylubbock.us

Case Information: Zone Case 3257-P

Allowable Uses: Single Family District (R-1) Specific Use for Townhouse/Garden home

Transportation: The proposed development has points of access from Elgin Avenue and 137th Street.

Thoroughfare	Existing	Per Thoroughfare Development Plan
Elgin Avenue, Collector, partial	R.O.W. 46 feet, -lane, undivided, paved	R.O.W. 46 feet, four-lane, undivided, paved
137th Street, Local Street (Complete)	R.O.W. 45 feet, two-lane, undivided, paved	R.O.W. 40 feet, two-lane, undivided, paved

Engineering Comments: No comments.

Public Works Comments: No comments.

Building Safety Comments: No comments.

Fire Marshal Comments: No comments.

Draft Planning and Zoning Commission Minutes

District 4

5.5 **Zone Case 3257-P:** Hugo Reed and Associates, Inc. for 1585 Development, LLC and Rocket Partners I, LLC, request for a zone change from Single-Family District (R-1) Specific Use for Reduced Setbacks to Single-Family District (R-1) Specific Use for Townhouse/Garden Home, at:

- Generally located west of Elgin Avenue and south of 137th Street on 3 acres of unplatted land out of Block AK, Section 1.

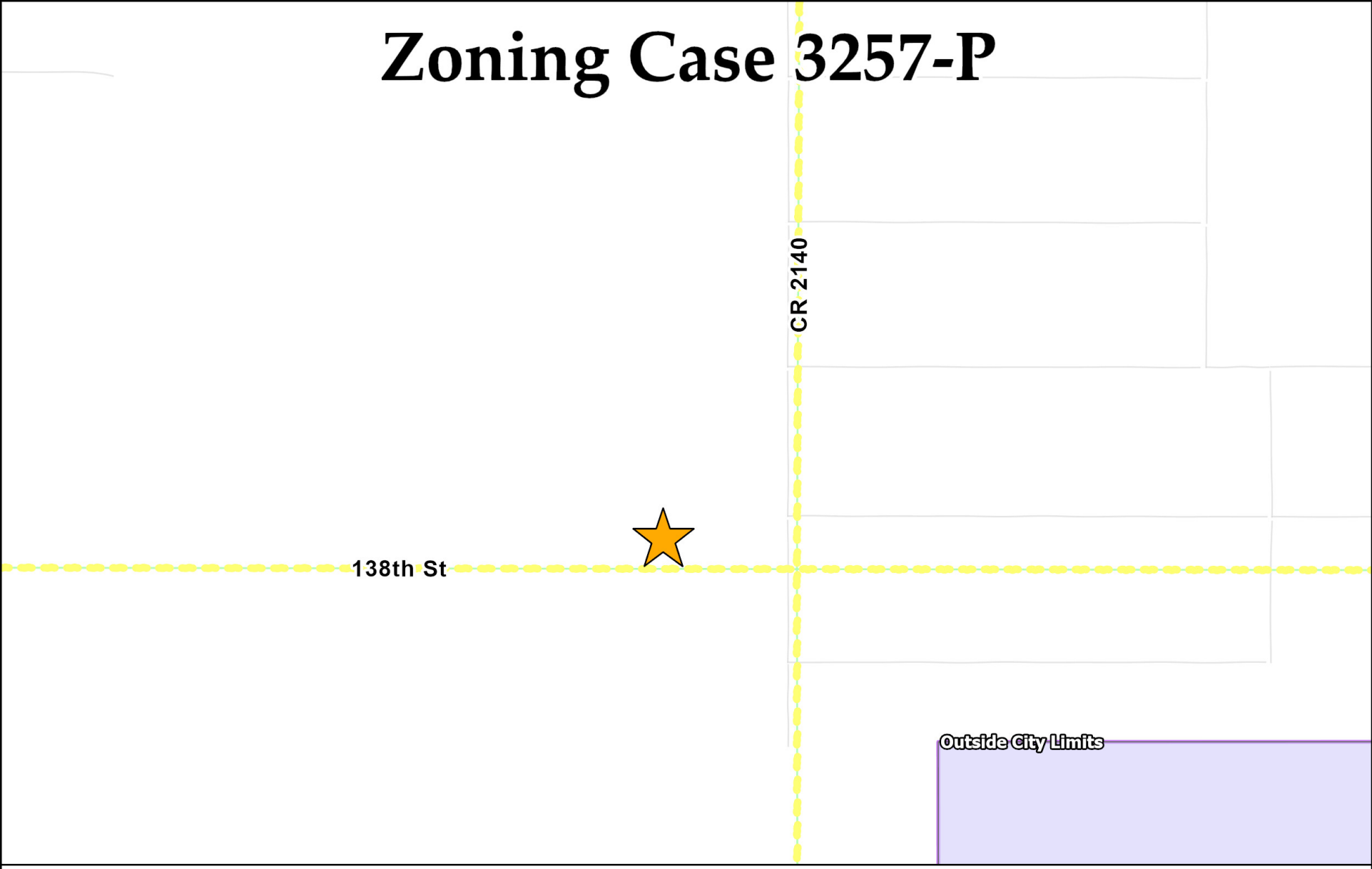
PLANNER CASSIE BERMEA stated that there were fifteen (15) notifications sent out and zero (0) returned. Staff shared the location of the property, including pictures and maps and discussed the surrounding properties. Staff recommended approval of the request.

APPLICANT TERRY HOLEMAN, 1601 Avenue N, with Hugo Reed and Associates, stated that this was part of the Viridian Development, between Indiana Avenue and University Avenue, just south of Loop 88. The location is in the middle of that square-mile. The proposed use of the area as a community center for the neighborhood was already approved, but the amount of land set aside for that was more than needed. The excess land would be used for townhomes.

No one spoke in favor or in opposition to this request.

In the matter of **Zone Case 3257-P,** a motion was made by **JAMES BELL** and seconded by **AVIRAJ PATEL** to approve the request and the Commission members voted 7 (in favor) to 0 (in opposition) to approve the motion. The item will be forwarded to City Council for consideration.

Zoning Case 3257-P

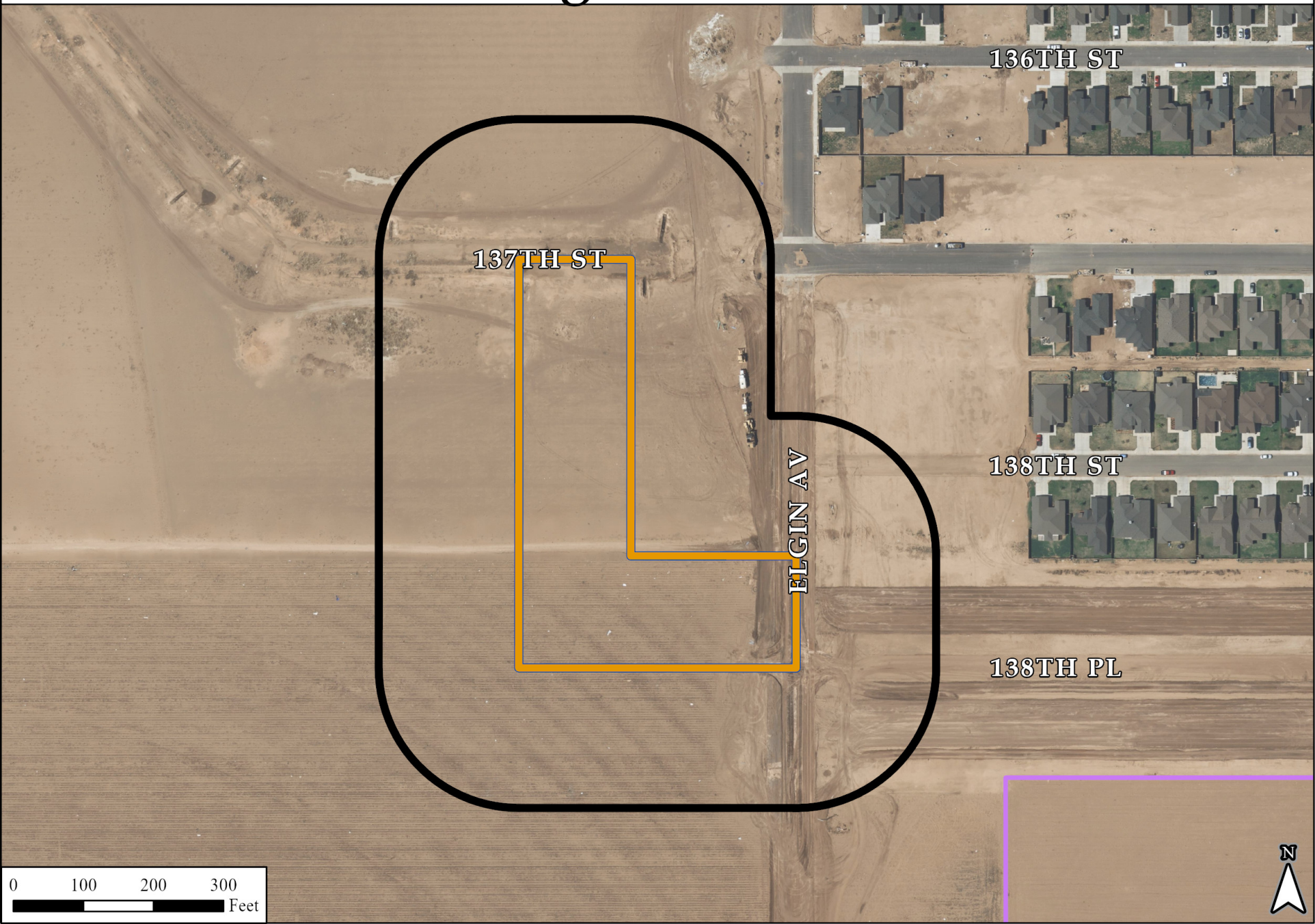


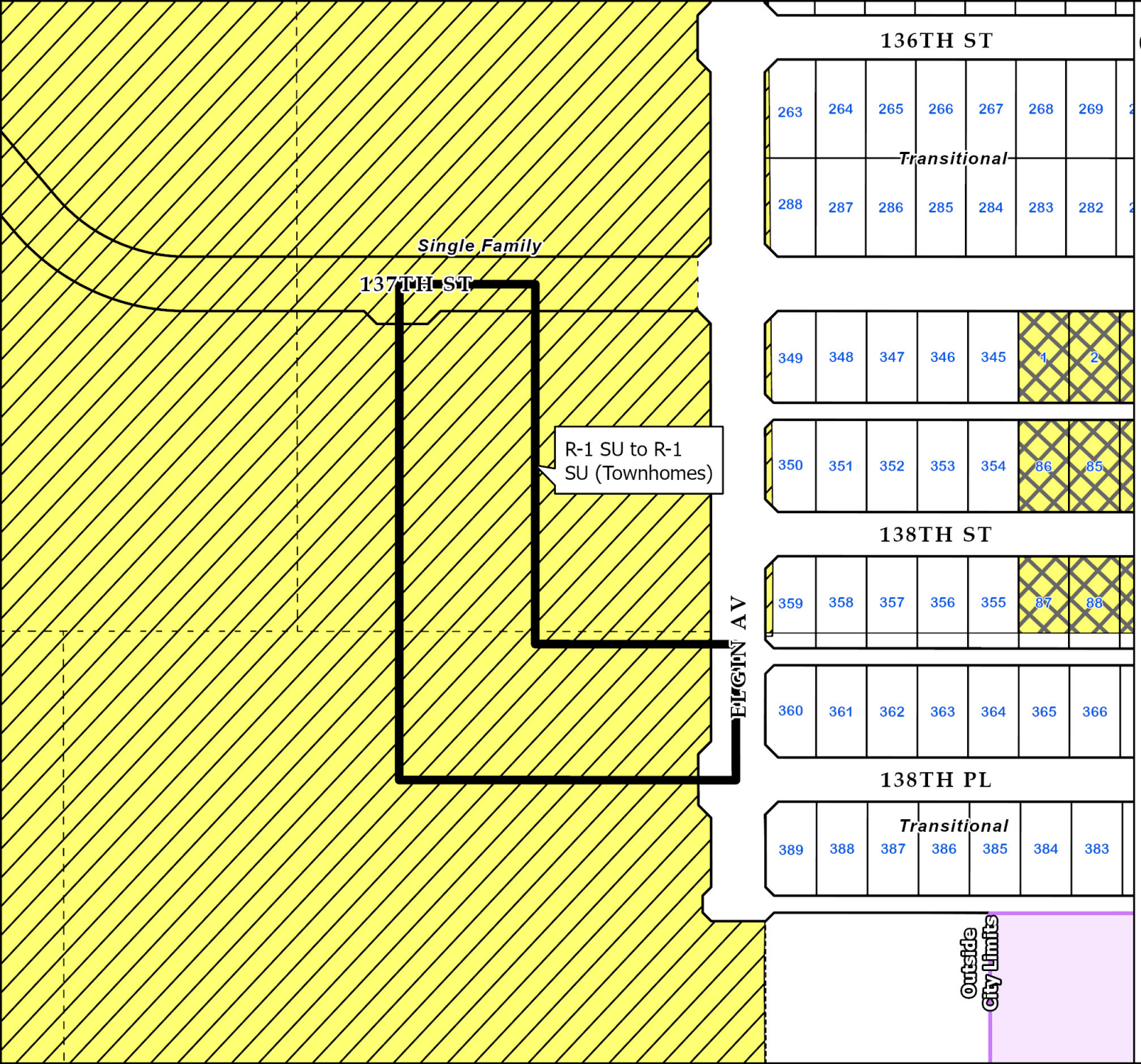
Collector	Minor Arterial	Modified Arterial	Principal Arterial	Freeway
Completed	Completed	Partial	Completed	Completed
Partial	Partial	Future	Partial	Partial
Future	Future		Future	Proposed Outer Loop

N
W E
S

Date Exported: July 2023

Zoning Case 3257-P





Current Zoning

3257-P

Zoning Districts

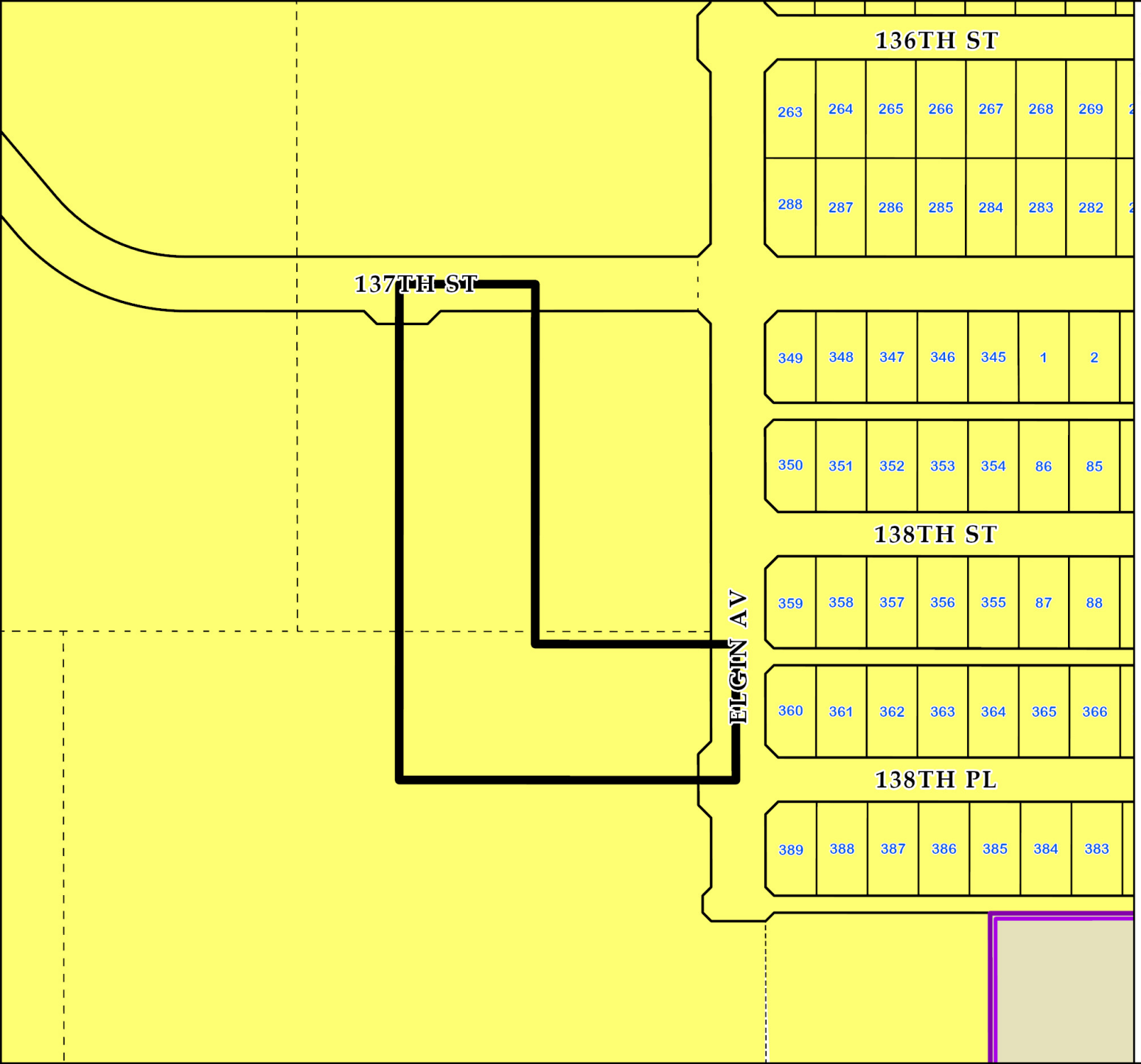
- Single Family Specific Use
- Single Family with Reducded Setbacks
- Transitional

N

0 50 100 150 Feet

City of Lubbock TEXAS

Date Exported: July 2023



Future Land Use Plan
Case 3257-P

Future Land Use Type

- Commercial
- Heavy Commercial
- Downtown
- Office
- Industrial
- Interstate Commercial
- Interstate Industrial
- Mixed Use
- Parks
- Public/ Semi-Public
- Residential Low Density
- Residential Medium Density
- Residential High Density

N

0 50 100 150 200 Feet

City of Lubbock TEXAS

Date Exported: July 2023

West View.

East View.

North View.

South View.

3257-P

City of Lubbock TEXAS

City of Lubbock TEXAS

Lubbock Planning Department
PO Box 2000 / 1314 Avenue K
Lubbock, TX 79457

APPLICATION FOR ZONING CHANGE

Project Information

Location or Address: West of Elgin Avenue, generally between 137th Street and 138th Place

Lots/Tracts: See metes and bounds description

Survey & Abstract: Section 1, Block AK

Metes and Bounds Attached: Yes ☑ No ☐ Total Acreage of Request: 3.0

Existing Land Use: Vacant Land Existing Zoning: R-1 Specific Use

Requested Zoning: R-1 Specific Use (for townhomes)

If property is not subdivided, will a preliminary plat be submitted? Yes ☐ No ☑

Representative/Agent Information (if different from owner)

Firm Name: Hugo Reed and Associates, Inc.

Name: Terry Holeman

Address: 1601 Avenue N City: Lubbock State: TX

ZIP Code: 79401 Telephone: 806-763-5642 Email: tholeman@hugoreed.com

Applicant's Signature: Terry Holeman

Date: 06/21/2021 Printed Name: Terry Holeman

Owner Information

Firm Name: 1585 Development, LLC and Rocket Partners I, LLC

Owner: Thomas Payne on behalf of 1585 Development, LLC and Rocket Partners I, LLC

Address: PO Box 64664 City: Lubbock State: TX

ZIP Code: 79464 Telephone: 806-543-0667 Email: tpayn3@gmail.com

Property Owner's Signature:

Date: 6-21-23 Printed Name: Thomas Payne

Preparer Information

Preparer's Signature:

Date: Printed Name:

For City Use Only

Zone Case No: Planning and Zoning Commission Date:

Request for zoning change from: To:

Lots: Blocks:

Addition:

If you have any questions pertaining to the zoning process, please contact the City of Lubbock Planning Department by phone at (806) 775 - 2108 or by e-mail at cityplanning@mylubbock.us.

Information

Agenda Item

Resolution - Planning: Consider a resolution authorizing the Mayor to execute a Municipal Services Agreement, with the Lubbock Economic Development Alliance, Inc., for the requested annexation of an area of land generally described as 105.867 acres north of East 4th Street and east of East Loop 289, into Lubbock's corporate limits, along with the adjacent right-of-way.

Item Summary

Lubbock Economic Development Alliance, Inc. is the owner of the tract of land containing approximately 105.867 acres north of East 4th Street and east of East Loop 289, located in Section 4, Block A, in Lubbock County. The owner is requesting consideration of voluntary annexation of the land into the City limits.

The first step in the voluntary annexation process is to establish a service plan to which both the City and the property owner agree. The proposed annexation agreement sets forth the plan for services between the City of Lubbock and Lubbock Economic Development Alliance, Inc. If the agreement is approved by the City Council, staff will schedule a public hearing to consider annexation of the property.

Fiscal Impact

None

Staff/Board Recommending

Erik Rejino, Assistant City Manager
Kristen Sager, Director of Planning

Attachments

Resolution - East 4th & East Loop 289
LEDA_Annex_Agreement (signed)
Annexation Map - East 4th & East Loop 289
Petition - East 4th & East Loop 289

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LUBBOCK:

THAT the Mayor of the City of Lubbock is hereby authorized and directed to execute for and on behalf of the City of Lubbock, an Annexation Agreement, by and between the City of Lubbock and the Lubbock Economic Development Alliance, Inc., and related documents. Said Agreement is attached hereto and incorporated in this resolution as if fully set forth herein and shall be included in the minutes of the City Council.

Passed by the City Council on _____.

_____
TRAY PAYNE, MAYOR

ATTEST:

_____
Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

_____
Erik Rejino, Assistant City Manager

APPROVED AS TO FORM:

_____
Kelli Leisure, Senior Assistant City Attorney

ccdocs/RES.AnnexationAgreement_LEDA
8.17.23

MUNICIPAL SERVICES AGREEMENT
BETWEEN THE CITY OF LUBBOCK, TEXAS
AND LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC.

This Municipal Services Agreement ("Agreement") is entered into on _____ day of _____, 2023 by and between the City of Lubbock, Texas, a home-rule municipality of the State of Texas, ("City") and Lubbock Economic Development Alliance, Inc. ("Owner"), collectively referred to as ("Parties").

RECITALS

The Parties agree that the following recitals are true and correct and form the basis upon which the Parties have entered into this Agreement.

WHEREAS, Section 43.0671 of the Local Government Code ("LGC") permits the City to annex an area when each owner of land in an area requests the annexation;

WHEREAS, the Owner owns a certain parcel of land situated in Lubbock, Texas which consists of approximately 106 acres of land in the City's extraterritorial jurisdiction, such property being more particularly described and set forth in Exhibit "A" attached to and incorporated herein ("Property");

WHEREAS, where the City elects to annex such an area, the City is required to enter into a written agreement with the property owner that sets forth the City services to be provided for the Property;

WHEREAS, Owner has filed a written request with the City for full-purpose annexation of the Property, and said petition for annexation is set forth as Exhibit "B" attached to and incorporated herein ("Petition");

WHEREAS, the City and the Owner desire to set out the City services to be provided for the Property on or after the effective date of annexation;

WHEREAS, the annexation and execution of this Agreement are subject to approval by the Lubbock City Council; and

NOW THEREFORE, in exchange for the mutual covenants, conditions and promises contained herein, the City and the Owner agree as follows:

1. **PROPERTY**. This Agreement is only applicable to the Property, which is the subject of the annexation.

2. **INTENT.** It is the intent of the City that this Agreement provide for the delivery of full, available municipal services to the Property in accordance with the service plan below and state law, which may be accomplished through any means permitted by law.

3. **MUNICIPAL SERVICES.**

A. Commencing on the effective date of annexation, the City will provide the municipal services set forth below. As used in this Agreement, "providing services" includes having services provided by any method or means by which the City may extend municipal services to any other area of the City, including the City's infrastructure extension policies and developer or property owner participation in accordance with the applicable city ordinances, rules, regulations, and policies.

i. Fire Services

a. *Existing Services*: None

b. *Services to be Provided:* Fire suppression will be available to the area upon annexation. Primary fire response will be provided by Fire Station No. 5, located at 1101 Zenith Ave, Station No. 2, located at 1515 E. Ursuline Street, and Station No. 10, located at 4810 MLK Blvd. Station No. 5 is approximately 1.8 miles from the proposed annexation with an approximate response time of 3 to 4 minutes. Station 2 is approximately 3.1 miles from the proposed annexation with an approximate response time of 4 to 5 minutes. Station No. 10 is approximately 4.0 miles from the proposed annexation with an approximate response time of 5 to 6 minutes. Fire suppression activities can be afforded to the annexed area with an acceptable response time within current appropriation. Fire Prevention activities will be provided by the Fire Marshal's office as needed.

ii. First Responder Emergency Medical Services

a. *Existing Services*: None

b. *Services to be Provided*: Lubbock Fire Rescue is a Basic Life Support (BLS) First Responder Organization. BLS First Responder emergency medical response will be provided by Fire Station No. 5, located at 1101 Zenith Ave, Station No. 2, located at 1515 E. Ursuline Street, and Station No. 10, located at 4810 MLK Blvd. Station No. 5 is approximately 1.8 miles from the proposed annexation with an approximate response time of 3 to 4 minutes. Station 2 is approximately 3.1 miles from the proposed annexation with an approximate response time of 4 to 5 minutes. Station No. 10 is approximately 4.0 miles from the proposed annexation with an approximate response time of 5 to 6 minutes. First Responder Emergency Medical

Services can be afforded to the annexed area with an acceptable response time within current appropriation. Emergency medical transport is provided by the Lubbock County Hospital District.

iii. Police Services

a. *Existing Services*: None

b. *Services to be Provided*: The Police Department's responsibility for responding to emergency and non-emergency law enforcement calls for service and to provide law enforcement patrol coverage in an effort to prevent, reduce, mitigate and solve crimes will extend to this area on the effective date. These services can be provided within the department's current budget.

iv. Building Safety Services

a. *Existing Services*: None

b. *Services to be Provided*: The Building Safety Department will provide construction code enforcement services upon annexation. This includes construction plan review and field inspection services and the issuance of building, electrical, and plumbing/mechanical permits for any new construction and remodeling, as well as enforcement of all other applicable laws and codes that regulate building construction within the City of Lubbock. As land is developed, the need for additional personnel and budget appropriations will be dependent upon the type, intensity and rate of development within the annexed area as well as areas that compete for those resources.

v. Planning and Zoning Services

a. *Existing Services*: Subdivisions of land within the five-mile extraterritorial jurisdiction (ETJ) of the city are required to have a plat of the subdivision prepared in accordance with the City of Lubbock subdivision regulations. Currently, plats and subdivisions in the ETJ are approved by the Planning and Zoning Commission, as well as the County Commissioner's Court, as may be dictated by applicable state statutes and City ordinances. Similarly, signs and billboards are regulated within the ETJ pursuant to the City's sign ordinance, as authorized by State law. No other Planning department services are authorized or offered outside of the City limits, including zoning.

b. *Services to be Provided*: The Planning and Zoning Department's responsibility for regulating development and land use through the administration of the City of Lubbock Zoning Ordinance will extend to this area on the effective date of the annexation. The annexed areas will also continue to be regulated under the requirements of the City of Lubbock Subdivision Ordinance. These services can be provided within the department's current budget.

vi. GIS and Data Services

a. *Existing Services*: None

b. *Services to be Provided*: GIS and Data Services will update all city-wide GIS data sets to include the newly annexed areas. This will include support to the Office of City Secretary for elections requirements, to Building Inspection, Streets and Traffic Engineering for addresses, street names and street signs, and to Planning for transitional zoning. GIS will facilitate a meeting with Lubbock Emergency Communication District, Police and Fire for determination of updated information for 911 Dispatch. Updated GIS information that is public will also be reflected on the GIS mapping website for citizens.

vii. Publicly Owned Parks, Facilities, and Buildings

a. Existing Services: City of Lubbock Library's materials, services, and programs are currently available to anyone who lives in Lubbock County.

b. Services to be Provided: Residents of the Property will be permitted to utilize all existing publicly-owned and available parks, facilities (including community service facilities, libraries, swimming pools, etc.) and buildings throughout the City. Upon the effective date of annexation, staff will study areas to be included in future versions of the Parks Master Plan. Any addition of parkland will create additional expenses to the Parks and Recreation operating budget. The Library will continue to provide services to all of Lubbock County, including the area to be annexed. These services are provided within the department's current budget.

viii. Code Administration Services

a. *Existing Services*: None

b. *Services to be Provided*: The City of Lubbock's Code Administration department will implement the enforcement of local ordinances and regulations on the effective date of the annexation. Such services can be provided with current Code Administration Personnel and within the current budget appropriation. As land is developed, increases in personnel and budget will be needed in order to provide the same level of customer service.

ix. Environmental Health Department Services

a. *Existing Services*: None

b. *Services to be Provided*: The City of Lubbock's Environmental Health Departments will implement the enforcement of local, state, and federal rules, regulations, and ordinances on the effective date of the annexation. Such services can be provided with current Environmental Health Department Personnel and within the current budget appropriation. As land is developed, increases in personnel and budget will be needed in order to provide the same level of customer service.

x. Animal Services

a. *Existing Services*: None. Currently, the area is under the jurisdiction of the Lubbock County Sheriff's Office.

b. *Services to be Provided*: Animal control services will be provided to the area as needed. The City of Lubbock Animal Services Department will implement the enforcement of the City of Lubbock's animal control ordinances and regulations upon the effective date of the annexation. It is anticipated that such services can be provided with current personnel and budget appropriation, but response times may increase.

xi. Street Services

a. *Existing Services:* City of Lubbock Public Works currently maintains any roads that are within the City of Lubbock City Limits adjacent to these plats.

b. *Services to be Provided:* Newly annexed areas adjacent to, or bordering, unpaved arterials will require a two-lane section of roadway to be built along with the development with interconnectivity to adjacent paved arterial streets. The pavement structure will require an appropriate pavement design meeting a minimum design standard for an arterial street. These roadways will be required to be built once any connection including streets or alleyways is made to the unpaved arterial road by the voluntary annexation

area. The developer will receive offsets from impact fees as the adjacent unpaved arterial roadway is built.

c. *Proposed Access:* The proposed access shown through Sumac is not adequate. Sumac is not currently dedicated right of way and is in a residential area. Owner shall ensure access from 4th Street shall be through Wood Avenue, and Wood Ave shall be paved by the Owner as a collector section from East 4th Street to East Erksine Street to facilitate commercial traffic and provide access for emergency services. The Owner shall dedicate and built as a collector section the full right of way of East Auburn from Sumac to Wood, and the full right of way of Sumac from Erskine Ave to 2nd Street. Owner shall ensure no commercial traffic shall be routed through the residential area to the West.

xii. Storm Water Management Services

a. *Existing Services*: City maintains jurisdiction of playa lakes within the ETJ. TCEQ (Texas Commission on Environmental Quality) has jurisdiction of enforcement and compliance with stormwater related permits outside the City limits.

b. *Services to be Provided*: As land is developed, developers will provide plans for addressing the conveyance of storm water drainage. The Development Engineering staff will review the drainage plans for compliance with the current drainage regulations and policies. Any major improvements for conveyance will be inspected for compliance by the city staff at time of completion. Additionally, as land is developed and building permits are requested, Storm Water staff reviews each permit request for compliance with the Chapters 22 (City's Stormwater permit) and Chapter 30 (Lakes and Floodplains) of the City Code. After permit issuance, inspections of the construction sites are to ensure compliance with the City Code and state regulations. Depending on the type and intensity of development within the annexed area, the need for additional personnel and budget appropriations may be needed to provide adequate customer service (development and permit review and inspections). TCEQ Stormwater permit holders will be transitioned from TCEQ oversight to City of Lubbock oversight, i.e. inspection and compliance of these existing facilities will now be the responsibility of the Storm Water Staff. There is a playa lake on this property and at a minimum, the Drainage Criteria Manual will need to be followed to address any storm water flow.

xiii. Street Lighting

a. *Existing Services*: None

b. *Services to be Provided*: The City of Lubbock will coordinate any request for improved street lighting with the local electric provider in accordance with standard policy.

xiv. Traffic Engineering Services

a. *Existing Services*: None

b. *Services to be Provided*: Upon annexation and in conjunction with the platting process, Traffic Engineering will identify and install required traffic signs to be installed at the developer's expense. Other regulatory traffic control devices will be provided after appropriate studies indicate the data meets the minimum requirements as set forth in the Texas Manual on Uniform Traffic Control Devices (TMUTCD) and as budget permits.

xv. Water and Sanitary Sewer Services

a. *Existing Services*: None

b. *Services to be Provided*: Water and sewer infrastructure is not currently adjacent to this area within the existing City Limits. Availability of water and sewer is at the request and expense of the user, and shall be provided within current policies and ordinances of the City (note below for an explanation of pro-rata charges). Water and sewer for domestic and commercial use, when installed, will be available at approved City rates. Water for fire protection will be available through lines only after service lines are installed by the Owner.

If estimated water usage, sewer discharge rates, and sewer quality data is submitted, requirements may need to be adjusted.

c. *Required Improvements*:

1. The proposed site borders section lines on 3 sides. Owner shall install a 12" line from the existing 12" in East 4th Street to be extended up Sumac to Auburn, along Auburn to Wood, and back down Wood to 4th Street;

2. A second 12" feed shall be installed by the Owner. There is an existing 12" line along N Loop 289 near N Guava Ave;

3. Owner shall conduct a water and sewer study in order to ensure such services to the Property are available. Nearly all of the Property is outside of our current Water and Sewer Models and Master Plan for potential Capital Projects;

4. Water shall be looped appropriately to ensure appropriate fire flows as well as assuring no dead end water mains are left within the system once developed. The Owner shall install the water loop within three (3) years of installation of a dead end water main or upon the issuance of four-hundred (400) building permits, whichever is first; and

5. The Owner of the Property shall install a lift station in order to receive sewer services. The lift station shall be sized as to minimize the number of lift stations which will be turned over to the City of Lubbock. The lift station that serves this area shall be master planned with all LEDA-owned property surrounding the Property to accommodate full build-out flows, unless the lift station is to remain private. Sewer shall ultimately discharge into the existing 24" sewer interceptor nearby that runs N/S along Olive Ave and crosses E 4th Street.

Pro-Rata Charges:

Chapter 22, City Code establishes the charges or the actual cost of construction due on all property to which water and/or sewer lines are extended. The charge is generally known as "pro-rata" and is due and payable before service is provided. The pro-rata charge represents a portion of the costs of providing water and/or sewer facilities to serve the property on which the pro-rata is paid. When a person desires water and/or sewer service to property that requires an extension of existing facilities to provide service adjacent to the property or when the service connection will be made to a line constructed after April 1, 1952, the person desiring service shall pay non-refundable charge called pro-rata. When an extension of water/sewer facilities exceeds the above costs, the person(s) desiring service shall pay the entire cost and later be refunded that amount above pro-rata when other persons tie onto service and pay their pro-rata. Article 22.05 specifies other items including:

a. pro-rata on property already platted, and extension of services.

b. pro-rata and extensions to property being platted
c. sizes of lines and meter sizes
d. location for service connection
e. deposits, charges, refunds
f. cost of large mains may be partially paid by City, and other consideration, or
g. when the City Council can declare a health hazard and install mains at public expense.

xvi. Solid Waste Services

a. *Existing Services*: None

b. *Services to be Provided:* Solid Waste Collection shall be provided to the area of annexation in accordance with the present ordinance. Service shall comply with existing City policies, beginning with occupancy of structures. Since there is potential residential growth within this area of annexation, impact to services has been determined to be gradual. Additional driver and equipment can be expected as new residential unit structures are occupied, and an increase in staffing and equipment will be needed for traditional alley/dumpster collection as development continues within this proposed annexation area and exceeds route collection averages. Should this annexation include no alley residential development or until alleys are serviceable, residential waste collection will be provided with carts and additional driver will be required when 2,000 residential unit structures are occupied. The landfill will be able to handle this request. The only impact would be that the City could anticipate landfilling additional solid waste tonnage and ultimately developing the next landfill cell sooner than currently projected. However, the developer may be asked to assist with infrastructure for residential waste collection, i.e. carts or dumpsters.

c. *Service Route:* Until such time as adjacent unpaved roadways are built all City Solid Waste services will be routed through and upon Paved Arterial Roadways only. Solid Waste will not route trucks down unpaved roadways to service alleyways in any case.

B. It is understood and agreed that the City is not required to provide a service that is not included in this agreement.

C. Owner understands and acknowledges that the City departments listed above may change name or be-reorganized by the City Manager. Any reference to a specific department also includes any subsequent department that will provide the same or similar services.

4. **AUTHORITY**. City and Owner represent that they have full power, authority and legal right to execute, deliver and perform their obligations pursuant to this Agreement. Owner acknowledge that approval of the annexation is within the sole jurisdiction of the City Council. Nothing in this Agreement guarantees favorable decisions by the City Council.

5. **SEVERABILITY**. If any part, term, or provision of this Agreement is held by the courts to be illegal, invalid, or otherwise unenforceable, such illegality, invalidity, or unenforceability will not affect the validity of any other part, term or provision, and the rights of the Parties will be construed as if the part, term, or provision was never part of the Agreement.

6. **INTERPRETATION**. The Parties to this Agreement covenant and agree that in any litigation relating to this Agreement, the terms and conditions of the Agreement will be interpreted according to the laws of the State of Texas. The Parties acknowledge that they are of equal bargaining power and that to each of them it was recommended to seek legal advice and each Party was given adequate opportunity to seek representation of legal counsel in the negotiation and drafting of this Agreement.

7. **GOVERNING LAW AND VENUE**. Venue shall be in the state courts located in Lubbock County, Texas and construed in conformity with the provisions of Texas Local Government Code Chapter 43.

8. **NO WAIVER**. The failure to either party to insist upon the performance of any term or provision of this Agreement or to exercise any right grated hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.

9. **GOVERNMENTAL POWERS**. It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers or immunities.

10. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

11. **CAPTIONS**. The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the term and conditions of this Agreement.

12. **AGREEMENT BINDS SUCCESSORS AND RUNS WITH THE LAND**. This Agreement is binding on and inures to the benefit of the Parties, their successors, and assigns. The term of this Agreement constitutes covenants running with the land comprising the Properties and is binding on the Owner.

13. **CH. 43 DISCLOSURE IN COMPLIANCE WITH THE TEXAS LOCAL GOVERNMENT CODE SEC. 43.004**

A. The City discloses that the Landowner is not required to enter into this agreement, however if the Landowner desires to have their property annexed, the Texas Local Government Code Sec. 43.0672 requires a written agreement for the provision of municipal services;

B. The City may, in compliance with and under the authority of the Texas Local Government Code Subchapter C-3, annex the Landowner's property upon the Landowner's request;

C. The procedural mechanisms in order to annex the Landowners property shall be as follows:

1. The Landowner of the property must petition the City requesting the annexation of Landowner's property;

2. If the City desires to annex Landowner's property, a written agreement shall be made with each Landowner requesting property to be annexed and said agreement shall include:

a. All of the services the City will provide to the property once annexed; and

b. A schedule of any services the City will provide at a later time, if not at the time of annexation.

D. The above procedures shall require the consent and signature of the City and the Landowner; and

E. The City waives immunity from suit for the purpose of adjudicating a claim for breach of the agreement.

14. **ENTIRE AGREEMENT**. This Agreement constitutes the entire agreement between the Parties and supersedes all prior oral and written agreements between said Parties. This Agreement shall not be amended unless executed in writing by all Parties.

EXECUTED as of the Effective Date hereof.

CITY OF LUBBOCK

TRAY PAYNE, MAYOR

ATTEST:

Courtney Paz, City Secretary

APPROVED AS TO CONTENT:

Kristen Sager, Director of Planning

APPROVED AS TO FORM:

Kelli Leisure, Senior Assistant City Attorney

LUBBOCK ECONONIMC DEVELOPMENT ALLIANCE, INC.

John Osborne, Chief Executive Officer

SUBSCRIBED AND SWORN TO BEFORE ME on the day of 17 day of August 2023, to certify which witness my hand and official seal.

[Seal]

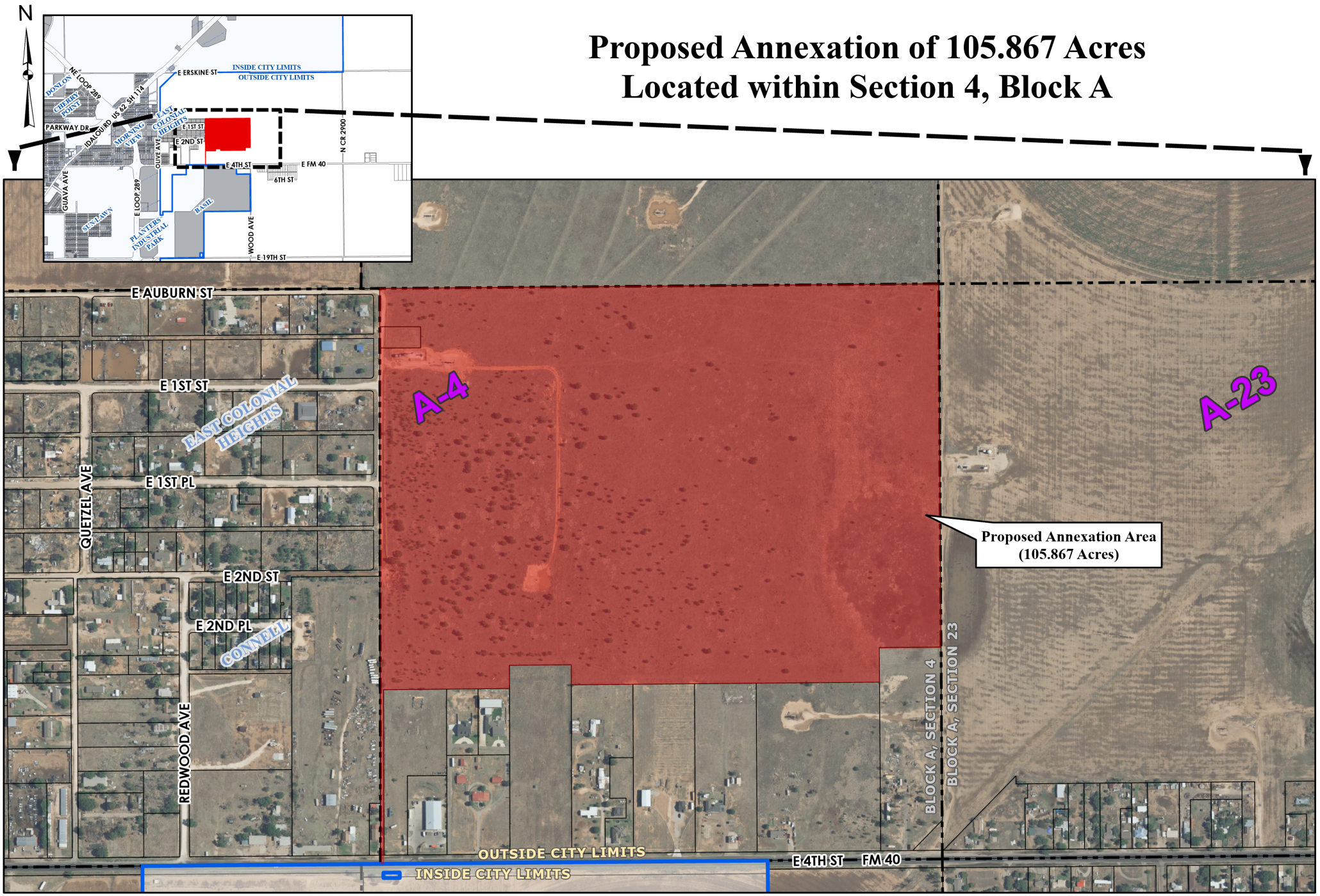
[Signature] Linda M. Davis

[Printed name] LINDA M. DAVIS

Notary Public in and for the State of Texas

LINDA M. DAVIS
Notary Public, State of Texas
Notary ID# 498103-2
My Commission Expires 04-05-2025

Proposed Annexation of 105.867 Acres Located within Section 4, Block A



Feet

0 500 1,000 1,500 2,000

As required by Chapter 2051, Geospatial Data Products of the Government Code, this product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Lubbock City Limits

Proposed Annexation

City of Lubbock TEXAS

Digital Orthophotography - May 2022

VOLUNTARY ANNEXATION APPLICATION

APPLICATION IS NOT VALID WITHOUT COMPLETION OF ALL PAGES AND SIGNATURES

MINIMUM SUBMITTAL REQUIREMENTS:

- ☑ Application provided by City of Lubbock completed in full. This application must be used and may not be adjusted or altered. Please attach pages if additional information is provided.
- ☑ Annexation petition provided by City of Lubbock with notarized signature(s).
- ☑ Map of the subject property.
- ☑ A legal description of the property (including a survey, field notes or legal description with subdivision, lot and block) labeled as Exhibit A.
- ☑ Ownership Documents. A clean copy of recorded warranty deed or other document(s) verifying ownership of all property to be annexed. If the property is owned by a partnership, corporation, trust, or other entity, documents demonstrating signatory's authority to sign petition on behalf of entity must be included.
- ☑ One digital copy of all of the above.
- ☐ If designating a representative, the affidavit designating representative with notarized signature(s).

Property Owner(s): Lubbock Economic Development Alliance, Inc.

Address: 1500 Broadway, Suite 600

Address: Lubbock, TX 79401

Telephone: (806) 723-8242 Email: jana@marketlubbock.org

Telephone: (806) 723-8225 Email: katy@marketlubbock.org

Acreage of property: 410.71 acres Number of lots and proposed use: 3 properties (R37513, R52519 & R40399)

To be used for future economic development opportunities.

Check one:

- ☑ I will represent my application and petition before city staff and the City Council.
- ☐ I hereby authorize the person named in the attached affidavit to act as my representative in this application before city staff and the City Council.

Jana Johnston Digitally signed by Jana Johnston Date: 2023.03.20 09:57:40 -05'00'

Owner of record signature

Please note: The signature of owner authorizes the City of Lubbock staff to visit and inspect the property that is subject to this application. The representative is the official contact person for this project and the single point of contact. All correspondence and communication – and responsibility for responding to same – will be conducted with the representative.

City of Lubbock TEXAS

PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS

TO THE MAYOR OF THE GOVERNING BODY OF LUBBOCK, TEXAS:

The undersigned owners of the hereinafter described tract of land, which is vacant and without residents, or on which fewer than three qualified voters reside, hereby waive any requirement to be offered a development agreement pursuant to the Texas Local Government Code Section 43.016, and petition your Honorable Body to extend the present city limits so as to include as part of the City of Lubbock, Texas, the territory described in the attached Exhibit A, including a survey, field notes or legal description with subdivision, lot and block.

We certify that the above described tract of land is contiguous and adjacent to the City of Lubbock, Texas, falls within Lubbock County, is not more than one-half mile in width, and that this petition is signed and duly acknowledged by each and every person having an interest in said land.

Signed: Jana Johnston COO/CFO

Signed: _____

Signed: _____

THE STATE OF TEXAS

COUNTY OF Lubbock

BEFORE ME, the undersigned authority, on this day personally appeared JANA JOHNSTON, _____, and _____, known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he or she executed the same for the purposes and consideration therein expressed.

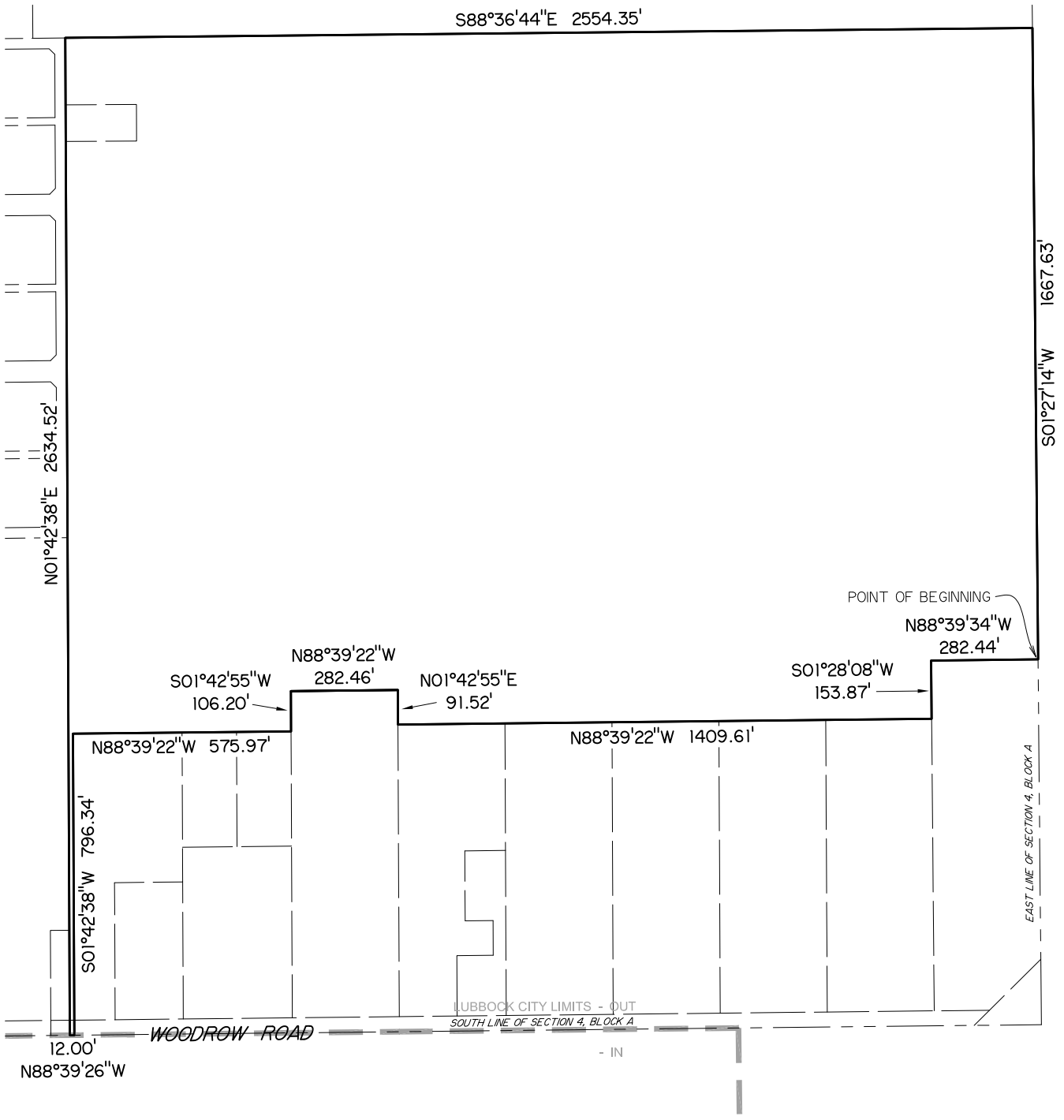
Given under my hand and seal of office, this 6th day of March, 2023.

LINDA M. DAVIS
Notary Public, State of Texas
Notary ID# 498103-2
My Commission Expires 04-05-2025

Linda M. Davis

Notary Public in and for Lubbock County, Texas.

105.867 acres
Sketch Illustrating Proposed Annexation



SCALE: 1"=400'
DATE: 03-15-2023

HUGO REED AND ASSOCIATES, INC.
LAND SURVEYORS • CIVIL ENGINEERS • LAND PLANNERS
TEXAS LICENSED SURVEYING FIRM 100676-00
TEXAS REGISTERED ENGINEERING FIRM F-760
PHONE: 806 / 763-5642
FAX: 806 / 763-3891
1601 AVENUE N
LUBBOCK, TEXAS 79401

HUGO REED AND ASSOCIATES, INC.
1601 AVENUE N / LUBBOCK, TEXAS 79401 / 806/763-5642 / FAX 806/763-3891
TEXAS REGISTERED ENGINEERING FIRM F-760
TEXAS LICENSED SURVEYING FIRM 100676-00

LAND SURVEYORS
CIVIL ENGINEERS

METES AND BOUNDS DESCRIPTION of a 105.867 acre tract of land, being all of that 105.44 acre tract and all of that 0.4146 acre tract, both being described under County Clerk File Number 2023026576, Official Public Records of Lubbock County, Texas, and a portion of F.M. Road 40 right-of-way as described in Volume 215, Page 187, Deed Records of Lubbock County, Texas, all being located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, said 105.867 acre tract being further described as follows:

BEGINNING at a 1/2" iron rod found in the East line of Section 4, Block A, at the Northeast corner of a 5.8 acre tract described under County Clerk File Number (CCFN) 2019027588, Official Public Records of Lubbock County, Texas (OPRLCT), for the Southeast corner of this tract, which bears N. 01°27'14" E. a distance of 964.86 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 88°39'34" W., along the Northern boundary of said 5.8 acre tract, a distance of 282.44 feet to a 1/2" iron rod found at the Northwest corner of said 5.8 acre tract and a corner of this tract;

THENCE S. 01°28'08" W., along the Western boundary of said 5.8 acre tract, a distance of 153.87 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 5.0 acre tract described under CCFN 2009024615 (Second Tract), OPRLCT, and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.0 acre tract, at 279.81 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under CCFN 2009024615 (First Tract), OPRLCT, at 562.03 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under CCFN 2011030017, OPRLCT, at 844.34 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under CCFN 2018044161, OPRLCT, at 1126.96 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under CCFN 2014023968, OPRLCT, continuing for a total distance of 1409.61 feet to a 1/2" iron rod with cap marked "HRA" set in the Eastern boundary of a 5.6 acre tract described under CCFN 2014044724, OPRLCT, the Eastern boundary of a 30 foot ingress and egress easement described in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas (RPRLCT), and a corner of this tract;

THENCE N. 01°42'55" E., along the Eastern boundary of said 5.6 acre tract and said East easement line, a distance of 91.52 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 5.6 acre tract, the Northeast corner of said easement and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.6 acre tract and said easement, at 30.00 feet pass an 80 penny nail set for the Northwest corner of said easement, continuing for a total distance of 282.46 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.6 acre tract and a corner of this tract;

THENCE S. 01°42'55" W., along the Western boundary of said 5.6 acre tract, a distance of 106.20 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 1.0 acre tract described under CCFN 2017014380, OPRLCT, and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 1.0 acre tract and a 1.0 acre tract described under CCFN 2017014379, OPRLCT, at 287.96 feet pass a 1/2" iron rod found at the Northwest corner of said 1.0 acre tract and the Northeast corner of a 5.0 acre tract described under CCFN 2007029664, OPRLCT, continuing along the Northern boundary of said 5.0 acre tract, for a total distance of 575.97 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.0 acre tract and a corner of this tract;

THENCE S. 01°42'38" W., along the Western boundary of said 5.0 acre tract, at 756.57 feet pass a 1/2" iron rod found in the North right-of-way line of said F. M. Road 40 as described in Volume 215, Page 187, DRLCT, at the Southwest corner of said 5.0 acre tract, continuing for a total distance of 796.34 feet to a point in the South line of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, and in the Southern boundary of a 154.1 acre tract described in Volume 3972, Page

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

166, RPRLCT, said point also being in the North line of that portion of the present city limits as established by City of Lubbock Ordinance No. 2021-O0093;

THENCE N. 88°39'26" W., along the South line of said Section 4, the Southern boundary of said 154.1 acre tract, and said present city limits, a distance of 12.00 feet to a point for the Southwest corner of said 154.1 acre tract, the Southeast corner of a 0.3 acre tract described in Volume 6718, Page 262, RPRLCT, and Southwest corner of this tract;

THENCE N. 01°42'38" E., along the Western boundary of said 154.1 acre tract and the Eastern boundary of said 0.3 acre tract, at 39.77 feet pass a 1/2" iron rod with cap marked "HRA" found in the North right-of-way line of said F.M. Road 40, at 277.50 feet pass the Northeast corner of said 0.3 acre tract and a corner of a 12.3 acre tract as described under CCFN 2016014044, OPRLCT, continuing along the Western boundary of said 154.1 acre tract, the Eastern boundary of said 12.3 acre tract, and the East right-of-way of Sumac Avenue dedicated by plat recorded in Volume 1051, Page 626, DRLCT, at 2360.94 feet pass a 1/2" iron rod with cap marked "HRA" set for the Southwest corner of a 0.4146 acre tract described in Volume 5093, Page 128, RPRLCT, at 2457.54 feet pass a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 0.4146 acre tract, continuing along the Western boundary of said 154.1 acre tract and the East right-of-way line of said Sumac Avenue, for a total distance of 2634.52 feet to a 1/2" iron rod found in the Southern boundary of a 160 acre tract (the Northeast Quarter of said Section 4) described in Volume 1323, Page 548, DRLCT, at the Northwest corner of said 154.1 acre tract and the Northwest corner of this tract;

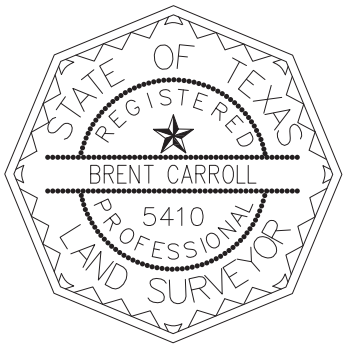
THENCE S. 88°36'44" E., along the Southern boundary of said 160 acre tract and the Northern boundary of said 154.1 acre tract, a distance of 2554.35 feet to a 1/2" iron pipe found in the East line of said Section 4, at the Northeast corner of said 154.1 acre tract and this tract;

THENCE S. 01°27'14" W., along the East line of said Section 4, a distance of 1667.63 feet to the Point of Beginning.

Contains: 105.867 Acres

Bearings are relative to Grid North, Texas Coordinate System of 1983, North-Central Zone, 2011 (epoch 2010.0).

Surveyed on the ground March 16, 2021
Revised July 24, 2023 for annexation purposes



Brent Carroll
Registered Professional
Land Surveyor No. 5410
State of Texas

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

TIMBERLAKE WEAVER CARSON & LACY PC
C/O SERVICE TITLE COMPANY

2023026576 8 PGS DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

CORRECTION GENERAL WARRANTY DEED

[Pursuant to §5.029, Tex. Prop. Code]
(STC-tl/GF#47124)

Dated as of: July 10, 2023, to be effective March 31, 2021

Grantor: BLUE GOOSE, LTD., a Texas limited partnership, as to Tract I and Tract II, and NATALIE DAY CARMONA, Independent Executrix of the Estate of Bobby G. Day, Deceased, as to Tract III

Grantor's Mailing Address:

6309 Indiana Avenue, Suite B
Lubbock, Texas 79413

Grantee: LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., a Texas nonprofit corporation

Grantee's Mailing Address:

LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE
1500 Broadway, 6th Floor
Lubbock County, Texas 79401

Consideration: TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements): Three (3) tracts of land located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being described on Exhibit "A" attached hereto and incorporated herein for all purposes pertinent.

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty: Validly existing restrictions, easements, rights-of-way, and other matters that affect the Property, except liens (other than any lien securing taxes not yet due and payable) and conveyances, as shown of record in the office of the County Clerk of Lubbock County, Texas or as would be disclosed by a survey and inspection of the Property; taxes for 2021, which Grantee assumes and agrees to pay; and subsequent assessments for 2021 and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors

to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THB PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION.

This Correction General Warranty Deed is made in place of, and to correct a General Warranty Deed dated March 31, 2021, and recorded in Document No. 2021015592 of the Official Public Records of Lubbock County, Texas. The legal description for Tract 1 on Exhibit "A" attached to the original deed contained a legal description that failed to include a portion of real property intended to be conveyed by Blue Goose, Ltd. to Grantee. This Correction General Warranty Deed is made by Grantors and accepted by Grantee to correct the error, is to be effective as of March 31, 2021, and in all other respects confirms the former deed.

When the context requires. singular nouns and pronouns include the plural.

GRANTOR:

BLUE GOOSE, LTD., a Texas limited partnership
By: BD RED BIRD, LLC, a Texas limited liability company, its General Partner

By: Natalie Carmona
Natalie Carmona, Manager

Natalie Day Carmona, Independent Executrix
NATALIE DAY CARMONA, Independent Executrix of the Estate of Bobby G. Day, Deceased

THE STATE OF TEXAS

COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 18th day of July, 2023, by NATALIE DAY CARMONA, as Independent Executrix of the Estate of Bobby G. Day, Deceased and as Manager of BD RED BIRD, LLC, a Texas limited liability company, in its capacity as general partner of BLUE GOOSE, LTID., a Texas limited partnership.

Mary Jaramillo
Notary Public, State of Texas

NOTARY PUBLIC STATE OF TEXAS
MARY JARAMILLO
ID #11292228
My Commission Expires
March 08, 2024

ACCEPTED BY GRANTEE:

LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., a Texas nonprofit corporation

By: _____
John Osborne, Chief Executive Officer and President

THE STATE OF TEXAS

COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 12th day of July, 2023, by John Osborne, Chief Executive Officer and President of LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., a Texas nonprofit corporation, on behalf of said corporation.

LINDA M. DAVIS
Notary Public, State of Texas
Notary ID# 498103-2
My Commission Expires 04-05-2025

_____
Notary Public, State of Texas

EXHIBIT "A"

Tract I:

METES AND BOUNDS DESCRIPTION of a 105.44 acre tract of land out of a 154.1 acre tract described in Volume 3972, Page 166 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1/2" iron rod found in the East line of said Section 4 for the Northeast corner of a 5.8 acre tract described under County Clerk File No. 2019027588 of the Official Public Records of Lubbock County, Texas and the Southeast corner of this tract, which bears N. 01°27'14" E. a distance of 964.86 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 88°39'34" W., along the Northern boundary of said 5.8 acre tract, a distance of 282.44 feet to a 1/2" iron rod found at the Northwest corner of said 5.8 acre tract and a corner of this tract;

THENCE S. 01°28'08" W., along the Western boundary of said 5.8 acre tract, a distance of 153.87 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2009024615 (Second Tract) of the Official Public Records of Lubbock County, Texas and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.0 acre tract, at 279.81 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2009024615 (First Tract) of the Official Public Records of Lubbock County, Texas, at 562.03 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2011030017 of the Official Public Records of Lubbock County, Texas, at 844.34 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2018044161 of the Official Public Records of Lubbock County, Texas, at 1126.96 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2014023968 of the Official Public Records of Lubbock County, Texas, continuing for a total distance of 1409.61 feet to a 1/2" iron rod with cap marked "HRA" set in the Eastern boundary of a 5.6 acre tract described under County Clerk File No. 2014044724 of the Official Public Records of Lubbock County, Texas, the Eastern boundary of a 30 foot ingress and egress easement described in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas and a corner of this tract;

THENCE N. 01°42'55" E., along the Eastern boundary of said 5.6 acre tract and said East easement line, a distance of 91.52 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 5.6 acre tract, the Northeast corner of said easement and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.6 acre tract and said easement, at 30.00 feet pass an 80 penny nail set for the Northwest corner of said easement, continuing for a

Tract I (Cont.):

total distance of 282.46 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.6 acre tract and a corner of this tract;

THENCE S. 01°42'55" W., along the Western boundary of said 5.6 acre tract, a distance of 106.20 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 1.0 acre tract described under County Clerk File No. 2017014380 of the Official Public Records of Lubbock County, Texas and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 1.0 acre tract and a 1.0 acre tract described under County Clerk File No. 2017014379 of the Official Public Records of Lubbock County, Texas, at 287.96 feet pass a 1/2" iron rod found at the Northwest corner of said 1.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2007029664 of the Official Public Records of Lubbock County, Texas, continuing along the Northern boundary of said 5.0 acre tract, for a total distance of 575.97 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.0 acre tract and a corner of this tract;

THENCE S. 01°42'38" W., along the Western boundary of said 5.0 acre tract, a distance of 756.57 feet to a 1/2" iron rod found in the North right-of-way line of F. M. Road 40 as described in Volume 215, Page 187 of the Deed Records of Lubbock County, Texas, at the Southwest corner of said 5.0 acre tract and a corner of this tract;

THENCE N. 88°39'15" W., along said right-of-way line, a distance of 12.00 feet to a 1/2" iron rod with cap marked "HRA" found in the Western boundary of said 154.1 acre tract and the Eastern boundary of a 0.3 acre tract described in Volume 6718, Page 262 of the Real Property Records of Lubbock County, Texas, at the Southwest corner of this tract;

THENCE N. 01°42'38" E., along the Western boundary of said 154.1 acre tract, the Eastern boundary of said 0.3 acre tract, the Eastern boundary of a 12.3 acre tract described under County Clerk File No. 2016014044 of the Official Public Records of Lubbock County, Texas and the East right-of-way line of Sumac Avenue dedicated by plat recorded in Volume 1051, Page 626 of the Deed Records of Lubbock County, Texas, a distance of 2321.17 feet to a 1/2" iron rod with cap marked "HRA" set for the Southwest corner of a 0.4146 acre tract described in Volume 5093, Page 128 of the Real Property Records of Lubbock County, Texas and a corner of this tract;

THENCE S. 88°17'22" E., along the Southern boundary of said 0.4146 acre tract, a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set for the Southeast corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 01°42'38" E., along the Eastern boundary of said 0.4146 acre tract, a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 88°17'22" W., along the Northern boundary of said 0.4146 acre tract, a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set in the Western boundary of said 154.1

Tract I (Cont.):

acre tract and said East right-of-way line, for the Northwest corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 01°42'38" E., along the Western boundary of said 154.1 acre tract and said East right-of-way line, a distance of 176.98 feet to a 1/2" iron rod found in the Southern boundary of a 160 acre tract (the Northeast Quarter of said Section 4) described in Volume 1323, Page 548 of the Deed Records of Lubbock County, Texas, at the Northwest corner of said 154.1 acre tract and the Northwest corner of this tract;

THENCE S. 88°36'44" E., along the Southern boundary of said 160 acre tract and the Northern boundary of said 154.1 acre tract, a distance of 2554.35 feet to a 1/2" iron pipe found in the East line of said Section 4, at the Northeast corner of said 154.1 acre tract and this tract;

THENCE S. 01°27'14" W., along the East line of said Section 4, a distance of 1667.63 feet to the Point of Beginning.

Tract II:

EASEMENT ESTATE: METES AND BOUNDS DESCRIPTION of a 30 foot ingress and egress easement described in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1/2" iron rod found in the North right-of-way line of F. M. Road 40 described in Volume 215, Pg. 187 of the Deed Records of Lubbock County, Texas, at the Southwest corner of a 5.0 acre tract described under County Clerk File No. 2014023968 of the Official Public Records of Lubbock County, Texas, the Southeast corner of a 5.6 acre tract described under County Clerk File No. 2014044724 of the Official Public Records of Lubbock County, Texas and the Southeast corner of this tract, which bears N. 88°39'26" W. a distance of 1695.80 feet and N. 01°42'55" E. a distance of 39.72 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 88°39'15" W., along said right-of-way line and the Southern boundary of said 5.6 acre tract, a distance of 30.00 feet to an 80 penny nail set for the Southwest corner of this tract;

THENCE N. 01°42'55" E. a distance of 862.80 feet to an 80 penny nail set in the Northern boundary of said 5.6 acre tract, for the Northwest corner of this tract;

THENCE S. 88°39'22" E., along the Northern boundary of said 5.6 acre tract, a distance of 30.00 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 5.6 acre tract and this tract;

Tract II (Cont.):

THENCE S. 01°42'55" W., along the Eastern boundary of said 5.6 acre tract, at 91.52 feet pass a 1/2" iron rod with cap set for the Northwest corner of said 5.0 acre tract, continuing for a total distance of 862.80 to the Point of Beginning.

Tract III:

METES AND BOUNDS DESCRIPTION of a 0.4146 acre tract of land, being that same tract described in Volume 5093, Page 128 of the Real Property Records of Lubbock County, Texas, out of a 154.1 acre tract described in Volume 3972, Page 166 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HRA" set in the Western boundary of said 154.1 acre tract and the East right-of-way line of Sumac Avenue dedicated by plat recorded in Volume 1051, Page 626 of the Deed Records of Lubbock County, Texas, for the Southwest corner of this tract, which bears N. 88°39'26" W. a distance of 2566.16 feet and N. 01°42'38" E. a distance of 2360.94 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 01°42'38" E. along the Western boundary of said 154.1 acre tract and the East right-of-way line of said Sumac Avenue a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of this tract;

THENCE S. 88°17'22" E. a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of this tract;

THENCE S. 01°42'38" W. a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Southeast corner of this tract;

THENCE N. 88°17'22" W. a distance of 186.96 feet to the Point of Beginning.

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Kelly Pinion, County Clerk
Lubbock County, TEXAS
07/13/2023 12:32 PM
FEE: $50.00
2023026576

FHT/ Return To Service Title GF# 48379

2021027876 2 S DEED

WARRANTY DEED
(STC-jh/GF#48379)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Date: June 3, 2021

Grantor: SAMUEL GONZALES, a married person, but not herein joined by my spouse for the reason that the Property is not now, nor has it ever constituted any part of our homestead

Grantee: LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., a Texas corporation

Grantee's Mailing Address: 1500 Broadway, Suite 600, Lubbock, Lubbock County, Texas 79401

Consideration: $10.00 and other good and valuable consideration, to Grantor paid by Grantee, the receipt and sufficiency of all of which is hereby acknowledged and confessed.

Property (including any improvements):

A 5.59 acre tract of land out of the East 151.98 acres of the SE 1/4 of Section 4, Block A, Cert. 403, Lubbock County, Texas, as recorded in Volume 3511, Page 334, Real Property Records of Lubbock County, Texas and being more particularly described as follows:

BEGINNING at a ½" rod set in the North ROW of F.M. Highway 40 as recorded in Volume 215, page 187, Deed Records of Lubbock County, Texas, for the Southwest corner of this survey from whence the Southwest corner of that tract of land described in Volume 3511, Page 334, Real Property Records of Lubbock County, Texas bears S 89°37'55" W. 582.0', and the Southwest corner of Section 4 bears S 89°37'55" W. 3311.67' and S 0°00'28" W. 40.0';

THENCE N 89°37'55" E. along the North ROW of F.M. 40 a distance of 282.54' to a ½" rod set for the Southeast corner of this survey;

THENCE N 0°00'28" E at 770.95' pass a ½" rod for the Northwest corner of a 5.0 acre tract, continuing for a distance of 862.51' to a ½" rod set for the Northeast corner of this survey;

THENCE S 89°37'55" W a distance of 282.54' to a ½" rod set for the Northwest corner of this survey;

THENCE S 0°00'28" W at 106.24' pass a ½" rod for the Northeast corner of a 5.0 acre tract, continuing for a distance of 862.51' to the PLACE OF BEGINNING.

Together with: (1) all buildings, improvements and fixtures; (2) all rights, privileges and appurtenances pertaining to the Property, including Grantor's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way; (3) Grantor's interest in all leases, rents, and security deposits for all or part of the Property

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty:

SUBJECT TO restrictive covenants as shown of record in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas.

THERE IS EXCEPTED FROM THIS CONVEYANCE any and all interest, whether whole or an undivided portion thereof, in the oil, gas and other minerals in and under the Property, royalty interest, or interest in royalty, which may be outstanding in parties other than Grantor resulting from prior reservation and/or conveyance by predecessors in title, including but not limited to that certain interest described in instrument of record in Volume 256, Page 629 of the Deed Records of Lubbock County, Texas.

SUBJECT TO title to all oil, gas, minerals and other elements not constituting part of the surface estate in the Property, together with all rights, privileges and immunities relating thereto, as well as any other interest not conveyed by use of the words "surface estate only" in that certain deed recorded in Volume 3511, Page 334 of the Real Property Records of Lubbock County, Texas.

SUBJECT TO rights, if any, of third parties with respect to any portion of the Property lying within the limits or boundaries of any public or private roadway or alley, including but not limited to State Highway Right-of-Way along the Southernmost portion of the Property as reflected in instrument of record in Volume 215, Page 187 of the Deed Records of Lubbock County, Texas.

SUBJECT TO blanket gas line right-of-way granted to West Texas Gas Company in instrument of record in Volume 451, Page 481 of the Deed Records of Lubbock County, Texas.

SUBJECT TO any claim of right to enforce Restrictive Covenants against the Property based upon Restrictive Covenants set forth in instruments of record in the Southernmost portion of the Southeast Quarter (SE/4) of the Section based upon common scheme of development, and/or reciprocal negative easement.

SUBJECT TO the Property having frontage or abutting Farm Road 40 (Acuff Highway), which is a controlled access highway, set forth in instrument recorded in Volume 215, Page 187 of the Deed Records of Lubbock County, Texas, and the exercise of power by the State of Texas pertaining to controlled access highways as set forth in Chapter 203 of the Texas Transportation Code.

SUBJECT TO Ingress and Egress Easement referencing "Revised Plat of Survey" attached as Exhibit "A" to Warranty Deed recorded in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas.

SUBJECT TO any encroachment, encumbrance, violation, variation, or adverse circumstance affecting title to the Property that would be disclosed by an accurate and complete land survey of the Property, including, without limitation, all visible and apparent easements or uses, and all underground easements or uses, the existence of which may arise by unrecorded grant or by use.

SUBJECT TO rights of parties in possession and rights of tenants under any unrecorded leases or rental agreements, together with any security interests given by tenants in fixtures located on the Property.

SUBJECT TO all leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records of Lubbock County, Texas.

Grantee assumes ad valorem taxes for the year 2021, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which is the obligation of Grantor or Grantee in accordance with Paragraph 14.B. of Commercial Contract - Unimproved Property by and between Grantor and Grantee dated May 5, 2021.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

SAMUEL GONZALES

THE STATE OF TEXAS
COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 3rd day of JUNE, 2021, by SAMUEL GONZALES.

FRED H. TIMBERLAKE, JR.
Notary Public, State of Texas
Notary ID# 728649-3
My Commission Expires 12-07-2021

Notary Public, State of Texas

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Kelly Pinion, County Clerk
Lubbock County, TEXAS
06/04/2021 01:07 PM
FEE: $30.00
2021027876

Prepared in the Law Office of:
TIMBERLAKE & WEAVER, P.C.
1408-A Buddy Holly Ave.
Lubbock, Texas 79401

S:\TWS MERGE\STC 2021\Rev.1-McQueen-48379-WD-NAFF-5-24-jh.wpd

FHT/ Return To Service Title GF# 47124

2021015592 7 PGS DEED

AFTER RECORDING RETURN TO:

Lubbock Economic Development Alliance
1500 Broadway, 6th Floor
Lubbock, Texas 79401

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GENERAL WARRANTY DEED

Dated as of: March 31, 2021

Grantor: BLUE GOOSE, LTD., a Texas limited partnership, as to Tract I and Tract II, and BOBBY G. DAY, as to Tract III

Grantor's Mailing Address:

6309 Indiana Avenue, Suite B
Lubbock, Texas 79413

Grantee: LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., a Texas nonprofit corporation

Grantee's Mailing Address:

LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE
1500 Broadway, 6th Floor
Lubbock, Texas 79401

Consideration: TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements): Three (3) tracts of land located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being described as "Tract I" and "Tract II", respectively, in Exhibit "A" attached hereto and being herein so called.

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty: Validly existing restrictions, easements, rights-of-way, and other matters that affect the Property, except liens (other than any lien securing taxes not yet due and payable) and conveyances, as shown of record in the office of the County Clerk of

Lubbock County, Texas or as would be disclosed by a survey and inspection of the Property; taxes for 2021, which Grantee assumes and agrees to pay; and subsequent assessments for 2021 and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES. GRANTEE HAS NOT RELIED ON ANY INFORMATION OTHER THAN GRANTEE'S INSPECTION.

When the context requires, singular nouns and pronouns include the plural.

GRANTOR:

BLUE GOOSE, LTD., a Texas limited partnership, acting by and through its general partner, BD RED BIRD, LLC, a Texas limited liability company

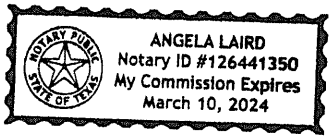
By: Bobby G. Day
Bobby G. Day, Manager

Bobby G. Day
BOBBY G. DAY

STATE OF TEXAS)

COUNTY OF LUBBOCK)

This instrument was acknowledged before me on March 31, 2021, by BOBBY G. DAY, Individually and as Manager of BD RED BIRD, LLC, a Texas limited liability company, in its capacity as general partner of BLUE GOOSE, LTD., a Texas limited partnership.



Notary Public, State of Texas
My commission expires: 03-10-2024

EXHIBIT "A"

Tract I:

METES AND BOUNDS DESCRIPTION of a 105.33 acre tract of land out of a 154.1 acre tract described in Volume 3972, Page 166 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a point in the Western boundary of a 0.49 acre tract described in the boundary line agreement, made and entered into on the 18th day of April, 1979, by and between Eugenia L. Brown and Edmond A. Anderson as described in Volume 1635, Page 748 of the Deed Records of Lubbock County, Texas and in the Northern boundary of a 5.8 acre tract described under County Clerk File No. 2019027588 of the Official Public Records of Lubbock County, Texas, for the Southeast corner of this tract, which bears N. 01°27'14" E. a distance of 964.86 feet and N. 88°39'34" W. a distance of 6.10 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, from whence a found 1/2" iron rod bears S. 88°39'34" E. a distance of 6.10 feet;

THENCE N. 88°39'34" W., along the Northern boundary of said 5.8 acre tract, a distance of 276.34 feet to a 1/2" iron rod found at the Northwest corner of said 5.8 acre tract and a corner of this tract;

THENCE S. 01°28'08" W., along the Western boundary of said 5.8 acre tract, a distance of 153.87 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2009024615 (Second Tract) of the Official Public Records of Lubbock County, Texas and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.0 acre tract, at 279.81 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2009024615 (First Tract) of the Official Public Records of Lubbock County, Texas, at 562.03 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2011030017 of the Official Public Records of Lubbock County, Texas, at 844.34 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2018044161 of the Official Public Records of Lubbock County, Texas, at 1126.96 feet pass a 1/2" iron rod found at the Northwest corner of said 5.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2014023968 of the Official Public Records of Lubbock County, Texas, continuing for a total distance of 1409.61 feet to a 1/2" iron rod with cap marked "HRA" set in the Eastern boundary of a 5.6 acre tract described under County Clerk File No. 2014044724 of the Official Public Records of Lubbock County, Texas, the Eastern boundary of a 30 foot ingress and egress easement described in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas and a corner of this tract;

THENCE N. 01°42'55" E., along the Eastern boundary of said 5.6 acre tract and said East easement line, a distance of 91.52 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 5.6 acre tract, the Northeast corner of said easement and a corner of this tract;

THENCE N. 88°39'22" W., along the Northern boundary of said 5.6 acre tract and said easement, at 30.00 feet pass an 80 penny nail set for the Northwest corner of said easement, continuing for a total distance of 282.46 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.6 acre tract and a corner of this tract;

THENCE S. 01°42'55" W., along the Western boundary of said 5.6 acre tract, a distance of 106.20 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 1.0 acre tract described under County Clerk File No. 2017014380 of the Official Public Records of Lubbock County, Texas and a corner of this tract;

Tract I (Cont.)

THENCE N. 88°39'22" W., along the Northern boundary of said 1.0 acre tract and a 1.0 acre tract described under County Clerk File No. 2017014379 of the Official Public Records of Lubbock County, Texas, at 287.96 feet pass a 1/2" iron rod found at the Northwest corner of said 1.0 acre tract and the Northeast corner of a 5.0 acre tract described under County Clerk File No. 2007029664 of the Official Public Records of Lubbock County, Texas, continuing along the Northern boundary of said 5.0 acre tract, for a total distance of 575.97 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of said 5.0 acre tract and a corner of this tract;

THENCE S. 01°42'38" W., along the Western boundary of said 5.0 acre tract, a distance of 756.57 feet to a 1/2" iron rod found in the North right of way line of F. M. Road 40 as described in Volume 215, Page 187 of the Deed Records of Lubbock County, Texas, at the Southwest corner of said 5.0 acre tract and a corner of this tract;

THENCE N. 88°39'15" W., along said right of way line, a distance of 12.00 feet to a 1/2" iron rod with cap marked "HRA" found in the Western boundary of said 154.1 acre tract and the Eastern boundary of a 0.3 acre tract described in Volume 6718, Page 262 of the Real Property Records of Lubbock County, Texas, at the Southwest corner of this tract;

THENCE N. 01°42'38" E., along the Western boundary of said 154.1 acre tract, the Eastern boundary of said 0.3 acre tract, the Eastern boundary of a 12.3 acre tract described under County Clerk File No. 2016014044 of the Official Public Records of Lubbock County, Texas and the East right of way line of Sumac Avenue dedicated by plat recorded in Volume 1051, Page 626 of the Deed Records of Lubbock County, Texas, a distance of 2321.17 feet to a 1/2" iron rod with cap marked "HRA" set for the Southwest corner of a 0.4146 acre tract described in Volume 5093, Page 128 of the Real Property Records of Lubbock County, Texas and a corner of this tract;

THENCE S. 88°17'22" E., along the Southern boundary of said 0.4146 acre tract, a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set for the Southeast corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 01°42'38" E., along the Eastern boundary of said 0.4146 acre tract, a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 88°17'22" W., along the Northern boundary of said 0.4146 acre tract, a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set in the Western boundary of said 154.1 acre tract and said East right of way line, for the Northwest corner of said 1.0 acre tract and a corner of this tract;

THENCE N. 01°42'38" E., along the Western boundary of said 154.1 acre tract and said East right of way line, a distance of 176.98 feet to a 1/2" iron rod found in the Southern boundary of a 160 acre tract (the Northeast Quarter of said Section 4) described in Volume 1323, Page 548 of the Deed Records of Lubbock County, Texas, at the Northwest corner of said 154.1 acre tract and the Northwest corner of this tract;

THENCE S. 88°36'44" E., along the Southern boundary of said 160 acre tract and the Northern boundary of said 154.1 acre tract, a distance of 2554.35 feet to a 1/2" iron pipe found in the East line of said Section 4, at the Northeast corner of said 154.1 acre tract and this tract, same being the North corner of said 0.49 acre tract described in Volume 1635, Page 748;

THENCE S. 01°39'49" W., along the Western boundary of said 0.49 acre tract, a distance of 1667.63 feet to the Point of Beginning.

Tract II:

EASEMENT ESTATE: METES AND BOUNDS DESCRIPTION of a 30 foot ingress and egress easement described in Volume 4156, Page 173 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1/2" iron rod found in the North right of way line of F. M. Road 40 described in Volume 215, Pg. 187 of the Deed Records of Lubbock County, Texas, at the Southwest corner of a 5.0 acre tract described under County Clerk File No. 2014023968 of the Official Public Records of Lubbock County, Texas, the Southeast corner of a 5.6 acre tract described under County Clerk File No. 2014044724 of the Official Public Records of Lubbock County, Texas and the Southeast corner of this tract, which bears N. 88°39'26" W. a distance of 1695.80 feet and N. 01°42'55" E. a distance of 39.72 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 88°39'15" W., along said right of way line and the Southern boundary of said 5.6 acre tract, a distance of 30.00 feet to an 80 penny nail set for the Southwest corner of this tract;

THENCE N. 01°42'55" E. a distance of 862.80 feet to an 80 penny nail set in the Northern boundary of said 5.6 acre tract, for the Northwest corner of this tract;

THENCE S. 88°39'22" E., along the Northern boundary of said 5.6 acre tract, a distance of 30.00 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 5.6 acre tract and this tract;

THENCE S. 01°42'55" W., along the Eastern boundary of said 5.6 acre tract, at 91.52 feet pass a 1/2" iron rod with cap set for the Northwest corner of said 5.0 acre tract, continuing for a total distance of 862.80 to the Point of Beginning.

Tract III:

METES AND BOUNDS DESCRIPTION of a 0.4146 acre tract of land, being that same tract described in Volume 5093, Page 128 of the Real Property Records of Lubbock County, Texas, out of a 154.1 acre tract described in Volume 3972, Page 166 of the Real Property Records of Lubbock County, Texas, located in Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas, being further described as follows:

BEGINNING at a 1/2" iron rod with cap marked "HRA" set in the Western boundary of said 154.1 acre tract and the East right of way line of Sumac Avenue dedicated by plat recorded in Volume 1051, Page 626 of the Deed Records of Lubbock County, Texas, for the Southwest corner of this tract, which bears N. 88°39'26" W. a distance of 2566.16 feet and N. 01°42'38" E. a distance of 2360.94 feet from a 3/8" iron rod found at the Southeast corner of Section 4, Block A, Tyler Tap Railroad Company Survey, Lubbock County, Texas;

THENCE N. 01°42'38" E. along the Western boundary of said 154.1 acre tract and the East right of way line of said Sumac Avenue a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of this tract;

THENCE S. 88°17'22" E. a distance of 186.96 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of this tract;

THENCE S. 01°42'38" W. a distance of 96.60 feet to a 1/2" iron rod with cap marked "HRA" set for the Southeast corner of this tract;

THENCE N. 88°17'22" W. a distance of 186.96 feet to the Point of Beginning.

FHT/ Return To Service Title GF# 41726

2020059093 4 PGS DEED

WARRANTY DEED
(STC-jr/GF#41726)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Date: December 18, 2020

Grantor: EVELYN ROBERTS, Trustee of the W. O. Roberts Family Trust created under the Last Will and Testament of W. O. Roberts, Deceased

Grantee: LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE, INC., also known as Lubbock Economic Development Alliance, a Texas Not-For-Profit Development Corporation formed pursuant to the Development Corporation Act of 1979

Grantee's Mailing Address: 1500 Broadway, Sixth Floor, Lubbock, Lubbock County, Texas 79401

Consideration:

$10.00 and other good and valuable consideration, to Grantor paid by Grantee, the receipt and sufficiency of all of which is hereby acknowledged and confessed.

Property (including any improvements):

METES AND BOUNDS DESCRIPTION of a 299.10 acre tract, being that same tract described in Volume 7653, Page 50 of the Official Public Records of Lubbock County, Texas, located in Section 23, Block A, John H. Gibson Survey, Lubbock County, Texas, and being further described as follows:

BEGINNING at a "cross hatch" nail with washer marked "HRA" set for the Northwest corner of Section 23, Block A, John H. Gibson Survey, Lubbock County, Texas, same being the Northwest corner of this tract;

THENCE N. 89°59'57" E., along the North line of said Section 23, a distance of 2622.52 feet to a 1/2" iron rod found at the Northwest corner of an 11.8 acre tract described under County Clerk File No. 2020033841 of the Official Public Records of Lubbock County, Texas, and the Northeast corner of this tract;

THENCE S. 00°01'31" W., along the Western boundary of various tracts, at 50.00 feet pass a 1/2" iron rod with cap marked "HRA" set in reference, at 2623.90 feet pass a 3/4" iron pipe found at the Southwest corner of a 1.0 acre tract described under County Clerk File No. 2008020881 of the Official Public Records of Lubbock County, Texas and the Northwest corner of a 40.0 acre tract described under County Clerk File No. 2018048217 of the Official Public Records of Lubbock County, Texas, continuing along the Western boundary of said 40.0 acre tract for a total distance of 4924.86 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of a 0.6 acre tract described under County Clerk File No. 2017020118 of the Official Public Records of Lubbock County, Texas and the most Easterly Southeast corner of this tract;

THENCE West, along the Northern boundary of various tracts, continuing for a total distance of 1063.21 feet to a 1/2" iron rod with cap marked "HRA" set for the Northwest corner of a 1.3 acre tract described in Volume 3464, Page 252 of the Real Property Records of Lubbock County, Texas and an "ell" corner of this tract;

THENCE South, along the Western boundary of said 1.3 acre tract and a 0.3 acre tract described in Volume 6671, Page 146 of the Real Property Records of Lubbock County, Texas, a distance of 300.00 feet to a 1/2" iron rod with cap marked "HRA" set in the North line of a 40 foot right-of-way easement described in Volume 215, Page 189 of the Deed Records of Lubbock County, Texas, for the Southwest corner of said 0.3 acre tract and the most Southerly Southeast corner of this tract;

THENCE West, along said easement line, a distance of 135.39 feet to a 3/4" iron pipe found at the Southeast corner of a 1.4 acre tract described in Volume 423, Page 336 of the Deed Records of Lubbock County, Texas, and a corner of this tract;

THENCE North, along the Eastern boundary of said 1.4 acre tract, a distance of 300.00 feet to a 1/2" iron rod with cap marked "HRA" set for the Northeast corner of said 1.4 acre tract and an "ell" corner of this tract;

THENCE West, along the Northern boundary various tracts, a distance of 1088.00 feet to a 1/2" iron rod with cap marked "HRA" set for an "ell" corner of a 1.5 acre tract described under County Clerk File No. 2009030777 of the Official Public Records of Lubbock County, Texas and an "ell" corner of this tract;

THENCE North, along the Northern boundary of said 1.5 acre tract, a distance of 29.89 feet to a 3/8" iron rod found at the Northwest corner of said 1.5 acre tract and a corner of this tract;

THENCE S. 45°57'07" W., along the Western boundary of said 1.5 acre tract, a distance of 474.47 feet to a 1/2" iron rod with cap marked "HRA" set in said easement line, for the Southwest corner of said 1.5 acre tract and a corner of this tract;

THENCE West, along said easement line, a distance of 5.79 feet to a 1/2" iron rod with cap marked "HRA" set in the West line of said Section 23 for the Southwest corner of this tract;

THENCE N. 00°08'36" E., along the West line of said Section 23, at 5174.84 feet pass a 1/2" iron rod with cap marked "HRA" set in reference, continuing for a total distance of 5224.84 feet to the Point of Beginning.

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty:

THERE IS EXCEPTED FROM THIS CONVEYANCE any and all interest, whether whole or an undivided portion thereof, in the oil, gas and other minerals in and under the Property, royalty interest, or interest in royalty, which may be outstanding in parties other than Grantor resulting from prior reservation and/or conveyance by predecessors in title, including but not limited to that certain interest described in instrument of record in Volume 210, Page 267 of the Deed Records of Lubbock County, Texas.

SUBJECT TO Unitization or Pooling Agreements as set forth in instruments of record Volume 1195, Page 549; Volume 1196, Page 529; Volume 1211, Page 257; Volume 1219, Page 7 and Volume 1221, Page 353 of the Deed Records of Lubbock County, Texas.

SUBJECT TO all leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records of Lubbock County, Texas.

SUBJECT TO the Property having frontage or abutting Farm Road 40 (Acuff Highway), which is a controlled access highway, set forth in instrument recorded in Volume 215, Page 189 of the Deed Records of Lubbock County, Texas, and the exercise of power by the State of Texas pertaining to controlled access highways as set forth in Chapter 203 of the Texas Transportation Code.

SUBJECT TO Right-of-way easement granted to American Telephone and Telegraph Company in instrument of record in Volume 3535, Page 40 of the Real Property Records of Lubbock County, Texas.

SUBJECT TO Right-of-way easement granted to E. E. Harbin, Jr. in instrument of record in Volume 1257, Page 7 of the Deed Records of Lubbock County, Texas.

SUBJECT TO Easement Contract with Service Pipe Line Company in instrument of record in Volume 1239, Page 189 of the Deed Records of Lubbock County, Texas.

SUBJECT TO Cathodic Protection Unit Contract recorded in Volume 1120, Page 50 of the Deed Records of Lubbock County, Texas.

SUBJECT TO Right-of-Way Contract - Option granted to Stanolind Pipe Line Company in instrument of record in Volume 355, Page 634 of the Deed Records of Lubbock County, Texas.

SUBJECT TO rights, if any, of third parties with respect to any portion of the Property lying within the limits or boundaries of any public or private roadway or alley.

SUBJECT TO any encroachment, encumbrance, violation, variation, or adverse circumstance affecting title to the Property that would be disclosed by an accurate and complete land survey of the Property, including, without limitation, all visible and apparent easements or uses, and all underground easements or uses, the existence of which may arise by unrecorded grant or by use.

SUBJECT TO those matters reflected on Perimeter and Improvement Survey of the Property prepared by Brent Carroll, Registered Professional Land Surveyor No. 5410, State of Texas, dated December 11, 2020, including but not limited to occupied County Road Right-of-Way identified as County Road 6500/Erskine Street along North boundary, utility lines and poles crossing North boundary, evidence of telephone line right-of-way in Northeast corner of Property, fences being located off property lines, pipeline crossing Northeast portion of Property, the location of which is evidenced by pipeline signs, further evidence of telephone right-of-way identified by "AT&T" signs along East boundary, "pump jack" locations across Property, together with overhead utility lines, location of right-of-way easements, tanks, overhead utility lines and poles along West boundary, and potential encroachment of center pivot system across rights-of-way.

Grantee assumes ad valorem taxes for the year 2020, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which is the obligation of Grantor or Grantee in accordance with Paragraph 13.B. of Farm and Ranch Contract by and between Grantor and Grantee dated January 28, 2020.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

Evelyn Roberts

EVELYN ROBERTS, Trustee of the W. O. Roberts Family Trust created under the Last Will and Testament of W. O. Roberts, Deceased

THE STATE OF TEXAS
COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 18th day of DECEMBER, 2020, by EVELYN ROBERTS, Trustee of the W. O. Roberts Family Trust created under the Last Will and Testament of W. O. Roberts, Deceased, on behalf of said Trust.

FRED H. TIMBERLAKE, JR.
Notary Public, State of Texas
Notary ID# 728649-3
My Commission Expires 12-07-2021

Notary Public, State of Texas

Prepared in the Law Office of:

TIMBERLAKE & WEAVER, P.C.
1408-A Buddy Holly Ave.
Lubbock, Texas 79401

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FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Kelly Pinion, County Clerk
Lubbock County, TEXAS
12/29/2020 03:33 PM
FEE: $38.00
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