

AGENDA

FOR A REGULAR MEETING OF THE AMARILLO CITY COUNCIL TO BE HELD ON TUESDAY, MAY 24, AT 1:00 P.M., CITY HALL, 601 SOUTH BUCHANAN STREET, COUNCIL CHAMBER ON THE THIRD FLOOR OF CITY HALL, AMARILLO, TEXAS.

City Council Mission: Use democracy to govern the City efficiently and effectively to accomplish the City's mission.

Please note: The City Council may take up items out of the order shown on any Agenda. The City Council reserves the right to discuss all or part of any item in an executive session at any time during a meeting or work session, as necessary and allowed by state law. Votes or final decisions are made only in open Regular or Special meetings, not in either a work session or executive session.

INVOCATION: Gene Shelburne, Anna Street Church of Christ

PUBLIC ADDRESS:

(For items on the agenda for City Council consideration)

The public will be permitted to offer public comment on agenda items. Public Address signup times are available from Sunday at 8:00 a.m. until Tuesday at 12:45 p.m. at <https://www.amarillo.gov/departments/city-manager/city-secretary/public-address-registration-form> or by calling the City Secretary's office at (806) 378-3014.

AGENDA

1. City Council will discuss or receive reports on the following current matters or projects:

- A. Review agenda items for regular meeting and attachments;
- B. Updates from Councilmembers serving on outside boards and commissions
 - i. Beautification and Public Arts Advisory Board
 - ii. Parks and Recreation Advisory Board
 - iii. Animal Management and Welfare Advisory Board
 - iv. Environmental Task Force
- C. Presentation of 2022 Every Drop Counts Poster Contest Winners
- D. Discuss Ecolution KWH Partnership and Letter of Intent;
- E. Quarterly Budget Update;
- F. Quarterly Sales Tax Update; and
- G. Request future agenda items and reports from City Manager.

2. CONSENT ITEMS:

It is recommended that the following items be approved and that the City Manager be authorized to execute all documents necessary for each transaction:

THE FOLLOWING ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCILMEMBER, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

A. CONSIDER APPROVAL - MINUTES:

(Contact: Stephanie Coggins, City Secretary)

This item considers approval of the City Council minutes for the regular meeting held on May 10, 2022.

B. CONSIDERATION OF ORDINANCE NO. 7977:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item is a second and final reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 17 for commercial and

industrial tax abatement. The zone is approximately 1,108.70 acres in the vicinity of US Hwy 287, Interstate 40 and West of FM 1912.

C. CONSIDERATION OF ORDINANCE NO. 7978:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item is a second and final reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 18 for commercial and industrial tax abatement. The zone is approximately 539.8 acres in the vicinity of US Hwy 60 and Parsley Road.

D. CONSIDERATION OF ORDINANCE NO. 7979:

(Contact: Emily Koller, Assistant Director of Planning)

This item is a second and final reading and consideration of an ordinance to amend the Amarillo Municipal Code Chapter 4-6, Article IV, by adding Section 4-6-191 regarding the City's sidewalk cost-share program.

E. CONSIDERATION OF ORDINANCE NO. 7980:

(Contact: Andrew Freeman, Assistant City Manager)

This item is a second and final reading and consideration of an ordinance amending the project plans and costs, originally adopted in 2007 and amended in 2016, related to the goals of Center City Tax Increment Reinvestment Zone #1 (TIRZ #1) in Downtown Amarillo.

F. CONSIDERATION OF AVIATION CLEAR ZONE EASEMENT:

(Contact: Brady Kendrick, Planner II)

This item considers an Aviation Clear Zone Easement being 4,400 feet above mean sea level above the plat of Yucca Addition Unit No. 6, a suburban subdivision to the City of Amarillo, being an unplatted tract of land in Section 143, Block 2, A.B.&M. Survey, Randall County, Texas. (Vicinity: Binder St. and Marlboro Rd.; Applicant: Catalina Navarette)

G. CONSIDER APPROVAL – INTERLOCAL AGREEMENT BETWEEN THE CITY OF AMARILLO, TEXAS AND PANHANDLE REGIONAL PLANNING COMMISSION'S AREA AGENCY ON AGING OF THE PANHANDLE:

(Contact: Kristen Wolbach, Assistant Parks Director)

This item considers the approval of a contractor agreement for integrated senior service (evidence-based intervention) programming and reimbursement with the City of Amarillo Parks and Recreation Department and the Area Agency on Aging of the Panhandle (AAA).

H. CONSIDER APPROVAL – RENTAL OF SUPPLEMENTARY FILTERS FOR HOLLYWOOD ROAD WATER RECLAMATION FACILITY:

(Contact: Floyd Hartman, Assistant City Manager)

Award to: Rain for Rent - \$95,419.84

This item considers approval to rent supplementary filters for Hollywood Road Water Reclamation Facility that will add additional capacity to keep up with peak flow.

I. CONSIDER APPROVAL – RENTAL OF BELT PRESSES HOLLYWOOD ROAD WATER RECLAMATION FACILITY:

(Contact: Floyd Hartman, Assistant City Manager)

Award to: WBI, Inc. - \$45,000.00

This item considers approval to rent belt presses for Hollywood Road Water Reclamation Facility to help maintain normal flow through the plant.

J. **CONSIDER AWARD – LIQUID SPRAY FOAM ROOF REPLACEMENT FOR 110 S. GRANT ST. BUILDING:**

(Contact: Jerry Danforth, Facilities Director)

Award to: Universal Coating, Inc. - \$112,000.00

This item considers the award of a contract for a spray foam roof replacement for the building located at 110 S. Grant Street Amarillo, Texas.

K. **CONSIDER AWARD – WELL FIELD PUMPS, MOTORS, ELECTRICAL WIRE AND SERVICES FOR POTTER COUNTY AND CARSON COUNTY WELL FIELDS:**

(Contact: Jonathan Gresham, Director of Utilities)

Award to: Advanced Water Wells Technologies – Not to exceed \$580,000.00

This item considers the award of a contract to purchase well field pumps, motors, electrical wire and services for the Potter County and Carson County well fields. The term of this contract is one year, with the option to renew for two additional one-year periods.

L. **CONSIDER AWARD – ANNUAL SUPPLY AGREEMENT FOR PURCHASE OF CHLORINE:**

(Contact: Jonathan Gresham, Director of Utilities)

Award to: Brenntag Southwest, Inc. - \$723,168.00

This item considers the award of a contract for the purchase and delivery of one-ton containers of chlorine, certified to conform with the requirements of the NSF Standard 60: Drinking Water Chemicals.

M. **CONSIDER PURCHASE – POLICE PATROL VEHICLES:**

(Contact: Donny Hooper, Public Works Director)

Award to: Caldwell Country Ford DBA Rockdale Country Ford - \$1,118,495.00
(Buy Board contract # 601-19)

This item considers the purchase of 29 police patrol vehicles to replace existing police patrol fleet vehicles that have reached their expected life cycle with age and mileage limits for safe use as a patrol vehicle.

N. **CONSIDER AWARD – MULTI-FACTOR AUTHENTICATION ANNUAL LICENSING AND SUPPORT:**

(Contact: Rich Gagnon, Managing Director and CIO)

Award to: Lakeshore IT Solutions - \$105,768.20

This item considers the award of contract renewing annual vendor-provided licensing and support for Duo Multi-factor Authentication which is utilized by all City departments for a second form of authentication and protection of network systems.

O. **CONSIDER APPROVAL – REPLACEMENT SUBMERSIBLE PUMPS FOR LIFT STATION NO. 38:**

(Contact: Jonathan Gresham, Director of Utilities)

Award to: James, Cook, and Hobson (JCH) - \$86,000.00

This item considers a purchase to replace two existing submersible pumps at Lift Station No. 38. The existing submersible pumps have reached their end of life. The purchase of pumps will help prevent any possible sanitary sewer overflow at the lift station.

P. **CONSIDER APPROVAL – INTERLOCAL AGREEMENT BETWEEN CITY OF AMARILLO, TEXAS AND SOUTH CENTRAL PLANNING AND DEVELOPMENT COMMISSION:**

(Contact: Rich Gagnon, Managing Director and CIO)

Amount: \$270,700.08

This item considers approval of an interlocal agreement with South Central Planning and Development Commission to access various software relating to permitting, licensing, planning, code enforcement, and 311 citizen services. The term of the interlocal agreement is two years.

Q. CONSIDERATION OF UNIMPROVED PROPERTY CONTRACT FOR THE SALE OF REAL ESTATE, APPROXIMATELY 365.72 ACRES, LOCATED AT EAST INTERSTATE 40 AND SPUR 228:

(Contact: Andrew Freeman, Assistant City Manager)

Buyer: Prairie View West LLC

Sale Price: \$1,725,000 minus closing costs and related expenses

This item authorizes the City Manager to execute a contract for the sale of excess land, approximately 365.72 acres located at East Interstate 40 and Spur 228. The purchase is for \$1,725,000 minus closing costs and related expenses.

R. CONSIDER APPROVAL – CITY OF AMARILLO INVESTMENT POLICY:

(Contact: Debbie Reid, Director of Finance)

This item considers the approval of the City of Amarillo 2022 Investment Policy. Amarillo City Council is responsible for approving the Investment Policy annually in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act.

3. NON-CONSENT ITEM:

A. PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7981:

(Contact: Brady Kendrick, Planner II)

This item is a public hearing and first reading of an ordinance to consider the rezoning of Lot 71, Block 19, Westover Park Unit No. 27, an addition to the City of Amarillo, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Moderate Density District. (Vicinity: Coulter St. and Pinnacle Dr.; Applicant/s: Rick Enns for First United Methodist Church)

B. PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7982:

(Contact: Brady Kendrick, Planner II)

This item is a public hearing and first reading of an ordinance to consider the rezoning of portions of Tracts 8, 9, and 12, C.R. Austin's Subdivision of the E. & S. parts of Section 4, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 and Agricultural District to Residential District 3. (Vicinity: Scotty Dr. and Santa Fe Trl.; Applicant/s: Barry Christy)

C. PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7983:

(Contact: Brady Kendrick, Planner II)

This item is a public hearing and first reading of an ordinance to consider the rezoning of Lots 4 through 8, Block 41, The Colonies Unit No. 75, an addition to the City of Amarillo, in Section 40, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 to Residential District 3. (Vicinity: Continental Pkwy S. and Colonies Ct.; Applicant/s: Jill Miller, Barry Bedwell for Bedwell Homes LTD, and Anthony Saikowski)

D. PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7984:

(Contact: Brady Kendrick, Planner II)

This item is a public hearing and first reading of an ordinance to consider the rezoning of Lot 11A, Block 1, Sunset Park Addition Unit No. 5, an addition to

the City of Amarillo, in Section 226, Block 2, A.B.&M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Office District 1 to Office District 1 with a Specific Use Permit for the placement of a carport in the front yard setback. (Vicinity: Julian Blvd. and Georgia St.; Applicant/s: Gregg Bliss for GRV Holdings LLC)

E. CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT – BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND PRODUCER OWNED BEEF, LLC:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item considers approval of a Location Incentive Agreement (LIA) between Amarillo Economic Development Corporation (AEDC) and Producer Owned Beef, LLC (POB) for a project estimated at \$650,000,000 in improvements, 1,600 new employees and \$75,000,000 in new annual projected payroll. Under the LIA, AEDC will provide POB \$8,000,000 for the creation of jobs to be paid out over five years as they are created, and AEDC will convey 610 acres, valued at \$3,109,200, to POB.

F. CONSIDER APPROVAL – TAX ABATEMENT AGREEMENT BETWEEN CITY OF AMARILLO AND AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND PRODUCER OWNED BEEF, LLC:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item considers approval of a Tax Abatement Agreement between the City of Amarillo, the Amarillo Economic Development Corporation (AEDC) and Producer Owned Beef, LLC (POB). The agreement would provide for an abatement of future taxes on the construction and equipment costs at 100% abatement for 10 years on \$650,000,000 estimated cost of improvements.

G. CONSIDER APPROVAL – CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT BETWEEN THE CITY OF AMARILLO AND PRODUCER OWNED BEEF, LLC:

(Contact: Andrew Freeman, Assistant City Manager)

This item considers approval of a Chapter 380 Agreement between the City of Amarillo and Producer Owned Beef, LLC, for the purposes of building a new 600,000 square foot food processing facility and authorizes the City Manager to execute the agreement.

H. CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND CVMR (TEXAS) INC:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item considers approval of a Location Incentive Agreement (LIA) between Amarillo Economic Development Corporation (AEDC) and CVMR (Texas) Inc. for a project estimated at \$1,500,000,000 in improvements, 1,000 new employees in Phase 1 and \$97,000,000 in new annual projected payroll. Under the LIA, AEDC will provide CVMR (Texas) Inc. \$20,000,000 for the creation of jobs to be paid out over 10 years as they are created, and AEDC will convey 540 acres, valued at \$4,800,000, to CVMR (Texas) Inc.

I. CONSIDER APPROVAL – TAX ABATEMENT AGREEMENT – BETWEEN CITY OF AMARILLO AND AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND CVMR (TEXAS) INC:

(Contact: Kevin Carter, Amarillo Economic Development Corporation)

This item considers approval of a Tax Abatement Agreement between the City of Amarillo, the Amarillo Economic Development Corporation (AEDC) and CVMR (Texas) Inc. The agreement would provide for an abatement of future taxes on the construction and equipment costs at 100% abatement for 10 years on \$1,500,000,000 estimated cost of improvements.

J. CONSIDERATION OF APPOINTMENTS TO CITY OF AMARILLO BOARDS AND COMMISSIONS:

(Contact: Stephanie Coggins, City Secretary)

This item is to consider mid-year appointments that are needed for the following boards and commissions:

Amarillo Animal Management and Welfare Advisory Board
Civil Service Commission
First Responders Excellence and Innovation Fund
Library Advisory Board
Pedestrian and Bicycle Safety Advisory Committee
Quail Creek Public Improvement District

K. PRESENTATION AND DISCUSSION OF KEY FINDINGS FROM THE GARFIELD PUBLIC PRIVATE PRE-DEVELOPMENT FINAL REPORT FOR THE AMARILLO CIVIC CENTER COMPLEX REDEVELOPMENT:

(Contact: Andrew Freeman, Assistant City Manager)

This item will be a presentation by City staff of key findings and information provided by Garfield Public Private in their recently completed Pre-Development Final Report.

L. DISCUSSION AND CONSIDERATION OF ORDINANCE NO. 7985:

(Contact: Laura Storrs, Assistant City Manager)

This item is the discussion and consideration of an ordinance authorizing the issuance of the City of Amarillo, Texas Combination Tax and Revenue Notes, Series 2022A resolving other matters incident and related thereto including the approval of a paying agent/registrar agreement and a purchase contract.

4. EXECUTIVE SESSION:

The City Council may convene in Executive Session to receive reports on or discuss any of the following pending projects or matters:

- A. Sec. 551.087 – Discussion regarding commercial or financial information received from a business prospect and/or to deliberate the offer of a financial or other incentive to a business prospect:
 - i. Project # 22-02-04 (Manufacturing)
 - ii. Project # 22-02-05 (Manufacturing)
 - iii. Project # 22-05-02 (Logistics)
 - iv. Project # 22-05-03 (Workforce)

Amarillo City Hall is accessible to individuals with disabilities through its main entry on the south side (601 S. Buchanan Street) of the building. An access ramp leading to the main entry is located at the southwest corner of the building. Parking spaces for individuals with disabilities are available in the south parking lot. City Hall is equipped with restroom facilities, communications equipment and elevators that are accessible. Individuals with disabilities who require special accommodations, or a sign language interpreter must contact the City Secretary's Office 48 hours prior to meeting time by telephoning 378-3014 or the City TDD number at 378-4229.

Watch the meeting live: <http://amarillo.gov/city-hall/city-government/view-city-council-meetings>.

I certify that the above notice of meeting was posted on the electronic bulletin board in City Hall, 601 S. Buchanan, Amarillo, Texas, and the City website (www.amarillo.gov) on or before the 20th day of May 2022, at 4:00 p.m. in accordance with the Open Meetings Laws of the State of Texas, Chapter 551, Texas Government Code.

/s/ Stephanie Coggins 
Stephanie Coggins, City Secretary

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 10th day of May 2022, the Amarillo City Council met at 1:00 p.m. for a regular meeting held in Council Chamber, located on the third floor of City Hall at 601 South Buchanan Street, with the following members present:

GINGER NELSON	MAYOR
FREDA POWELL	MAYOR PRO TEM/COUNCILMEMBER NO. 2
COLE STANLEY	COUNCILMEMBER NO. 1
EDDY SAUER	COUNCILMEMBER NO. 3
HOWARD SMITH	COUNCILMEMBER NO. 4

Absent were none. Also in attendance were the following administrative officials:

JARED MILLER	CITY MANAGER
ANDREW FREEMAN	ASSISTANT CITY MANAGER
FLOYD HARTMAN	ASSISTANT CITY MANAGER
LAURA STORRS	ASSISTANT CITY MANAGER
BRYAN MCWILLIAMS	CITY ATTORNEY
JENIFER RAMIREZ	ASSISTANT TO THE CITY MANAGER
STEPHANIE COGGINS	CITY SECRETARY

A quorum was established by Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley. Mayor Nelson called the meeting to order at 1:01 p.m., welcomed those in attendance, and the following items of business were conducted.

The invocation was given by Mary Nell Hunt of Pray the City. Mayor Nelson led the Pledge of Allegiance.

Council presented a proclamation for "Older Americans Month" that was read by Mayor Nelson and accepted by Lisa Hancock with the Area Agency on Aging in the Panhandle and a proclamation for "Kids to Parks Day" that was read by Councilmember Powell and accepted by Kristen Wolbach, Assistant Director of Parks and Recreation.

PUBLIC ADDRESS

There was no one signed up for public address.

ITEM 2 – CONSENT ACTION ITEMS:

Mayor Nelson presented the consent agenda and asked if any item should be removed for discussion or separate consideration. A motion was made to approve the consent agenda as presented by Councilmember Powell, seconded by Councilmember Sauer.

A. CONSIDER APPROVAL - MINUTES

(Contact: Stephanie Coggins, City Secretary)

This item considers approval of the City Council minutes for the regular meeting held on April 26, 2022.

B. CONSIDERATION OF ORDINANCE NO. 7975

(Contact: Brady Kendrick, Planner II)

This item is a second and final reading to consider an Ordinance annexing into the City of Amarillo, Potter and Randall County, Texas, on petition of property owner, territory generally described as a 77.29-acre tract of land being all of West Plains High School Unit No. 1, a suburban subdivision to the City of Amarillo, and unplatted land, all in Section 73, Block 9, B.S.&F. Survey, Randall County, Texas. (Vicinity: Helium

Rd. and Arden Rd.; Applicant/s: Canyon Independent School District and Helium Hope Development LLC.)

C. **CONSIDERATION OF ORDINANCE NO. 7976**
(Contact: Brady Kendrick, Planner II)

This is a second and final reading to consider an ordinance rezoning a 1.40-acre tract of unplatted land, in Section 63, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District (A) to General Retail District (GR). (Vicinity: McKenna Sq. and East Village Sq.; Applicant: Mike Ross for Domain at Town Square LTD.)

D. **CONSIDER AWARD – PROFESSIONAL SERVICES AGREEMENT FOR FEDERAL GOVERNMENT RELATIONS SERVICES**
(Contact: Andrew Freeman, Assistant City Manager)
Award to: The Normandy Group - \$180,000.00

This item considers the award of a one-year contract for professional services focused on increasing Amarillo's Federal Agency Engagement related to ongoing grants, funding, and other opportunities meeting City Council priorities.

E. **CONSIDER PURCHASE - AUTOMATED METER INFRASTRUCTURE (AMI) COMPATABLE METERS**
(Contact: Jonathan Gresham, Director of Utilities)
Award to: Western Industrial - \$171,690.00

This item considers the purchase of smart meters to be installed in new development and growth areas. These meters will integrate into the new AMI smart meter system.

F. **CONSIDER APPROVAL – REPLACEMENT MIXER FOR RAW WATER RESERVOIR**
(Contact: Jonathan Gresham, Director of Utilities)
Award to: IXOM Watercare, Inc. - \$63,650.00

This item considers the approval to replace an existing mixer located at the Raw Water Reservoir. This approval will include delivery, assembly, and startup of a new mixer. This mixer is utilized at the Raw Water Reservoir and used to continuously mix water to mitigate algae blooms and prevent lake turnover.

G. **CONSIDER PURCHASE - TRAFFIC SIGN EQUIPMENT**
(Contact: Donny Hooper, Public Works Director)
Award to: Gevecko Markings Inc (Lot 1) - \$24,556.38
Vulcan Signs (Lots 2-5) - \$47,013.40
Total Award - \$71,569.78

This item considers the purchase for Traffic Sign Equipment to be used at existing locations, this equipment is the replacement of materials that have reached their lifespan or no longer meet Manual on Uniform Traffic Control Devices (MUTCD) mandates or are not compatible with reflective regulations.

H. **CONSIDER AWARD - CONTRACT FOR THIRD AVENUE STORMWATER LIFT STATION REHABILITATION**
(Contact: Donny Hooper, Public Works Director)
Award to: Amarillo Utility Contractors, Inc.- \$312,000.00

This item considers the award of a contract to rehabilitate the Third Avenue Stormwater Lift Station which removes stormwater from the Third Avenue railroad underpass. This project includes the replacement of the existing pumps, motors, plumbing and associated components as well as the installation of water level sensors

I. **CONSIDER APPROVAL – AMENDMENT TO CONTRACT FOR INTERPRETATION SERVICES**

(Contact: Casie Stoughton, Public Health Director)
Award to: Refugee Language Project - \$100,000.00

This item considers approval of an amendment to the contract for interpretation services that adds an additional scope of work consistent with grant deliverables. This item will be funded through grants received from the Texas Department of State Health Services.

J. **CONSIDER AWARD – CONTRACT FOR COMPREHENSIVE ELECTRICAL SERVICES AT PARKS AND ATHLETIC FACILITIES**

(Contact: Michael Kashuba, Parks and Recreation Director)
Award to: AAA Electric Company – Not to exceed \$200,000.00

This item considers the award of a contract for comprehensive electrical services, including repairs and installation, throughout City of Amarillo parks and athletic complexes. The contract is for an initial term of one year and the option to renew for two additional one-year terms.

K. **CONSIDER PURCHASE – LIQUID CHLORINE FOR USE IN THOMPSON POOL**

(Contact: Michael Kashuba, Parks and Recreation Director)
Award to: Brenntag Southwest, Inc. - \$65,000.00

This item considers the purchase of liquid chlorine that will be used to chlorinate and disinfect the Thompson Pool in order to maintain chemical levels and eliminate microorganisms, bacteria, and algae.

L. **CONSIDER PURCHASE - POWER SWITCHES FOR VOICE-OVER-IP (VOIP) PROJECT**

(Contact: Rich Gagnon, Managing Director of IT)
Award to: Dell - \$248,782.25 (thru DIR Contract # DIR-TSO-3763)

This item considers the purchase of power switches that represent information technology infrastructure necessary for the implementation of the VOIP project.

M. **CONSIDER AWARD – CONSULTING SERVICES CONTRACT FOR BROADBAND PROJECT**

(Contact: Rich Gagnon, Managing Director of IT)
Award to: Impact Broadband – Not to exceed \$219,200.00

This item considers the award of a contract for consulting services necessary for program design, operational structure, and sustainable funding of the Broadband project. This item will be funded through American Rescue Plan Act (ARPA) federal grant funds.

N. **CONSIDER AWARD – CONTRACT FOR TREE REMOVAL SERVICES IN SAN JACINTO NEIGHBORHOOD PLAN BOUNDARY**

(Contact: Emily Koller, Assistant Director of Planning)
Award to: Wright Away Tree Service – Not to exceed \$50,000.00

This item is to consider the award of a contract for tree removal services within the San Jacinto Neighborhood Plan boundary.

O. **CONSIDER APPROVAL – AVIATION CLEAR ZONE EASEMENT**

(Contact: Brady Kendrick, Planner II)

This item is the consideration of an Aviation Clear Zone Easement, being 4,750 feet above mean sea level above the plat of South Georgia Place Unit No. 40, an addition to the City of Amarillo, being an unplatted tract of land, in Section 183, Block 2, A.B.&M. Survey, Randall County, Texas. (Vicinity:

Georgia St. and Farmers Ave.; Applicant/s: Keith Smith for Betenbough Homes, LLC)

P. CONSIDER APPROVAL – AVIATION CLEAR ZONE EASEMENT

(Contact: Brady Kendrick, Planner II)

This item is the consideration of an Aviation Clear Zone Easement, being 4,850 feet above mean sea level above the plat of Farmers Substation Unit No. 1, an addition to the City of Amarillo and a suburban subdivision to the City of Amarillo, being an unplatted tract of land, in Section 182, Block 2, A.B.&M. Survey, Randall County, Texas. (Vicinity: Georgia St. and Farmers Ave.; Applicant: Southwestern Public Service Company, Inc.)

Q. CONSIDER APPROVAL – PROPERTY OWNER AUTHORIZATION FOR HISTORICAL MARKER PLACEMENT IN BONES HOOKS PARK

(Contact: Emily Koller, Assistant Director of Planning)

This item is to consider authorizing Jared Miller, City Manager to execute Attachment A “Permission of Property Owner for Marker Placement” in the Texas Historical Commission Subject Marker application. The application is for a Bones Hooks subject marker to be placed in Bones Hooks Park.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 1 – CITY COUNCIL WILL DISCUSS OR RECEIVE REPORTS ON THE FOLLOWING CURRENT MATTERS OR PROJECTS:

- A. Review agenda items for regular meeting and attachments;
- B. Discuss Recap of Earth Day; and

Mayor Nelson called a recess of the meeting at 1:25 p.m. and asked Councilmembers to return at 3:00 p.m. Mayor Nelson resumed the meeting at 3:21 p.m.

ITEM 1 – CITY COUNCIL WILL DISCUSS OR RECEIVE REPORTS ON THE FOLLOWING CURRENT MATTERS OR PROJECTS:

- C. Request future agenda items and reports from City Manager.

ITEM 3 – NON-CONSENT ITEMS:

ITEM 3A: Mayor Nelson introduced an item for a public hearing and first reading of Ordinance No. 7977. Kevin Carter, Amarillo Economic Development Corporation, presented the item. Mayor Nelson opened a public hearing. There were no comments. Mayor Nelson closed the public hearing. A motion was made to adopt Ordinance No. 7977 which designates a zone of the city that is approximately 1,108.70 acres in the vicinity of US Hwy 287, Interstate 40 and West of FM 1912 as Reinvestment Zone No. 17 for commercial and industrial tax abatement Councilmember Powell, seconded by Councilmember Smith.

ORDINANCE NO. 7977

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: DESIGNATING CERTAIN AREAS AS
REINVESTMENT ZONE NO. 17 FOR COMMERCIAL /
INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO,
TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER
312, SUBCHAPTERS A & B, ESTABLISHING THE
BOUNDARIES THEREOF AND OTHER MATTERS
RELATING THERETO; PROVIDING A SEVERANCE
CLAUSE; PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 3B: Mayor Nelson introduced an item for a public hearing and first reading of Ordinance No. 7978. Kevin Carter, Amarillo Economic Development Corporation, presented the item. Mayor Nelson opened a public hearing. There were no comments. Mayor Nelson closed the public hearing. A motion was made to adopt Ordinance No. 7978 which designates a zone of the city that is approximately 539.8 acres in the vicinity of US Hwy 60 and Parsley Road as Reinvestment Zone No. 18 for commercial and industrial tax abatement by Councilmember Powell, seconded by Councilmember Sauer.

ORDINANCE NO. 7978

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: DESIGNATING CERTAIN AREAS AS
REINVESTMENT ZONE NO. 18 FOR COMMERCIAL /
INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO,
TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER
312, SUBCHAPTERS A & B, ESTABLISHING THE
BOUNDARIES THEREOF AND OTHER MATTERS
RELATING THERETO; PROVIDING A SEVERANCE
CLAUSE; PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 3C: Mayor Nelson introduced an item for a public hearing and first reading of Ordinance No. 7979. Emily Koller, Assistant Director of Planning, presented the item. A motion was made to adopt Ordinance No. 7979 amending the Amarillo Municipal Code, Chapter 4-6, Article IV, by adding Section 4-6-191 regarding the City's Sidewalk Cost-Share Program by Councilmember Powell, seconded by Councilmember Sauer.

ORDINANCE NO. 7979

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS:
AMENDING THE AMARILLO MUNICIPAL CODE, CHAPTER
4-6, ARTICLE IV, BY ADDING SECTION 4-6-191
REGARDING THE CITY'S SIDEWALK COST-SHARE
PROGRAM; PROVIDING FOR SEVERABILITY;
PROVIDING FOR A REPEALER; PROVIDING FOR A
PENALTY; AND PROVIDING FOR PUBLICATION AND AN
EFFECTIVE DATE.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 3D: Mayor Nelson introduced an item for a public hearing and first reading of Ordinance No. 7980. Mr. Freeman presented the item. A motion was made to adopt Ordinance No. 7980 which amends the Project Plans and Cost, as originally adopted by Ordinance No. 7076 and amended by Ordinance No. 7578, as stated within the Tax Increment Reinvestment Zone #1 City of Amarillo, Texas Final Project and Financing Plan by Councilmember Powell, seconded by Councilmember Stanley.

ORDINANCE NO. 7980

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL AMENDING ORDINANCE 7076 AS TO THE
PROJECT PLANS AND COST AS STATED WITHIN THE
TAX INCREMENT REINVESTMENT ZONE #1 CITY OF
AMARILLO, TEXAS FINAL PROJECT AND FINANCING
PLAN; PROVIDING RATIFICATION, SEVERABILITY, AND
REPEALER; PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 3E: Mayor Nelson introduced an item to consider acceptance of a grant. Ms. Storrs and Casie Stoughton, Public Health Director, presented the item. A motion was made to accept the Safe Kids Grant that will be awarded by the Harrington Cancer and Health Foundation in the amount of \$180,000.00 by Councilmember Powell, seconded by Councilmember Sauer.

Voting AYE were Mayor Nelson and Councilmembers Powell, Sauer, Smith and Stanley; voting NO were none; absent were none; the motion passed by a 5-0 vote.

ITEM 4 – EXECUTIVE SESSION:

Mr. McWilliams advised at 3:55 p.m. that the City Council would convene in Executive Session per Texas Government Code: A) Sec. 551.087 – Discussion regarding commercial or financial information received from a business prospect and/or to deliberate the offer of a financial or other incentive to a business prospect: (i) Project # 21-10-03 (Manufacturing), (ii) Project # 21-12-01 (Manufacturing), (iii) Project # 22-02-04 (Manufacturing), and (iv) Project # 22-02-05 (Manufacturing).

Mr. McWilliams announced that Executive Session was adjourned at 5:04 p.m. and recessed the Regular Meeting.

ATTEST:

Stephanie Coggins, City Secretary

Ginger Nelson, Mayor

Amarillo City Council

Agenda Transmittal Memo



B

Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption
<u>CONSIDERATION OF ORDINANCE NO. 7977</u>

This item is a second and final reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 17 for commercial and industrial tax abatement. The zone is approximately 1108.70 acres in the vicinity of US Hwy 287, Interstate 40 and West of FM 1912.

Agenda Item Summary

Designating a reinvestment zone is a step in the property tax abatement process under Chapter 312 of the Tax Code. Local governments often use tax abatements to attract new industry and commercial enterprises and to encourage the retention and development of existing businesses. Designation of an area as a reinvestment zone is required before City Council has the ability to offer a tax abatement.

The 1108.70 acres proposed for Reinvestment Zone No. 17 is located in the vicinity of US Hwy 287, Interstate 40 and West of FM 1912. The reason for creating this zone is to provide Council the option to offer an economic development incentive to a prospective manufacturing facility.

Before Council may consider a new zone, it must be preceded by a public hearing, with 7 days written notice of the hearing provided to the presiding officer of each of the other taxing entities with jurisdiction in the zone and notice of the hearing in a newspaper of general circulation in the city.

Council must make findings that the improvements sought in the zone are feasible and practical and would be a benefit to the zone after expiration of a tax abatement agreement. Zones must also meet one of the applicable criteria for reinvestment zones. For the case of this zone, the criteria met is that with designation of the zone it is 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 City.

Requested Action

Conduct a public hearing and first reading of the Ordinance on May 10, 2022. The final reading is scheduled for May 24, 2022.

Funding Summary

N/A

Staff Recommendation

AEDC staff is recommending approval of the designation of Reinvestment Zone 17.

ORDINANCE NO. 7977

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: DESIGNATING CERTAIN AREAS AS
REINVESTMENT ZONE NO. 17 FOR COMMERCIAL /
INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO,
TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER 312,
SUBCHAPTERS A & B, ESTABLISHING THE BOUNDARIES
THEREOF AND OTHER MATTERS RELATING THERETO;
PROVIDING A SEVERANCE CLAUSE; PROVIDING AN
EFFECTIVE DATE.

WHEREAS, the City Council of the City of Amarillo, Texas ("City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its extra territorial jurisdiction by the creation of a Reinvestment Zone for commercial/industrial tax abatement, as authorized by Texas Tax Code Chapter 312, Subchapters A & B; and

WHEREAS, City has elected by Resolution No. 08-24-21-1 to become eligible to participate in tax abatements; and

WHEREAS, a public hearing in a regularly scheduled meeting before the City Council was held on May 10, 2022, such date being at least seven (7) days after the date of publication of the notice of such public hearing as required by the Texas Tax Code; and

WHEREAS, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed Reinvestment Zone at least seven (7) days before the date of the public hearing; and

WHEREAS, the City at such hearing invited all interested persons, or their counsel, to appear and speak for or against the creation of the proposed Reinvestment Zone, the boundaries of the proposed Reinvestment Zone, and whether all or part of the property described in this ordinance should be included in such proposed Reinvestment Zone; and

WHEREAS, all interested persons were given the opportunity to be heard and the proponents of the Reinvestment Zone offered evidence in favor of the creation of the proposed Reinvestment Zone and the proponents also submitted evidence as to the proposed improvements, and any opponents of the proposed Reinvestment Zone were given the opportunity to contest creation of the proposed Reinvestment Zone; and

WHEREAS, the area to be designated meets the statutory requirement that it is 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, and/or meets other criteria that satisfies state law for establishment of a reinvestment zone;

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and are adopted as findings of fact by this body and as part of its official record.

SECTION 2. The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence presented to it:

- a) That a public hearing on the designation of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing was published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone; and
- b) That the boundaries of the area to be known as City of Amarillo Reinvestment Zone No. 17 shall be the area of land described on the document attached hereto as Exhibit "A", which is incorporated herein for all purposes; and
- c) That the creation of the City of Amarillo Reinvestment Zone No. 17 with the boundaries as described in (b) above, will result in benefits to the City and to the land included in the zone and to the City after the expiration of any Tax Abatement Agreement entered into, and the improvements sought are feasible and practical; and
- d) That the Reinvestment Zone as described in (b) above meets the criteria for the creation of a Reinvestment Zone as set forth in Texas Tax Code Chapter 312, Subchapters A & B in that it is 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 Reinvestment Zone that would be a benefit to the property and that would contribute to the economic development of the City; and
- e) That the City of Amarillo Reinvestment Zone No. 17 as defined herein satisfies the requirement of a Reinvestment Zone and is eligible under the Guidelines and Criteria for Tax Abatement in the City of Amarillo, Resolution No. 08-24-21-1.

SECTION 3. That pursuant to Texas Tax Code Chapter 312, Subchapter B, the City hereby creates a Reinvestment Zone for commercial/industrial tax abatement encompassing the area described by the legal description in Section 2 (b) above and such Reinvestment Zone is hereby designated and shall hereafter be designated City of Amarillo Reinvestment Zone No. 17 for a period of five (5) years.

SECTION 4. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof.

SECTION 5. That the establishment of City of Amarillo Reinvestment Zone No. 17 shall take effect on the date of the final passage of this Ordinance.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on
First Reading this the 10th day of May 2022 and PASSED on Second and Final Reading on this
the 24th day of May 2022.

Ginger Nelson, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

EXHIBIT A
LEGAL DESCRIPTION OF REINVESTMENT ZONE NO. 17

The following tracts in Potter County, Texas:

SECT 30 A B & M BLK 0002, IRREG TR BEG 25.76 W & 1659.75FT S OF NE COR SECT
REF 200 0300 0002, 203.4900 ACRES

SECT 30 A B & M BLK 0002, IRREG TR BEING THE MOST WEST & SOUTH PTN OF
SEC 30 AND NORTH PTN OF SEC 31, 418.3500 ACRES

SECT 36 A B & M BLK 0002, IRREG TR BEG 120FT W OF NE COR OF SECT ALL LYING
N OF RR, 19.2300 ACRES

SECT 37 A B & M BLK 0002, 264FT W X 561FT N BEG 2607FT W OF SE COR OF SECT,
3.3800 ACRES

SECT 37 A B & M BLK 0002, ENTIRE SECT LESS ROW & LESS VARIOUS TRACTS,
464.2500 ACRES

Amarillo City Council

Agenda Transmittal Memo



C

Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption
<u>CONSIDERATION OF ORDINANCE NO. 7978</u>

This item is a second and final reading of an ordinance to consider designating certain areas of the City as Reinvestment Zone No. 18 for commercial and industrial tax abatement. The zone is approximately 539.8 acres in the vicinity of US Hwy 60 and Parsley Road.

Agenda Item Summary

Designating a reinvestment zone is a step in the property tax abatement process under Chapter 312 of the Tax Code. Local governments often use tax abatements to attract new industry and commercial enterprises and to encourage the retention and development of existing businesses. Designation of an area as a reinvestment zone is required before City Council has the ability to offer a tax abatement.

The 539.80 acres proposed for Reinvestment Zone No. 18 is located at US Hwy 60 and Parsley Road. The reason for creating this zone is to provide Council the option to offer an economic development incentive to a prospective manufacturing facility.

Before Council may consider a new zone, it must be preceded by a public hearing, with 7 days written notice of the hearing provided to the presiding officer of each of the other taxing entities with jurisdiction in the zone and notice of the hearing in a newspaper of general circulation in the city.

Council must make findings that the improvements sought in the zone are feasible and practical and would be a benefit to the zone after expiration of a tax abatement agreement. Zones must also meet one of the applicable criteria for reinvestment zones. For the case of this zone, the criteria met is that with designation of the zone it is 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 City.

Requested Action

Conduct a public hearing and first reading of the Ordinance on May 10, 2022. The final reading is scheduled for May 24, 2022.

Funding Summary

N/A

Staff Recommendation

AEDC staff is recommending approval of the designation of Reinvestment Zone 18.

ORDINANCE NO. 7978

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: DESIGNATING CERTAIN AREAS AS
REINVESTMENT ZONE NO. 18 FOR COMMERCIAL /
INDUSTRIAL TAX ABATEMENT, CITY OF AMARILLO,
TEXAS, PURSUANT TO TEXAS TAX CODE, CHAPTER 312,
SUBCHAPTERS A & B, ESTABLISHING THE BOUNDARIES
THEREOF AND OTHER MATTERS RELATING THERETO;
PROVIDING A SEVERANCE CLAUSE; PROVIDING AN
EFFECTIVE DATE.

WHEREAS, the City Council of the City of Amarillo, Texas ("City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its extra territorial jurisdiction by the creation of a Reinvestment Zone for commercial/industrial tax abatement, as authorized by Texas Tax Code Chapter 312, Subchapters A & B; and

WHEREAS, City has elected by Resolution No. 08-24-21-1 to become eligible to participate in tax abatements; and

WHEREAS, a public hearing in a regularly scheduled meeting before the City Council was held on May 10, 2022, such date being at least seven (7) days after the date of publication of the notice of such public hearing as required by the Texas Tax Code; and

WHEREAS, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed Reinvestment Zone at least seven (7) days before the date of the public hearing; and

WHEREAS, the City at such hearing invited all interested persons, or their counsel, to appear and speak for or against the creation of the proposed Reinvestment Zone, the boundaries of the proposed Reinvestment Zone, and whether all or part of the property described in this ordinance should be included in such proposed Reinvestment Zone; and

WHEREAS, all interested persons were given the opportunity to be heard and the proponents of the Reinvestment Zone offered evidence in favor of the creation of the proposed Reinvestment Zone and the proponents also submitted evidence as to the proposed improvements, and any opponents of the proposed Reinvestment Zone were given the opportunity to contest creation of the proposed Reinvestment Zone; and

WHEREAS, the area to be designated meets the statutory requirement that it is 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, and/or meets other criteria that satisfies state law for establishment of a reinvestment zone;

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and are adopted as findings of fact by this body and as part of its official record.

SECTION 2. The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence presented to it:

- a) That a public hearing on the designation of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing was published as required by law and delivered to all taxing units overlapping the territory inside the proposed reinvestment zone; and
- b) That the boundaries of the area to be known as City of Amarillo Reinvestment Zone No. 18 shall be the area of land described on the document attached hereto as Exhibit "A", which is incorporated herein for all purposes; and
- c) That the creation of the City of Amarillo Reinvestment Zone No. 18 with the boundaries as described in (b) above, will result in benefits to the City and to the land included in the zone and to the City after the expiration of any Tax Abatement Agreement entered into, and the improvements sought are feasible and practical; and
- d) That the Reinvestment Zone as described in (b) above meets the criteria for the creation of a Reinvestment Zone as set forth in Texas Tax Code Chapter 312, Subchapters A & B in that it is 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 Reinvestment Zone that would be a benefit to the property and that would contribute to the economic development of the City; and
- e) That the City of Amarillo Reinvestment Zone No. 18 as defined herein satisfies the requirement of a Reinvestment Zone and is eligible under the Guidelines and Criteria for Tax Abatement in the City of Amarillo, Resolution No. 08-24-21-1.

SECTION 3. That pursuant to Texas Tax Code Chapter 312, Subchapter B, the City hereby creates a Reinvestment Zone for commercial/industrial tax abatement encompassing the area described by the legal description in Section 2 (b) above and such Reinvestment Zone is hereby designated and shall hereafter be designated City of Amarillo Reinvestment Zone No. 18 for a period of five (5) years.

SECTION 4. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof.

SECTION 5. That the establishment of City of Amarillo Reinvestment Zone No. 18 shall take effect on the date of the final passage of this Ordinance.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on
First Reading this the 10th day of May, 2022 and PASSED on Second and Final Reading on this
the 24th day of May, 2022.

Ginger Nelson, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

EXHIBIT A
LEGAL DESCRIPTION OF REINVESTMENT ZONE NO. 18

A 539.80 acre± tract of land in Section 49, Block 2, A. B. & M. Survey, Potter County, Texas and being the same tract of land described as that part of Section 49 lying and being North of the BNSF railroad right-of-way in that certain instrument of conveyance recorded under Clerk's File No. 2017OPR0011221 of the Official Public Records of Potter County, Texas. Said 539.80 acre± tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. on February 1, 2022 and being more particularly described by metes and bounds as follows:

BEGINNING at a stone monument found as called for at the Northeast corner of Section 62, Block 2, A.B. & M. Survey, Potter County, Texas, same point being the Northeast corner of a 544.426 acre tract of land as described in that certain instrument of conveyance recorded under Clerk's File No. 2017OPR0011221 of the Official Public Records of Potter County, Texas and also being the Northwest corner of said Section 49 and the Northwest corner of the herein described tract of land, from whence a 1/2 inch iron rod found as called for at the Northwest corner of said Section 62 bears North 89° 56' 31" West, 5280.22 feet;

THENCE South 89° 56' 14" East, 5287.03 feet to a 1/2 inch iron rod found as called for at the Northwest corner of Section 40, Block 2, A.B. & M. Survey, Potter County, Texas, same point being the Northeast corner of said Section 49 and also being the Northeast corner of this tract of land, from whence a 1/2 inch iron pipe found as called for at the Northeast corner of said Section 40 bears South 89° 58' 03" East (base line) 5287.01 feet;

THENCE South 00° 01' 03" West along the common line of said Sections 40 and 49, a total distance of 3485.99 feet to a railroad spike found in the Northerly right-of-way line of said railroad right-of-way as called for at the Southwest corner of a 239.16 acre tract of land as described in that certain instrument of conveyance recorded under Clerk's File No. 2021OPR0012285 of the Official Public Records of Potter County, Texas, same point being the most Easterly Southeast corner of this tract of land;

THENCE South 70° 04' 51" West along the Northerly right-of-way line of said railroad right-of-way, a total distance of 5192.64 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set at the intersection of said railroad right-of-way with the South line of said Section 49, same point being the most Southerly Southeast corner of this tract of land;

THENCE North 89° 48' 54" West along the South line of said Section 49, a distance of 418.08 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set at the Southwest corner of said Section 49, same point being the Southeast corner of said Section 62 and also being the Southwest corner of this tract of land, from whence a 1/2 inch iron rod found at the Southwest corner of said Section 62 bears North 89° 48' 54" West, 5274.85 feet;

THENCE North 00° 09' 13" East along the common line of said Sections 49 and 62, a total distance of 5259.55 feet to the PLACE OF BEGINNING and containing a computed area of 539.80 acres of land, more or less.

Amarillo City Council

Agenda Transmittal Memo



D

Meeting Date	May 24, 2022	Council Priority	Economic Development and Redevelopment
Department	Planning	Contact Person	Emily Koller, Assistant Director of Planning

Agenda Caption

CONSIDERATION OF ORDINANCE NO. 7979

This item is a second and final reading of an ordinance to amend the Amarillo Municipal Code chapter 4-6, article IV, by adding section 4-6-191 regarding the City’s sidewalk cost-share program; providing for severability; providing for a repealer; providing for a penalty; and providing for publication and an effective date.

Agenda Item Summary

This ordinance amendment is the result of a neighborhood plan implementation project. The San Jacinto Neighborhood Plan identified a sidewalk partnership program “where the City would complete sidewalk repairs and offer a payment plan to property owners” as one of the high priorities for implementation.

This amendment adds a new section, 4-6-191, to Chapter 4-6 Public Improvement Maintenance or Use outlining the program. Highlights for the implementation effort include:

- The cost-share program is applicable to the neighborhood plan areas only; however, funding must be made available for the program to be active in each plan area.
- At this time, San Jacinto is the only active funded area. SNJA is allocating a portion of their Neighborhood Plan implementation funds to this project.
- The San Jacinto cost-share program is considered a pilot and the ordinance may be amended in the future depending on the outcomes.
- Eligible properties are residential only and include owner or tenant-occupied single-family residences, duplexes, townhomes, and condominiums. Neighborhood associations may adopt an additional supplementary policy to further define criteria based on goals of the Neighborhood Plan.
- Payment agreements will be made through the City Finance Office for 12 or 18-months. No interest will be charged. If an unpaid balance exists at the end of the payment period, late fees will be assessed. Agreements will be secured by liens and released upon final payment.
- Capital Projects and Development Engineering will oversee a contract to complete the work.

Requested Action

Approval as presented.

Funding Summary

The San Jacinto Neighborhood Association has allocated \$200,000 of their neighborhood plan implementation funding to complete a pilot project.

Community Engagement Summary

San Jacinto Neighborhood Plan priority project.

Staff Recommendation

Staff recommends approval as presented.

ORDINANCE NO. 7979

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS:
AMENDING THE AMARILLO MUNICIPAL CODE, CHAPTER
4-6, ARTICLE IV, BY ADDING SECTION 4-6-191
REGARDING THE CITY'S SIDEWALK COST-SHARE
PROGRAM; PROVIDING FOR SEVERABILITY; PROVIDING
FOR A REPEALER; PROVIDING FOR A PENALTY; AND
PROVIDING FOR PUBLICATION AND AN EFFECTIVE
DATE.

WHEREAS, the City Council has been presented evidence that the City's adopted Neighborhood Plans have an interest in the repair and replacement of public street and sidewalks that are damaged and in disrepair to the extent it is considered a nuisance and presents health and safety issues at properties within these Plans;

WHEREAS, the City Council desires to clarify the property owner's responsibility to maintain in good repair sidewalks and street appurtenances for health and safety purposes;

WHEREAS, to assist property owners in the maintenance and repair of such sidewalks and street appurtenances, the City Council further desires to develop a City cost-share program to aid property owners within these neighborhood plans financially if revenues are available to complete such projects; and

WHEREAS, the City Council finds that such repairs are in the best interest of their citizens, and acting under their home rule authority, has the power to enact ordinances to protect the health, safety, and welfare of its citizens.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The Amarillo Municipal Code, Chapter 4-6, Article IV, Public Improvement Maintenance or Use, is hereby amended by adding a new section 4-6-191 and reads as follows:

Sec. 4-6-191. Repair of sidewalks and street appurtenances; City cost-share program.

- (a) *Duty of Owner.* Any owner of property abutting on a public Street and Sidewalk shall maintain in good repair the Sidewalk and any driveway approach apron crossing the Sidewalk as stated in Sec. 4-6-187.
- (b) *City cost-share program.* If revenues are available, the City may participate in the reconstruction or repair of a sidewalk or street appurtenance with an eligible property located in one of the City's adopted Neighborhood Plan boundaries. Notice of funding availability and program criteria for each Neighborhood Plan area will be posted in a supplementary sidewalk program policy document on the City's website at Amarillo.gov/neighborhood_planning.
- (c) *Policies and procedures of cost-share program.* The City's cost-share program ("the program") shall operate as follows:
 - (1) *Eligible properties:* Property owners of the following types of owner or tenant-occupied properties are eligible to participate in the program: single-family residences, duplexes, townhomes, and condominiums

within one of the City's adopted Neighborhood Plan boundaries. The Plan shall list as a priority goal the repair and reconstruction of sidewalks or street appurtenances. The supplementary sidewalk program policy may further define eligibility based upon the Neighborhood Plan goals.

- (2) *Sidewalk Evaluation Criteria:* Only sidewalks and street appurtenances in the City's right-of-way determined to be damaged or in disrepair to the extent it is a nuisance are eligible. In no event will reconstruction or repairs be performed on private property. Drive-way ramps are eligible. Curbs and gutters are the responsibility of the City of Amarillo and will not be charged to the property owner.
- (3) *Cost:* The property owner's share of cost under the program shall be 50% of the total estimated cost for the requested improvements, or a percentage calculated based on the criteria in the Neighborhood's supplementary program policy.
- (4) *Trees:* All trees located in the City's right-of-way shall be removed in conjunction with each project that is considered to be an obstacle for repair. The cost of removal shall be included in the estimate of each project.
- (5) *Damage to improvements.* The City shall not be responsible for damage that may occur to sprinkler systems, trees, shrubs, or other improvements in the City's right-of-way. It shall be the responsibility of the property owner to protect these improvements before and during reconstruction or repair.
- (6) *Method of payment.* The property owner shall make payment to the City in the full amount of their share before commencement of reconstruction or repair or, alternatively, pursuant to a payment agreement, in 12 or 18 monthly payments. Payment agreements must be made through the City Finance Office with the first payment due and paid before commencement of the reconstruction or repair, and subsequent payments due on the dates set forth in the agreement. No interest will be charged if payments are made according to the agreed schedule. If a balance remains unpaid at the end of the agreed schedule, late fees will be charged on an annual rate of the lesser of six percent or the maximum rate allowed by law, until the outstanding balance is paid.
- (7) *Lien.* Where the property owner makes a payment agreement with the City Finance Office, their share of the cost of the reconstruction/repair performed by the City, together with interest, shall constitute a personal claim against them and shall be secured by a lien on such property superior to any other lien or claim except State, County, and City ad valorem taxes, and which may be enforced against the owner in the manner provided by law. Upon full and final payment of such costs, the City will release the lien.
- (8) *Rework:* In the event the replaced sidewalk or street appurtenance reconstructed through the program fails within one year of the completion of the replacement under the plan, the City shall make appropriate repairs, as determined to be necessary by the City, to the failed section at no additional cost to the property owner.
- (9) *Refund and reimbursement:*
 - a. *Refund.* A property owner may make a written request for a refund before initiation of the reconstruction or repair. In no event shall a refund be made after the City begins work.

- b. *Reimbursement.* A Property owner shall be eligible for reimbursement of the portion of the cost of replacement or repair for work done in connection with the plan if within two years of the completion of the replacement or repair, the City undertakes a capital improvement project and the sidewalk or street appurtenances reconstructed or repaired through the plan is replaced in connection with the capital improvement project. Reimbursement under this paragraph is available only for areas included in the capital improvement project on a pro rata basis, except that a driveway approach widened beyond the original approach width under the plan is ineligible for any reimbursement.

SECTION 3. Severability. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this Ordinance or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this Ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 4. Repealer. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. Publishing and Effective Date. This Ordinance shall be published and become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the 10th day of May 2022 and PASSED on Second and Final Reading this the 24th day of May 2022.

Ginger Nelson, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

Amarillo City Council

Agenda Transmittal Memo



E

Meeting Date	May 24, 2022	Council Priority	Economic Development and Redevelopment
Department	City Manager's Office	Contact Person	Andrew Freeman, Assistant City Manager

Agenda Caption
CONSIDERATION OF ORDINANCE NO. 7980

SECOND AND FINAL READING TO CONSIDER AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS CITY COUNCIL AMENDING ORDINANCE 7076 AS TO THE PROJECT PLANS AND COST AS STATED WITHIN THE TAX INCREMENT REINVESTMENT ZONE #1 CITY OF AMARILLO, TEXAS FINAL PROJECT AND FINANCING PLAN; PROVIDING RATIFICATION, SEVERABILITY, AND REPEALER; PROVIDING AN EFFECTIVE DATE.:

This item considers approval of an amendment to the project plans and costs originally adopted in 2007 and amended in 2016 related to the goals of TIRZ #1 in Downtown Amarillo.

Agenda Item Summary

This item considers approval of an amendment to the project plans and costs originally adopted in 2007 and amended in 2016 related to the goals of TIRZ #1 in Downtown Amarillo. The amendment would be as follows on Page 21 of the Project Plans and Cost page:

- Expansion and renovation, including the addition of an arena to the Amarillo Civic Center Complex, as well as improvements to the Amarillo Santa Fe Depot Property. It is not anticipated for the costs of these public improvements to be financed with TIRZ revenues.

Total estimated costs of the above public initiatives intended to be financed by the ~~proposed~~ TIRZ revenues: \$34 million dollars net present value or \$102 million gross

This proposed change to the Final Project and Financing Plan will allow for City Council flexibility when evaluating any future methods to fund Civic Center Complex or Santa Fe Depot improvements suggested in Volumes 1-4 of the Civic Center Needs Assessment or upcoming Garfield Public Private Report.

Requested Action
Approval as presented

Funding Summary
N/A

Community Engagement Summary
TIRZ #1 voted to recommend approval of this amendment during their May 5, 2022, Board meeting

Staff Recommendation
Staff recommends approval as presented

ORDINANCE NO. 7980

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL AMENDING ORDINANCE 7076 AS TO THE
PROJECT PLANS AND COST AS STATED WITHIN THE TAX
INCREMENT REINVESTMENT ZONE #1 CITY OF
AMARILLO, TEXAS FINAL PROJECT AND FINANCING
PLAN; PROVIDING RATIFICATION, SEVERABILITY, AND
REPEALER; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Amarillo City Council desires to continue promoting the process of development or redevelopment of a certain contiguous geographic area in the City of Amarillo, which is more specifically described in Ordinance No. 7012, enacted on December 19, 2006 which created Tax Increment Reinvestment Zone #1 (the Zone) in accordance with the Tax Increment Financing Act, codified at Chapter 311 of the Texas Tax Code; and

WHEREAS, pursuant to Texas Tax Code, Section 311.011 the board of directors for the Zone prepared and adopted a Final Project and Financing Plan (the "Plan"), which was approved by Ordinance 7076 on November 13, 2007 by the City of Amarillo City Council and amended by Ordinance 7578 on February 2, 2016; and

WHEREAS, the City Council desires to modify the recommended improvements and initiatives established within the Plan adopted by Ordinance 7076 and amended by Ordinance 7578 in order to better implement the intent of the Plan regarding development and redevelopment with the Zone;

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

SECTION 1. That Page 21, Project Plans and Cost adopted by Ordinance 7076 and amended by Ordinance 7578 is hereby amended, in part, to read as follows:

To attract the projects and investments outlined above it will be necessary to carry out the following improvements and initiatives:

- Expansion and renovation, including the addition of an arena to the Amarillo Civic Center Complex, as well as improvements to the Amarillo Santa Fe Depot Property. It is not anticipated for the costs of these public improvements to be financed with TIRZ revenues.

Total estimated costs of the above public initiatives intended to be financed by the ~~proposed~~ TIRZ revenues: \$34 million dollars net present value or \$102 million gross

SECTION 2. All other terms and provisions of Ordinance 7076 and Ordinance 7578 not specifically amended in Section 1 herein above are hereby ratified and same shall remain in full force and effect as adopted on November 13, 2007, and February 2, 2016.

SECTION 3. If any provision, section, subsection, sentence, clause, or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the

remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion of provision.

SECTION 4. All ordinances, parts of ordinances, resolutions, and parts of resolutions in conflict with this ordinance are hereby repealed to the extent of conflict with this ordinance.

SECTION 5. This ordinance shall be published and become effective according to law.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas on First Reading this the 10th day of May 2022; and PASSED on Second and Final Reading this the 24th day of May 2022.

Ginger Nelson, Mayor

ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney



Project Plan and Costs:

To attract the projects and investments outlined above it will be necessary to carry out the following public improvements and initiatives:

- Participation in 380 Economic Development Agreements
- Streets, utilities, streetscapes, sidewalks, parks, and landscaping
- Parking to support the general public and economic development
- Major family entertainment venue(s) such as a minor league ballpark to combine with mixed use developments
- Sign and Information Systems
- Public infrastructure to support major housing developments
- Acquisition of critical parcels to facilitate projects for public benefit
- Expansion and renovation, including the addition of an arena to the Amarillo Civic Center Complex, as well as improvements to the Amarillo Santa Fe Depot Property. It is not anticipated for the costs of these public improvements to be financed with TIRZ revenues.
- Other Public Facilities to be identified and approved by the TIRZ Board and other appropriate elected or appointed bodies in future years.

Total estimated costs of the above public initiatives intended to be financed by the proposed TIRZ revenues: \$34 million dollars net present value or \$102 million gross

Amarillo City Council

Agenda Transmittal Memo



F

Meeting Date	May 24, 2022	Council Priority	Consent Agenda
Department	Planning and Development Services		
Contact	Brady Kendrick – Planner II		

Agenda Caption
<u>CONSIDERATION OF AVIATION CLEAR ZONE EASEMENT</u>

Consideration of an Aviation Clear Zone Easement being 4,400 feet above mean sea level above the plat of Yucca Addition Unit No. 6, a suburban subdivision to the City of Amarillo, being an unplatted tract of land in Section 143, Block 2, A.B.&M. Survey, Randall County, Texas.
VICINITY: Binder St. and Marlboro Rd.
APPLICANT/S: Catalina Navarette

Agenda Item Summary
The above referenced Aviation Clear Zone (ACZ) Easement is being requested by the City of Amarillo and is associated with the plat Yucca Addition Unit No. 6.

To ensure safety of operation and protection of air traffic operating into and out of the airport, future physical development around the airport needs to be regulated. In 1981, the Texas Legislature enacted the Airport Zoning Act, cited as Chapter 241 of the Local Government Code, which authorized cities in the state to establish and administer regulations pertaining to the height of structures and compatible land uses in the vicinity of the airport. One of the tools established in the Amarillo Code of Ordinances that allows the City of Amarillo to regulate this type of development is the Airport Height Hazard and Zoning Regulations (Chapter 4-9) which establishes minimum requirements to control the height and use of structures that may develop in the vicinity of the airport.

The ACZ Easement document is established during the platting of a tract of land to set the height regulations for noting on the associated plat, and the legal document is signed by the owner/developer of the tract. The placement of the note on the plat ensures that the height regulation is easily found by any future owner of the tract of land. Each ACZ Easement has an associated height regulation that is determined by the tract's proximity and location around the airport. For example, areas at the end of the runway will likely have a lower height regulation than ones at the same distance that are located adjacent to the length of the runway. The reason for this is because aircraft taking off or landing will need to be at a lower altitude during its approach or departure portion of the traffic pattern for each associated runway.

This ACZ Easement is establishing a height regulation of 4,400 feet above mean sea level for the plat of Yucca Addition Unit No. 6.

Requested Action
Planning Staff have reviewed the associated Aviation Clear Zone Easement and the item is ready for City Council Consideration as a consent agenda item.

Funding Summary
The Easement is being granted to the City at no cost.

Staff Recommendation
Staff recommends approval of this Aviation Clear Zone Easement.

AVIATION CLEAR ZONE EASEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF RANDALL §

WHEREAS, Catalina Navarrete, hereinafter called "GRANTOR," whether one or more, individual or corporate, partnership or association, is the owner in fee of that certain parcel or parcels of land being described as follows:

Aviation Clear Zone Easement being 4,400 feet above mean sea level above the plat of Yucca Addition Unit No. 6, a suburban subdivision to the City of Amarillo, being an unplatted tract of land, in Section 143, Block 2, A.B.&M. Survey, Randall County, Texas.

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, GRANTOR does for himself, his successors and assigns, GRANT, BARGAIN, SELL AND CONVEY unto the City of Amarillo, Texas, hereinafter called GRANTEE, its successors and assigns, for the use and benefit of the public, and easement and right-of-way appurtenant to Rick Husband Amarillo International Airport for the unobstructed passage of all aircraft, "aircraft" being defined for the purpose of this instrument as any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air, by whomsoever owned or operated, in the airspace above GRANTOR'S above-described property; together with the right to cause in all airspace such noise, vibration, fumes, dust, fuel particulates and all other effects that may be caused by the operation of aircraft landing at, or taking off from, or operating at, on, over the above described property; and GRANTOR, his successors, executors, heirs or assigns, does hereby fully waive, remise and release any right, cause of action, and damage which it may now have or which it may have in the future against GRANTEE, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particulates and all other effects that may be caused or may have been caused by the operation of aircraft landing at, or taking off from, or operating near or on Rick Husband Amarillo International Airport or over the described property.

GRANTOR, for itself, its successors and assigns, does hereby covenant and agree that it will not hereafter erect, or permit the erection or growth of, any structure, tree or other object on the above described property to any height in excess of 4,400 feet above mean sea level. GRANTOR does hereby GRANT and CONVEY to GRANTEE a continuing right of ingress and egress via passage easement on and across the above-described property for the purpose of taking any action necessary to remove any structure, tree, or other object in the airspace to any elevation greater than 4,400 feet above mean sea level.

TO HAVE AND TO HOLD said aviation clear zone easement, passage easement, and rights-of-way, and all rights appertaining thereto unto the GRANTEE, its successors and assigns, until Rick Husband Amarillo International Airport shall be abandoned and shall cease to be used for public airport purposes.

IT IS UNDERSTOOD AND AGREED that these covenants and agreements shall be binding upon the heirs, administrators, executors, successors and assigns of the GRANTOR and that these covenants and agreements shall run with the land, and that for the purposes of this

LSS

instrument, this easement shall be considered the dominant estate on the above-referenced property.

IN WITNESS WHEREOF, the GRANTOR, whether one or more, individual or corporate, has hereunto set its hand on this the 4 day of May, 2022.

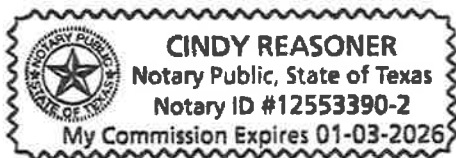
GRANTOR

Catalina Navarrete
Catalina Navarrete

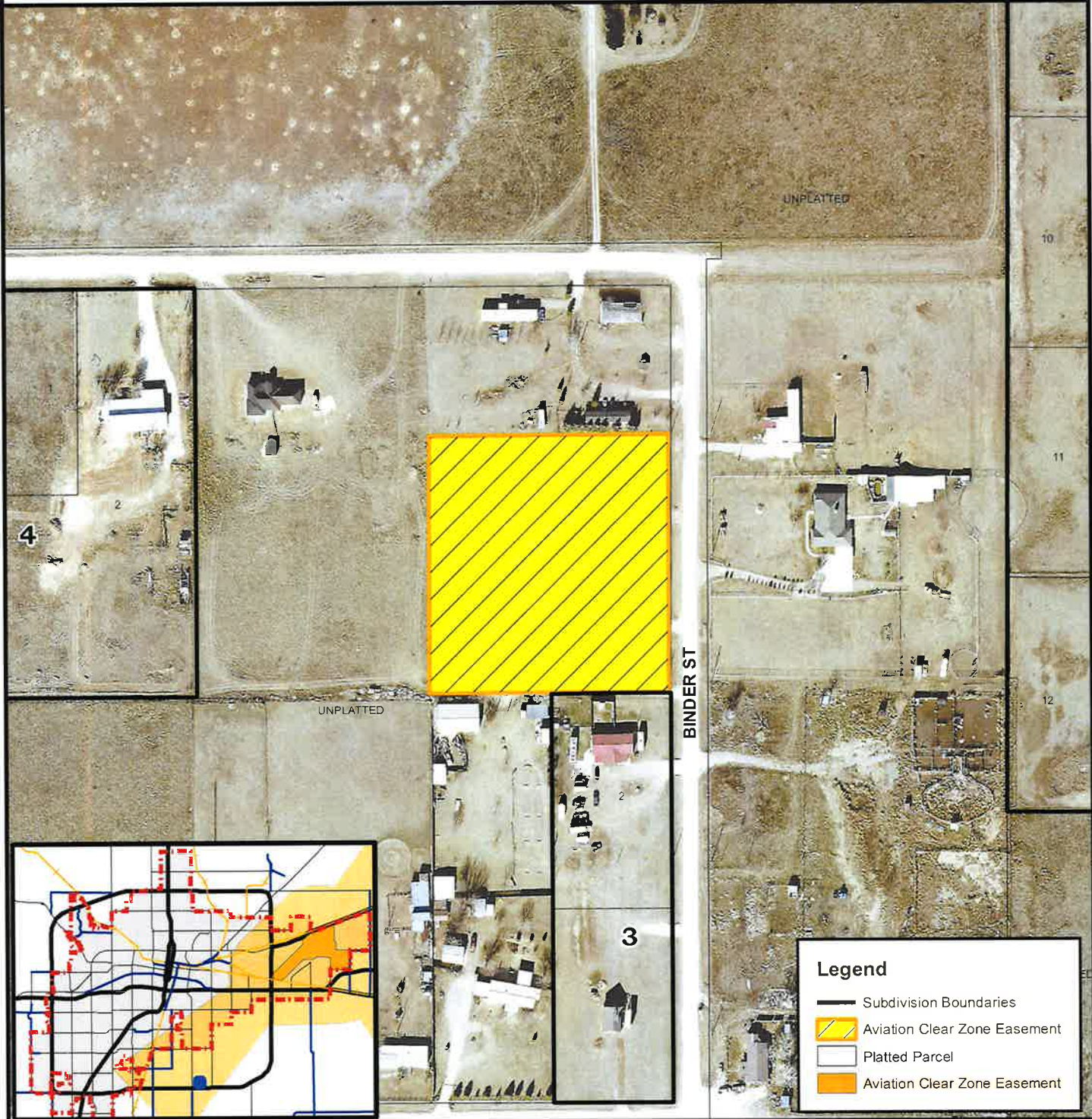
THE STATE OF Texas §
COUNTY OF Randall §

This instrument is acknowledged before me on this the 4th day of May, 2022, by Catalina Navarrete.

Cindy Reasoner



AVIATION CLEAR ZONE EASEMENT



**CITY OF AMARILLO
PLANNING DEPARTMENT**

Scale: 1 inch = 200 feet
Date: 4/22/2022
Case No: ACZ-22-07



Aviation Clear Zone Easement being 4,400 feet above mean sea level above the plat of Yucca Addition Unit No. 6, a suburban subdivision to the City of Amarillo, being an unplatted tract of land in Section 143, Block 2, A.B.&M. Survey, Randall County, Texas.

Vicinity: Binder St. and Marlboro Rd.

Applicant: Catalina Navarrete

AP: P-17

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

Amarillo City Council

Agenda Transmittal Memo



G

Meeting Date	May 24, 2022	Council Priority	Civic Pride
Department	Parks and Recreation Administration		
Contact	Kristen Wolbach, Assistant Director of Parks and Recreation		

Agenda Caption

CONSIDER APPROVAL – INTERLOCAL AGREEMENT BETWEEN THE CITY OF AMARILLO, TEXAS AND PANHANDLE REGIONAL PLANNING COMMISSION’S AREA AGENCY ON AGING OF THE PANHANDLE

Agenda Item Summary

This item considers the approval of a contractor agreement for integrated senior service (evidence-based intervention) programming and reimbursement with the City of Amarillo Parks and Recreation Department and the Area Agency on Aging of the Panhandle (AAA).

Requested Action

Approval and authorization for City Manager to execute agreement.

Funding Summary

Amarillo Parks and Recreation will be reimbursed at a fixed rate of \$40.00 per hour of service deliverance as authorized by AAA.

Community Engagement Summary

N/A

Staff Recommendation

Parks and Recreation Administration are recommending approval of contractor agreement (as reviewed and approved by COA legal Dept).

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF AMARILLO, TEXAS
AND PANHANDLE REGIONAL PLANNING COMMISSION'S
AREA AGENCY ON AGING OF THE PANHANDLE
(Evidence-Based Intervention Program)**

This Interlocal Agreement ("Agreement") is made between the City of Amarillo, Texas ("CITY") and the Panhandle Regional Planning Commission's Area Agency on Aging of the Panhandle ("PRPC AAA"). Pursuant to the authority granted by the "Texas Interlocal Cooperation Act," Chapter 791 of the Texas Government Code, as amended, providing for cooperation between local governmental bodies, the parties hereto, in consideration of the premises, mutual promises, and other valuable consideration stated herein, now agree as follows:

1. Entity & Authorization. Each party is a local government within the State of Texas. This Agreement has been approved by the governing body of each respective entity, and the signatory below has been duly authorized to execute this Agreement on behalf of each respective entity.

2. Public Benefit & Purpose. The respective governing body of each party finds that: the subject of this Agreement is necessary for the benefit of the public; and, that each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this Agreement; and, that the division of cost fairly compensates the performing party for the services performed under this Agreement; and, the performance of this Agreement is in the common interest of both parties.

3. Current revenues. Both the party performing a service and the party paying for the performance of governmental functions or services shall, respectively, render performance and make payments from current revenues legally available to the party.

4. CITY Obligation. CITY now promises to provide Evidence-Based Intervention programming in accordance with Exhibit A.

5. PRPC AAA Obligation. PRPC AAA hereby accepts the duties, terms, conditions, limitations, procedures, fees, and scope of services stated in Exhibit A, and agrees to perform its obligations stated therein.

6. Exhibit incorporated. The provisions of Exhibit A are incorporated herein by this reference as though stated verbatim. The governing body of each party hereby authorizes its point-of-contact official to mutually agree (without the need of further approval by either governing body) to make minor adjustments in the operational or logistical procedures or schedules described in Exhibit A, as may be necessary or convenient to facilitate greater efficiencies, reduce opportunity for errors, and better serve the public, so long as such adjustment(s) made when implementing this Agreement do not require or constitute a material change in costs or the performance required of either party under this Agreement.

7. Liability. The purpose of this Agreement is only to set forth the rights and duties of the parties regarding the governmental function or services described. This Agreement does not create any right, benefit, or cause of action for any third party. By executing this Agreement,

neither party waives, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. To the extent allowed by or consistent with Texas law, each party shall be solely responsible for any loss, damage, injury, or death to a third party (parties) arising out of or related to the acts or omissions of its employees or agents and not those of any other party.

8. Venue. Each party agrees that if legal action is brought under this Agreement, then exclusive venue shall lie in the county in which the defendant party is located, and, if located in more than one county, in the county in which the principal offices of the defendant party are located.

9. Effective date & Term. This Agreement shall become effective on the later of (a) June 1, 2022 and (b) the first day after it has received approval of both governing bodies. This Agreement shall remain in full force and effect until September 30, 2023.

10. Contacts. The point of contact for each party shall be as specified in Exhibit A.

11. Severance & Survival. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any request, such invalidity, illegality, or unenforceability shall not affect any other provision contained herein, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained. The provisions of paragraphs 6 through 8, inclusive, shall survive termination, cancellation, expiration or non-renewal of this Agreement.

12. Amendments. This Agreement contains all the commitments and the agreements of the parties and any oral or written commitments not contained herein shall have no force or affect to alter any term or condition of this Agreement. This Agreement may be amended or modified in writing by the mutual agreement of the parties. In the event of a conflict between the terms of this Agreement and Exhibit A, then the terms of Exhibit A shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized officers the day and year written below.

**PANHANDLE REGIONAL PLANNING
COMMISSION’S AREA AGENCY ON AGING
OF THE PANHANDLE**

CITY OF AMARILLO, TEXAS

By: _____
Title: _____
Date: _____

By: _____
Title: Jared Miller, City Manager
Date: _____

EXHIBIT A

DRAFT



AREA AGENCY ON AGING OF THE PANHANDLE CONTRACTOR AGREEMENT FFY2022-FFY2023

The City of Amarillo, hereinafter referred to as Contractor, and Panhandle Regional Planning Commission's Area Agency on Aging of the Panhandle (AAA) do hereby agree to provide services effective beginning **June 1, 2022 and ending September 30, 2023**, in accordance with the Older Americans Act of 1965 (OAA), as amended, regulations of the Texas Department of Health and Human Services Commission (HHSC), the AAA Direct Purchase of Services program and the stated Scope of Services.

The AAA Direct Purchase of Services program is designed to promote the development of a comprehensive and coordinated service delivery system to meet the needs of older individuals (60 years of age or older) and their caregivers. This agreement provides a mechanism for the creation of an individualized network of community resources accessible to a program participant in compliance with the OAA and HHSC's AAA Access and Assistance guidelines.

The purpose of the system of Access and Assistance is to develop cooperative working relationships with service providers to build an integrated service delivery system that ensures broad access to and information about community services, maximizes the use of existing resources, avoids duplication of effort, identifies gaps in services, and facilitates the ability of people who need services to easily find the most appropriate provider.

Now and therefore, for and in consideration of the mutual promises and benefits stated herein, the parties now agree as follows:

1. SCOPE OF SERVICES

- A. The Contractor agrees to provide the following service(s) as identified below to program participants authorized by the AAA staff, in accordance with the completed contractor application, all required assurances, licenses, certifications and rate setting documents, as applicable.

Service: Evidence Based Intervention

Service Definition: A service which provides for the implementation of evidence-based programs to improve health and well-being and reduce disease and injury. Evidence-Based Programs must:

- be demonstrated through evaluation to be effective for improving the health and well-being or reducing disease, disability, injury or both, among older adults; and

- be proven effective with older adult population, using Experimental or Quasi-Experimental Design; and
- be published in peer-review journal; and
- be fully translated in one or more community site(s); and
- include developed dissemination products that are available to the public.

Activities and expenditures directly related to an evidence-based intervention program:

- Procurement of training services or mandatory materials needed to implement specific EBI groups, sessions or classes
- Training of AAA staff or volunteers to effectively implement specific EBI groups, sessions or classes
- Publicity related to events to promote specific EBI groups, sessions or classes
- AAA staff time, travel, and materials needed to conduct specific EBI groups, sessions or classes
- Procurement, printing or copying of materials mandatory to implement specific EBI groups, sessions or classes
- Other expenses which are required to ensure and maintain the fidelity of EBI programs. Fidelity is defined as the commitment by the organization to fully implement the program with integrity to its original design and how the delivery of an intervention faithfully follows the outline and content of the program as specified in the program materials (per NCOA website's "Offering Evidence-Based Programs").

All Texas Administrative Code standards are located at the Texas Secretary of State website: www.sos.state.tx.us.

All Older Americans Act and other required rules and regulations are located at <https://acl.gov/about-acl/authorizing-statutes/older-americans-act>.

Targeting: AAA services are designed to identify eligible program participants, with an emphasis on high-risk program participants and to serve older individuals with greatest economic and social need, low-income minorities and those residing in rural areas, as required by the OAA.

B. Services & Reimbursement Methodology:

The approved reimbursement rate is a fixed rate per hour of service delivered to an eligible individual(s) as authorized by the AAA:

Service	Approved Reimbursement Rate
Evidence Based Intervention Programming	\$40.00 per hour

2. TERMS OF AGREEMENT

A. The Contractor agrees to:

1. Provide services in accordance with current or revised HHSC policies and standards and the OAA.
2. Submit billing with appropriate documentation as required by the AAA by the close of business on the **5th calendar day** of each month following the last day of the month in which services were provided.
 - a. If the **5th** day falls on a weekend or holiday, the information shall be delivered by the close of business on the following business day.
 - b. If a holiday falls between the 1st and the 5th calendar day of the month the reports shall be delivered by the 6th calendar day of the month.
 - c. No reimbursement for services provided will be made if contractor payment invoices and supporting documentation are not correct and submitted to the AAA within the **15th calendar days** of the month following the month in which services were provided.
 - d. Any concerns regarding discrepancies between the invoiced services and payment must be made within **45 calendar days** after payment is mailed.
3. Notify the AAA within 24 hours if, for any reason, the Contractor becomes unable to provide the service(s).
4. Ensure that all required insurance(s), certification(s), training(s), or license(s) do not lapse.
5. Provide the AAA, within 24 hours of agency’s receipt of copies of changes, updates, or renewals to board members, corporate officers, ownership, insurance, certificates, trainings or licenses.
6. Maintain communication and correspondence concerning program participants’ status.
7. Establish a method to guarantee the confidentiality of all information relating to the program participant in accordance with applicable federal and state laws, rules, and regulations. This provision shall not be construed as limiting AAA or any federal or state authorized representative’s right of access to program participant case records or other information relating to program participants served under this agreement.
8. Keep financial and program supporting documents, statistical records, and any other records pertinent to the services for which a claim for reimbursement was submitted to the AAA. The records and documents shall be kept for a minimum of seven years after close of contractor’s fiscal year.

9. Make available at reasonable times and for required periods all fiscal and program participant records, books, and supporting documents pertaining to services provided under this agreement, for purposes of inspection, monitoring, auditing, or evaluations by AAA staff, the Comptroller General of the United States and the State of Texas, through any authorized representative(s).
10. Provide standard documents concerning general release of information, medical/health related release (if necessary), clients rights and responsibilities, voluntary contributions, and complaint/grievances and appeals to all program participants. Service will not be authorized until these documents are reviewed and approved by AAA staff.

B. The Contractor further agrees:

1. The agreement may be terminated for cause or without cause upon the giving of 30 days advance written notice.
2. The agreement does not guarantee a total level of reimbursement other than for individual units/services authorized; contingent upon receipt of funds.
3. Contractor acknowledges it is an independent provider, NOT an agent of the AAA. Thus, to the extent allowed by law, the Contractor indemnifies saves and holds harmless the AAA against expense or liability of any kind arising out of service delivery performed by the Contractor. Contractor must immediately notify the AAA if the Contractor becomes involved in or is threatened with litigation related to program participants receiving services funded by the AAA.
4. Employees of the Contractor will not solicit or accept gifts or favors of monetary value by or on behalf of program participants as a gift, reward or payment.

C. Through the Direct Purchase of Services program, the AAA agrees to:

1. Review program participant intake, assessment forms and any other required forms completed by Contractor, as required, determining program participant eligibility. Service authorization is based on program participant need and the availability of funds.
2. Provide timely written notification to Contractor of program participant's eligibility and authorization to receive services.
3. Maintain communication and correspondence concerning the program participants' status.
4. Provide timely technical assistance to Contractor as requested and as available.
5. Conduct quality-assurance procedures, which will include on-site monitoring visits and customer satisfaction surveys annually, to ensure quality services are being provided and if applicable, Centers for Medicare and Medicaid Services exclusion reviews are conducted.
6. Contingent upon the AAA's receipt of funds authorized for this purpose from HHSC, reimburse the Contractor based on the agreed reimbursement methodology, approved rate(s), service(s) authorized, and in accordance with subsection (A)(2) of this

document, within 30 business days of the AAA's receipt of the Contractor's invoice – providing such invoice includes all required attachments, is complete and is accurate.

7. The AAA will provide programmatic training as applicable.

3. ASSURANCES

The Contractor shall comply with:

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d *et seq.*)
- B. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794)
- C. Americans with Disabilities Act of 1990 (42 U.S.C. §12101 *et seq.*)
- D. Age Discrimination in Employment Act of 1975 (42 U.S.C. §§6101-6107)
- E. Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688)
- F. Food Stamp Act of 1977 (7 U.S.C. §200 *et seq.*)
- G. Drug Free Workplace Act of 1988
- H. Texas Senate Bill 1 - 1991, as applicable
- I. HHSC administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Agreement.
- J. HHSC AAA Policies and Procedures Manual (AAAPPM), to the extent applicable to this Agreement, <https://www.hhs.texas.gov/laws-regulations/handbooks/aaa/area-agency-aging-policies-procedures-manual>.
- K. Certification Regarding Debarment - 45CFR §92.35 Subawards to debarred and suspended parties; this document is required annually as long as this agreement is in effect.
- L. Centers for Medicare and Medicaid Services (CMS) State Medicaid Director Letter SMDL #09-001 regarding Individuals or Entities Excluded from Participation in Federal Health Care Programs.
- M. HHSC (legacy DADS) Information Letter 11-07 – Obligation to Identify Individuals or Entities Excluded from Participation in Federal Health Care Programs.
- N. HHSC Uniform Terms and Conditions.

4. FOCAL POINT DESIGNATION

The Area Agency on Aging of the Panhandle is the focal point for services to persons 60 or older in the Panhandle Area.

5. ATTACHMENTS

- A. Signed W-9
- B. Signed Data Use Agreement
- C. Signed Lobbying Certification
- D. Signed Prohibited Telecommunications and Video Services

E. Signed HHSC Required Certifications

6. POINTS OF CONTACT

The points of contact for each party are as follows:

AAA: Sundee Rossi
PO Box 9257
Amarillo, TX 79105
806-331-2227
Srossi@theprpc.org

Contractor: Amarillo Parks & Recreation
Attn: Kelsey Sargent
P.O. Box 1971
Amarillo, TX 79105
806-378-9034
Kelsey.sargent@amarillo.gov

7. SIGNATURES

For the faithful performance of the terms of this agreement, the parties affix their signatures and bind themselves effective **June 1, 2022 and ending September 30, 2023.**

Authorized Contractor Signature

Print Name

Title

Date

Authorized PRPC/AAA Signature

Kyle Ingham
Print Name

Executive Director
Title

Date

Amarillo City Council

Agenda Transmittal Memo



H

Meeting Date	May 24, 2022	Council Priority	Long Term Plan for Infrastructure
Department	Water Utilities – Hollywood Road Water Reclamation Facility		
Contact	Floyd Hartman – Assistant City Manager		

Agenda Caption

CONSIDER APPROVAL – RENTAL OF SUPPLEMENTARY FILTERS FOR EMERGENCY OPERATIONS AT HOLLYWOOD ROAD WATER RECLAMATION FACILITY

Consideration of approval for rental of supplementary filters for emergency operations at Hollywood Road WRF from Rain for Rent. The total for rental is \$95,419.84.

Agenda Item Summary

Consider Approval

This purchase is to add supplemental filter capacity to the Hollywood Road WRF. Our current filters are not keeping up with normal flows through the plant, and we are experiencing unauthorized overflows. These filters will add additional capacity to keep up with peak flow and stop the unauthorized overflows.

Requested Action

Utilities staff requests the approval of Bid No. 7296 to Rain for Rent in the amount of \$95,419.84.

Funding Summary

This purchase will be funded from 523539.17400.1050. This account has a current balance of \$500,000.00

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the approval of award.

Bid No. 7296 FILTERING PROGRAM WITH PUMP AND EQUIPMENT
Opened 4:00 p.m. May 13, 2022

To be awarded as one lot

RAIN FOR RENT

Line 1 Month 1, Complete Filtering
System with Filter Units, Pump and
Associated Equipment, per specifications

1 ea

Unit Price

\$47,709.920

Extended Price

47,709.92

Line 2 Month 2, Filtering System
Complete with Filter Units, Pump and
Associated equipment, per specifications

1 ea

Unit Price

\$47,709.920

Extended Price

47,709.92

Bid Total

\$ 95,419.84

City

Lupton, Co



Amarillo City Council

Agenda Transmittal Memo



I

Meeting Date	May 24, 2022	Council Priority	Long Term Plan for Infrastructure
Department	Water Utilities – Hollywood Road Water Reclamation Facility		
Contact	Floyd Hartman, Assistant City Manager		

Agenda Caption

CONSIDER APPROVAL – RENTAL OF BELT PRESS FOR EMERGENCY OPERATIONS AT HOLLYWOOD ROAD WATER RECLAMATION FACILITY

Consideration of approval for rental of belt press for emergency operations at Hollywood Road WRF from WBI, INC. The total for rental is \$45,000.00.

Agenda Item Summary

Consider Approval

This purchase is to add supplemental sludge belt press capacity to the Hollywood Road WRF. Our current belt presses are having mechanical issues and are not keeping up with normal flows through the plant, and we are experiencing unauthorized overflows. These belt presses will add additional capacity to keep up with sludge production and stop the digesters from stopping up.

Requested Action

Utilities staff requests the approval of Rental Agreement for Belt Press to WBI, INC in the amount of \$45,000.

Funding Summary

This purchase will be funded from 523539.17400.1040. This account has a current balance of \$500,000.00

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the approval of award.

Rental Agreement for Belt Conveyor
Opened 4:00 p.m. May 6, 2022

To be awarded as one lot WBI, INC.

Line 1 Belt Press Rental, per specifications

1 ea		
Unit Price	\$45,000.000	
Extended Price		45,000.00
Bid Total		45,000.00
Award by Vendor	\$ 45,000.00	
City	Kingwood, TX	

Amarillo City Council

Agenda Transmittal Memo



J

Meeting Date	May 24, 2022	Council Priority	Infrastructure
Department	Facilities Department		
Contact	Jerry Danforth, Facilities Director		

Agenda Caption
CONSIDER AWARD – LIQUID SPRAY FOAM ROOF REPLACEMENT FOR 110 S. GRANT ST. BUILDING: (Contact: Jerry Danforth, Facilities Director) Universal Coating, Inc. -- \$112,000.00

This award is for the Liquid Spray Foam roof replacement for 110 S. Grant St. building for the City of Amarillo.

Agenda Item Summary
This award is for the Liquid Spray Foam roof replacement for 110 S. Grant St. building for the City of Amarillo.

Requested Action
Approval and award of the Liquid Spray Foam roof replacement to Universal Coating, Inc. for the amount of \$112,000.00

Funding Summary
City Job # 411543.17400.1060

Community Engagement Summary
N/A

Staff Recommendation
Staff recommends approval of contract award to Universal Coating, Inc. for the Liquid Spray Foam roof replacement for 110 S. Grant St. building.

Bid No. 7260 Installation of Liquid Spray Foam Roof at City Building
Opened 4:00 p.m., May 5, 2022

To be awarded as one lot		UNIVERSAL COATING INC	BRAZOS URETHANE	RED OAK ROOFING
Line 1 Furnish all necessary superintendence, labor, materials, tools, equipment, machinery and apparatus and whatever else may be necessary to complete all the work, per specifications				
1 ea				
Unit Price	\$112,000.000	\$129,978.00	\$175,000.000	
Extended Price		112,000.00	129,978.00	175,000.00
Bid Total		112,000.00	129,978.00	175,000.00
Award by Vendor		\$ 112,000.00 ✓		
City		Fresno, CA		

Amarillo City Council

Agenda Transmittal Memo



K

Meeting Date	May 24, 2022	Council Priority	Long Term Plan for Infrastructure
Department	Water Utilities – Osage Water Treatment Plant		
Contact	Jonathan Gresham – Director of Utilities		

Agenda Caption
<u>CONSIDER PURCHASE – WELL FIELD PUMPS, MOTORS, ELECTRICAL WIRE AND SERVICES FOR POTTER COUNTY AND CARSON COUNTY WELL FIELDS</u>

Consideration of approval for purchasing well field pumps, motors, electrical wire and services for the Potter County and Carson County well fields to Advanced Water Well Technologies in the amount of \$580,000.00. This contract is a one-year contract with the option to renew for two additional one-year periods.

Agenda Item Summary

Consider Approval

This purchase is structured to have a contract in place to be able to purchase various sized horsepower pumps and motors. Also including electrical wire needed for the units and related services for pulling, setting and other rehabilitation from Advanced Water Well Technologies to maintain high levels of water production.

Requested Action

Utilities staff requests the approval of Bid No. 7230 to Advanced Water Well Technologies in the amount of \$580,000.00.

Funding Summary

This purchase will be funded from 52200.68312. This account has a current balance of \$591,346.73.

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the approval of award.

BEST VALUE BID NO. 7230
FOR CITY OF AMARILLO MOTORS, PUMPS, AND ELECTRICAL CABLE FOR WATER WELLS ANNUAL CONTRACT

[illegible]

Amarillo City Council

Agenda Transmittal Memo



L

Meeting Date	May 24, 2022	Council Priority	Long Term Plan for Infrastructure
Department	Water Utilities		
Contact	Jonathan Gresham – Director of Utilities		

Agenda Caption

CONSIDER AWARD – ANNUAL SUPPLY AGREEMENT FOR PURCHASE OF CHLORINE

Consideration of approval for purchasing chlorine ton containers delivered in truck loads for water treatment in the amount of \$723,168.00 from Brenntag Southwest Inc.

Agenda Item Summary

Consider Approval

This purchase is structured to put in place a new Chlorine Annual Contract. This will include purchasing and delivery of 1-ton containers of chlorine, certified to conform the requirements of the NSF Standard 60: Drinking Water Chemicals. Delivery, assisting with loading and unloading 1-ton containers is required. This contract is for chlorine containers for the Osage Water Treatment Plant, Hollywood Road Water Reclamation Plant, and River Road Water Reclamation Plant.

Requested Action

Utilities staff requests the approval of Bid No. 7248 to purchase 1-ton chlorine containers for the water treatment process from Brenntag Southwest Inc. in the amount of \$723,168.00.

Funding Summary

This purchase will be funded from 52220.51350, 52260.51350, and 52270.5130.

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the approval of award to Brenntag Southwest Inc.

Bid No. 7248 Chlorine Annual Contract
Opened 4:00 p.m., April 21, 2022

To be awarded as one lot		Brenntag Southwest Inc		DPC Industries Inc	
Line 1 Chlorine one ton containers-RIVER ROAD WASTEWATER TREATMENT, per specifications					
60	tn				
	Unit Price	\$2,232.000		\$2,249.000	
	Extended Price		133,920.00		134,940.00
Line 2 Chlorine in one ton containers-HOLLYWOOD ROAD WASTEWATER TREATMENT PLANT, per specifications					
108	tn				
	Unit Price	\$2,232.000		\$2,249.000	
	Extended Price		241,056.00		242,892.00
Line 3 Chlorine in one ton containers-132 TONS SURFACE WATER TREATMENT PLANT 12 TONS- CARSON COUNTY PUMP STATION, 12 TOS- POTTER COUNTY PUMP STATION, per specifications					
156	ea				
	Unit Price	\$2,232.000		\$2,249.000	
	Extended Price		348,192.00		350,844.00
	Bid Total		723,168.00		728,676.00
	Award by Vendor	\$ 723,168.00			
	City	Borger, TX			

M



Meeting Date	May 24, 2022	Council Priority	Fiscal Responsibility, Best Practices, Customer Service
Department	Public Works - Fleet Services Division		
Contact	Donald Hooper, Public Works Director		

CONSIDER PURCHASE – TWENTY-NINE (29) POLICE PATROL VEHICLES

Award to: Caldwell Country Ford DBA Rockdale Country Ford	\$1,118,495.00
BuyBoard contract # 601-19	

Purchase is for replacement vehicles to existing police patrol fleet. Vehicles scheduled for replacement have reached their expected life cycle with age and mileage limits for safe use as patrol vehicles. Vehicles will be purchased using BuyBoard Contract #601-19 from Caldwell Country Ford DAB Rockdale Country Ford.

Recommend approval of purchase of twenty-nine (29) police patrol vehicles for use by the City of Amarillo Police Dept.

Funding for this purchase will be from 61120.84100, Fleet Services Rolling Stock.
Cost \$38,555.00 each, total purchase \$1,118,495.00.

Police Dept works with in the community to provide required services to citizens.

Staff recommends purchase approval of this purchase.

Bid No. 7293 Police Patrol Vehicles
Opened 4:00 p.m. May 11, 2022

To be awarded as one lot	CALDWELL COUNTRY FORD DBA ROCKDALE COUNTRY FORD
--------------------------	--

Line 1 Utility SUV-Police Patrol Vehicles
2023 Ford Explorer PPV K8A, per
specifications

29	ea		
	Unit Price	\$38,555.000	
	Extended Price		1,118,095.00

Line 2 BuyBoard Contract fee, per
specifications

1	ea		
	Unit Price	\$400.000	
	Extended Price		400.00

Bid Total	\$	1,118,495.00	
City		Caldwell, TX	

Amarillo City Council

Agenda Transmittal Memo



N

Meeting Date	May 24, 2022	Council Priority	N/A
Department	Information Technology Rich Gagnon, Managing Director and CIO		

Agenda Caption
<u>CONSIDER AWARD – MULTI-FACTOR AUTHENTICATION ANNUAL LICENSING AND SUPPORT</u> Lakeshore IT Solutions -- \$105,768.20

This purchase renews annual vendor-provided licensing and support for Duo Multi-factor Authentication which is utilized by all City departments for a second form of authentication and protection of network systems.

Agenda Item Summary
This is a recurring annual subscription to receive licensing and support from Duo for licenses already owned and operated by the City. This purchase also expands license count from 800 to 2,100 licenses.

Requested Action
Approval of award to Lakeshore IT Solutions in the amount of \$105,768.20

Funding Summary
Funding is available in Information Technology account 62021.69300.

Community Engagement Summary
N/A

Staff Recommendation
Staff recommends approval of award.

Bid No. 7294 Multi-Factor Authentication Renewal
Opened 4:00 p.m. May 11, 2022

To be awarded as one lot		LAKESHORE IT SOLUTIONS	SHI GOVERNMENT SOLUTIONS INC
Line 1 Cisco Duo Security Premium			
Technical Support 24x5			
Term 06.23.2022 - 06.22.2023			
Part #SVS-DUO-SUP-P, per specifications			
1 ea			
Unit Price	\$17,631.200	\$25,604.900	
Extended Price		17,631.20	25,604.90
Line 2 Cisco Duo Security Standard			
Access License Renewal			
Term 06.23.2022 - 06.22.2023			
Part #DUO-ACCESS, per specifications			
2,100 ea			
Unit Price	\$41.970	\$61.000	
Extended Price		88,137.00	128,100.00
Bid Total	\$ 105,768.20	\$ 153,704.90	
City	Spring Grove, IL	Austin, TX	

Amarillo City Council

Agenda Transmittal Memo



0

Meeting Date	May 24, 2022	Council Priority	Long Term Plan for Infrastructure
Department	Water Utilities - Wastewater Collection		
Contact	Jonathan Gresham – Director of Utilities		

Agenda Caption

CONSIDER PURCHASE – SUBMERSIBLE PUMPS FOR LIFT STATION #38

Consideration of purchase of 2 Flgyt submersible pumps for lift station #38 to James, Cook, and Hobson (JCH) Inc. in the amount of \$86,000.

Agenda Item Summary

Consider Approval

This purchase is to replace two existing submersible pumps at lift station #38. The existing submersible pumps have reached their end of life. The purchase of pumps will help prevent any possible sanitary sewer overflow at the lift station.

Requested Action

Utilities staff request the approval of Bid No. 7292 to JCH who is the sole vendor for Flgyt Submersible Pumps for \$86,000.

Funding Summary

Funding is available in account 523420.17400.1040.

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends the bid be awarded to JCH. Inc. (James Cooke &Hobson)

Bid No. 7292 FLYGT NP3171 SUBMERSIBLE PUMP FOR WASTEWATER COLLECTION
Opened 4:00 p.m. May 6, 2022

To be awarded as one lot JCH

Line 1 FLYGT NP3171 SUBMERSIBLE
PUMPS, per specifications

2 ea

Unit Price \$43,000.000

Extended Price 86,000.00

Bid Total \$ 86,000.00

City Amarillo, TX



Amarillo City Council

Agenda Transmittal Memo



P

Meeting Date	May 24, 2022	Council Priority	N/A
Department	Information Technology Rich Gagnon, Managing Director and CIO		

Agenda Caption

CONSIDER APPROVAL – INTERLOCAL AGREEMENT BETWEEN CITY OF AMARILLO, TEXAS AND SOUTH CENTRAL PLANNING AND DEVELOPMENT COMMISSION

Access to software related to Permitting, Licensing, Planning, Code Enforcement, and 311 Citizen Services.

Agenda Item Summary

The South Central Planning and Development Commission (SCPDC) is a regional planning commission and Political Subdivision of the State of Louisiana. SCPDC has created software applications (MyPermitNow, MyProjectNow, MyAddressNow, Inspection Anywhere, and MyGovernmentOnline) which could be used to replace the current Tyler EnerGov and 311 applications. Partnering with SCPDC would save the City of Amarillo over \$300,000.00 per year in support fees.

Requested Action

Approval of this ILA for the use of aforementioned software applications at the discretion of relevant departments.

Funding Summary

Funding is available in the accounts of those departments wishing to utilize the software applications.

Permits & Licensing Module: \$5,416.67 per month.

Planning & Zoning Module: \$1,500.00 per month.

Code Enforcement: \$812.50 per month.

Fire Marshal Permits Module: \$300.00 per month.

Environmental Health Module: \$250.00 per month.

Building Safety Module: \$3,000.00 per month.

311 Call Center: No cost due to permit volume package.

GIS Integration: No cost due to permit volume package.

Total monthly contract cost: \$11,279.17

Total contract value (2-year term): \$270,700.08

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends approval of ILA.



5/11/2022

INTERLOCAL CONTRACT FOR LICENSING SCPDC SOFTWARE
Opened 4:00 p.m. April 25, 2022

		SOUTH CENTRAL PLANNING AND DEVELOPMENT COMMISSION	
To be awarded as one lot		(SCPDC)	
Line 1 (2-year term)Software applications relate to Permitting, Licensing, Planning, Code Enforcement, and 311 Citizen Services			
2 YR			
Unit Price		\$135,350.040	
Extended Price		270,700.08	
Bid Total		\$ 270,700.08	
City		Houmam, LA	

Amarillo City Council

Agenda Transmittal Memo



Q

Meeting Date	May 24, 2022	Council Priority	Economic Development
Department	City Manager's Office	Contact Person	Andrew Freeman, Assistant City Manager

Agenda Caption

CONSIDER UNIMPROVED PROPERTY CONTRACT FOR THE SALE OF REAL ESTATE, APPROXIMATELY 365.72 ACRES, LOCATED AT EAST INTERSTATE 40 AND SPUR 228:

This item authorizes the City Manager to execute a contract for the sale of excess land, approximately 365.72 acres located at East Interstate 40 and Spur 228. The purchase is for \$1,725,000 minus closing costs and related expenses.

Agenda Item Summary

This excess land of approximately 365.72 acre was listed with a local realtor on March 9, 2022. The City received interest from two parties.

The highest offer was from Prairie View West LLC for \$1,725,000 minus closing costs. Staff recommends approval of the offer.



Requested Action

Approve as presented

Funding Summary

N/A

Community Engagement Summary

N/A

Staff Recommendation

Staff recommends approval as presented

Amarillo City Council

Agenda Transmittal Memo



R

Meeting Date	May 24, 2022	Council Pillar	Fiscal Responsibility
Department	Finance		
Contact	Debbie Reid, Director of Finance		

Agenda Caption
CONSIDER APPROVAL – CITY OF AMARILLO INVESTMENT POLICY

Agenda Item Summary
Each year, the City reviews and updates its Investment Policy, as needed, for any necessary changes. The Policy is then submitted to City Council for their review and approval in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act (PFIA). The City’s investment objectives are to preserve capital, to provide liquidity, and to optimize earnings within the constraints of the first two objectives. The City invests in securities authorized by the Policy and the Public Funds Investment Act. There were no changes in the Public Funds Investment Act from the 87 th Legislative session and therefore are no proposed changes to the Investment Policy for fiscal year 2022.

Requested Action
Approval of the City of Amarillo 2022 Investment Policy.

Funding Summary
N/A

Community Engagement Summary
N/A

City Manager Recommendation
The Investment Committee reviewed this policy on March 18, 2022 and is recommending approval. The City Manager also recommends acceptance of this item.

CITY OF AMARILLO INVESTMENT POLICY AND STRATEGY
May 24, 2022

FORMAL ADOPTION

This Investment Policy is authorized by the City Council of the City of Amarillo in accordance with Chapter 2256, Texas Government Code (the Public Funds Investment Act), as amended.

SCOPE

This Policy applies to all of the investment activities of the City, excluding the Employee Retirement Trusts, the OPEB Trust, the deferred compensation plan or investments donated to the City for a particular purpose or donated according to terms specified by the donor. This Policy establishes guidelines for those who can invest City funds, for how City funds will be invested, and for when and how a periodic review of investments will be made. The Investment Policy is divided into two sections: General Investment Policy and Investment Strategy.

INVESTMENT POLICY

The following are general requirements of the City Investment Policy. The general requirements address issues and requirements common to all funds separately invested by the City. Following the general requirements are specific requirements that relate to either specific fund types or funds managed by the City.

INVESTMENT OBJECTIVES

The City investment objectives are as follows:

- 1) To preserve capital; the most important investment objective.
- 2) To provide liquidity.
- 3) To optimize earnings within the constraints of Numbers 1 and 2 above.

TO PRESERVE CAPITAL

- 1) To preserve capital, the City will only invest in the following:
 - a) Time Deposits, Certificates of Deposit, and other interest bearing accounts at an authorized depository of the City. Investments are limited by the amount of the combination of federal depository insurance, pledged collateral and any surety bond or letter of credit of the depository.

Deposits issued:

- a. by a depository institution that has its main office or a branch office in this state that are:
 - I. Guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or
 - II. Secured in compliance with COLLATERAL; or
 - III. Secured in any other manner and amount provided by law for deposits of the investing entity.

- b. In addition to the authority to invest funds in deposits under Section 1 a., an investment in deposits made in accordance with the following conditions is an authorized investment:
 - I. The funds are invested through a depository institution or broker that has its main office or a branch office in the state of Texas. Additionally, a broker is required to be selected from a list of approved broker dealers adopted by the City;
 - II. The depository institution or broker arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City;
 - III. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
 - IV. If appointed by the City, the depository institution or broker may act as custodian for the City with respect to the deposits issued for the account of the City.
- b) Direct obligations of the United States including Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Strips, and instruments guaranteed by the Full Faith and Credit of the United States; for reporting purposes, these securities will be defined as Government Securities. Treasury Strips are defined as Treasury Notes and Treasury Bonds that are purchased at a discount from par and do not pay periodic interest.
- c) Obligations of agencies and instrumentalities of the United States. For reporting purposes, the investment in agency and instrumentality securities will be categorized as Agency Securities. The investment in agencies and instrumentalities is limited to seventy-five percent (75%) of the Portfolio. Investments in agencies or instrumentalities will be diversified among the agencies and instrumentalities.
- e) A no-load money market mutual fund that is continuously rated AAA or AAAm by at least one nationally recognized rating agency; is regulated by the Securities and Exchange Commission; complies with the requirements of a money market mutual fund; has an average weighted maturity of less than two years; has either a duration of: (a) one year or more and is invested exclusively in obligations approved under the Public Funds Investment Act; or (b) less than one year and the investment portfolio is limited to investment grade securities, excluding asset-back securities; and includes in its investment objectives the maintenance of a stable net asset value of \$1.00 for each share.
- f) Municipal securities rated AA- or above or its equivalent by a nationally recognized rating agency. Total investment in municipal securities would be limited to ten percent (10%) of the portfolio.
- g) The maximum investment in callable securities (redeemed at the option of the issuer) will be twenty-five percent (25%) of the Portfolio.
- h) Bond proceeds may be invested in fully collateralized flexible repurchase agreements ("flex repos") with a defined maturity date not to exceed the final scheduled construction expenditure date. Flexible repurchase agreements must only be entered into with a primary government securities dealer as defined by the Federal Reserve or a financial institution doing business in the State of Texas. They must be secured by a combination of cash and obligations of the United States or its agencies and instrumentalities, which are pledged to the City and deposited with a third party custodian approved by the City. However, mortgaged backed securities will not be allowed as acceptable pledged obligations. The collateralization percentage shall be maintained at or above one hundred two percent (102%) of the outstanding flex repo balance along with any interest accrued but not yet paid. All repurchase agreement transactions shall be governed by a signed repurchase agreement, which requires that the securities being purchased by the City or cash held by the City to be pledged to the City, held in an account in the City's

name and deposited at the time the investment is made with the City or with a third party selected and approved by the City

- 2) To preserve capital, the City of Amarillo will not employ any investment strategy that is inherently risky.
 - a) The City will not borrow funds using investment securities as collateral and reinvest the proceeds in other investment securities. Approved no-load money market mutual funds in 1(g) above are allowed to use Reverse Repurchase Agreements.
 - b) The City will not take a position in a security for speculation or only for anticipated capital appreciation.
 - c) While a designated Investment Officer will be empowered to buy and sell securities on behalf of the City, the City will use a buy and hold strategy for most investments.
 - d) The City will diversify investments.
- 3) To preserve capital, the City will not invest in any securities that are inherently risky:
 - a) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
 - b) Obligations whose payment represents the principal stream of cash flow from underlying mortgage-backed security collateral and bears no interest.
 - c) Obligations that have a stated final maturity date of greater than five years.
 - d) Obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.
 - e) Any obligation related to foreign currency or foreign market interest rates or indices.
 - f) Any other obligations similar to items 3(a) through 3(e) above where small changes in market interest rates can produce potentially large changes in the value of a security or substantially extend the life of the security.

TO PROVIDE LIQUIDITY

- 1) The Investment Portfolio will remain sufficiently liquid to meet the cash flow requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements; investing in securities with active secondary markets; and maintaining appropriate Portfolio diversification including funds invested with overnight liquidity. Since projected cash flows are estimates, it is the stated goal to invest in a manner that provides excess funds for reinvestment and additional liquidity each month.
- 2) In conjunction with (1) above, the City will ladder investment maturities. That is, the Portfolio will be structured so that investments mature all along the yield curve and generally near term obligations are provided for before more long-term obligations. However, it will not be necessary to completely provide all maturities for a month before investing further out on the yield curve. By not fully investing every month, the City will be better able to utilize all investment options (especially more short-term securities) available in the Investment Policy. With the laddered Portfolio structure, there would be a steady stream of funds to the Portfolio and high quality short-term securities available if securities needed to be sold before maturity. In conjunction with the

above ladder approach, maturities beyond ninety (90) days will be diversified along the yield curve to avoid a concentration of maturities in one or more months.

- 3) Additional liquidity will be provided through attractive cash equivalent investment options. The City will diversify the investment in money market funds. The combined investment in money market funds should be a minimum of three percent (3%) of the overall Portfolio.

TO OPTIMIZE EARNINGS

- 1) Within the constraints of preservation, safety, and liquidity, it is the City's goal to optimize earnings.
- 2) City funds will be deposited daily to optimize funds available for investment.
- 3) Idle cash will be invested until needed to pay obligations.
- 4) The Portfolio will be structured to provide excess funds for reinvestment so that in periods of rising interest rates, funds are available for reinvestment. In periods of falling rates maturities have been laddered to lock in higher returns.
- 5) The City may employ securities lending to enhance earnings:
 - a. The City will only lend securities to primary government securities dealers, as defined by the Federal Reserve.
 - b. The City will only accept cash, government securities and irrevocable Letters of Credit as collateral greater than or equal to the value of the borrowed securities plus accrued interest. Borrowed securities must be marked to market daily. Increases in the market value of the borrowed securities will necessitate the pledging of additional collateral greater than or equal to the value of the borrowed securities. If the market value of the securities were to decrease, collateral would be released upon request of the securities dealers by the City not greater than the value of the borrowed securities.
 - c. The term of the contract is for one year, but can be renewed annually for an additional one-year term by mutual consent of the City and acceptable counter party. The maximum term for securities on loan may not exceed 90 days, or the expiration date of the contract.
 - d. The monies received by the City as collateral for borrowed securities shall be invested for a term not later than the expiration date of the Securities Lending Agreement.
 - e. The monies received by the City as collateral for securities borrowed can only be invested in money market mutual funds, repurchase agreements, and obligations of U. S. Government, or its agencies and instrumentalities.
 - f. A loan made under the securities lending agreement must allow termination at any time by either party.
 - g. The collateral for the loan must be pledged to the City, held in an account in the name of the City and deposited at the time of the investment with a third party approved by the City.

PORTFOLIO COMPOSITION

At all times at least 80% of the Portfolio must be in investments with maturities of two years or less. No more than 20% of the Portfolio can be held in maturities ranging from two to five years. The maximum dollar weighted average maturity of the Portfolio cannot exceed one year.

DESIGNATED INVESTMENT OFFICER

The Deputy or Assistant City Manager over financial services, Finance Director, and the City Auditor are the designated Investment Officers. After the investment transaction is completed, an authorization of investment form will be executed for all City investments. The Deputy or Assistant City Manager over financial services or the Finance Director must sign the form approving investments. Also, the City Manager or the Deputy City Manager must co-sign the form acknowledging the investments.

INVESTMENT COMMITTEE

The Investment Officers of the City will be members of the Investment Committee. The role of the committee will be to review and monitor quarterly reports, make recommendations on changes in the Investment Policy, approve training sources, and approve brokers/dealers.

PERCENTAGE TESTS

This Policy contains several percentage tests. Because of daily changes in cash, the Portfolio can be in compliance one day and not in compliance the next day. The Portfolio limits should be adhered to as investments are purchased; however, investments would not have to be sold to comply with Portfolio limits.

MARKET PRICE VALUATION

Monthly reports will include market price valuations of the Portfolio from a third-party pricing agency or through a source independent of the transaction.

PERFORMANCE STANDARD

The performance standard of the Portfolio will be calculated based on the weighted average yield to maturity.

MONITORING

Not less than quarterly, the Investment Officers or designee will monitor the credit rating for each held investment that has a Public Fund Investment Act required minimum rating. Prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

Except as stated above, the City is not required to liquidate investments that were authorized investments at the time of purchase.

SETTLEMENT OF SECURITIES

All settlements of security transactions will be by "delivery versus payment."

INTERFUND TRANSFERS

From time to time some City funds (for example: General Fund, Airport Fund, and Water and Sewer Fund) will become over/under invested while the overall Portfolio is compliant with the City's Investment Policy. Investment transfers can be made to correct funds being over/under invested; however, any transfer would have to be suitable for the fund. Investment transfers will be made between funds at book

value plus accrued interest. However, transfers involving tax-exempt bond proceeds shall comply with applicable IRS regulations.

COLLATERAL

- 1) All bank deposits not insured by federal depository insurance are collateralized by securities held by an independent third party under a joint custody arrangement giving the City unconditional rights and claims to the collateral. In lieu of the above collateral requirement the depository may provide a surety bond or letter of credit issued by an agency or instrumentality in compliance with the Public Funds Investment Act.
- 2) The City will accept as collateral any securities eligible under the Public Funds Collateral Act reserving the right to accept or reject any individual securities.
- 3) The City will compare deposit collateral to bank deposits daily.
- 4) Authorized depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:
 - 1. The agreement must be in writing;
 - 2. The agreement has to be executed by the depository and the City contemporaneously with the acquisition of the asset;
 - 3. The agreement must be approved by the Board of Directors or designated committee of the depository and a copy of the meeting minutes must be delivered to the City; and
 - 4. The agreement must be part of the depository's "Official Record" continuously since its execution.

SAFEKEEPING

Securities owned by the City should be held in a manner that the safekeeping method will be categorized as "Least Risk" for Governmental Accounting Standards Board (GASB) purposes:

- 1) All securities will be held by the City's safekeeping agent in an account in the City's name.
- 2) All non-physical securities will be safekept at the Federal Reserve or at the City's safekeeping agent.
- 3) Any physical securities will be registered to the City and safekept at the City's safekeeping agent or held in a safe deposit box with limited access.

COMPETITIVE BIDDING

The City will practice competitive bidding orally, by telephone, electronically, or in any combination of these methods when purchasing an investment to help strengthen the investment process. All investments, other than the placement of funds in money markets mutual funds, which are deemed to be made at prevailing market rates, will be competitively bid and placed with providers offering the best value to the City. The City reserves the right to reject the most financially favorable bid if it is potentially disruptive to its investment strategy.

STANDARD OF CARE

The standard of care used by the City shall be the “prudent person rule” and shall be applied in the context of managing the overall Portfolio within the applicable legal constraints. The Public Funds Investment Act states:

“Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probably income to be derived.”

STANDARDS OF ETHICS

All Investment Officers shall file with the Texas Ethics Commission and the City Council a statement disclosing any personal business relationship with an entity seeking to sell investments to the City or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to the City.

REPORTING

Investment performance will be monitored and evaluated by the Investment Officers. The Investment Officers will provide a quarterly comprehensive report signed by all Investment Officers to the City Council. This investment report shall be in compliance with the Public Funds Investment Act.

AUDITS

The City, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the City’s Investment Policy and strategies. Additionally, the auditors will review the Investment Officers’ quarterly reports and provide the results of that review to the City Council as part of the annual audit.

REVIEW AND AMENDMENT

The City Council shall review and adopt this Policy at least annually. Amendments must be approved by the Investment Committee and adopted by the City Council. Investment Officers will review the Policy for any necessary changes as a result of each Texas Legislative session and include such changes in the annual review and update to the Policy for City Council approval. The timing of amendments and approval of legislative changes to the Policy must align with the required effective dates assigned by the Legislation.

TRAINING

In order to have qualified and capable Investment Officers, officers will attend investment training and receive not less than 10 hours of instruction relating to investment responsibilities and that is in compliance with the Public Funds Investment Act within 12 months of taking office or assuming investment duties. After the initial training, Investment Officers are required to take eight hours of training every two years aligned with the City’s fiscal year. The Investment Committee will approve all investment training sources.

PRUDENT INVESTMENT MANAGEMENT

The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and internal procedures. Investment Officers acting in good faith and in accordance with these policies and procedures shall be relieved of personal liability.

BROKER/DEALERS

Investment Broker/Dealers shall adhere to the spirit, philosophy and specific term of the Policy and shall avoid recommending or suggesting transactions outside the "Standard of Care."

The Investment Committee will perform selection of Broker/Dealers at least annually. The Investment Committee will establish criteria to evaluate Broker/Dealers, including:

- a) Adherence to the City's policies and strategies.
- b) Transaction pricing.
- c) Responsiveness to request for services, information and open communication.
- d) Understanding of the inherent fiduciary responsibility of investing public funds.
- e) Similarity in philosophy and strategy with the City's investment objectives.

Selected Broker/Dealers shall provide timely transaction confirmations.

The approved Broker/Dealers are as follows:

Piper Jaffray & Co.
Bank of America Merrill Lynch
Amarillo National Bank
Herring Bank
Wells Fargo
Frost Bank
Fidelity Investments
Stifel, Nicolaus & Co. Inc.
Bank of Texas
Amegy Bank

The approved Broker/Dealers are authorized to engage in investment transactions with the City and can be revised periodically by the Investment Committee. It may become necessary to add Broker/Dealers during the year to insure competition and good service to the City. Therefore, the Investment Committee can add additional Broker/Dealers during the year.

INVESTMENT POLICY CERTIFICATION

Business organizations eligible to transact investment business with the City shall be presented a written copy of the Investment Policy. Additionally, the qualified representative of the business organization seeking to transact investment business shall execute a written instrument substantially to the effect that the business organization has:

- 1) Received and reviewed this Investment Policy.

The City shall not enter into an investment transaction with a business organization prior to receiving the written instrument described above.

WIRE PROCEDURES

The City is allowed to initiate wires through a City authorized depository. The individuals authorized to perform wire transactions include the Deputy or Assistant City Manager over financial services, the Finance Director, the City Auditor and the Assistant City Auditor. The City Secretary and the Assistant City Secretary are authorized to make secondary approvals of wire transfers. Wires may be done as repetitive or non-repetitive transactions. Repetitive wires can be set up at a City depository bank with approval of two of the authorized individuals. Thereafter, repetitive wires may be completed with approval of one of the authorized individuals. Non-repetitive wires will require approval from two of the authorized individuals.

STATUTORY VERIFICATIONS

NOT BOYCOTTING ISRAEL

Pursuant to the Texas Government Code, Chapter 2270, Title 10, Subtitle F, a business organization transacting investment business for the City shall verify that the business (1) does not boycott Israel currently; and (2) will not boycott Israel during the contract term. "Boycott Israel" means that the business refuses to deal with, terminates business activities with, or otherwise takes any action 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.

NOT IDENTIFIED AS COMPANY DOING BUSINESS WITH FOREIGN TERRORIST ORGANIZATION

In accordance with Texas Government Code, Chapter 2252, Subchapter F, those companies responding to the City's advertisement or solicitation for bids, proposals, offers, or qualifications for which a contract or purchase is thereafter made are subject to being identified on a Texas Comptroller list of companies known to have contracts with or provide supplies or services to a foreign terrorist organization. The City shall not enter into a governmental contract with a company that is identified on this list.

INVESTMENT STRATEGY

OPERATING FUND

The operating funds include the General Fund and other Special Revenue Funds of the City. The primary objective in investing available funds is the preservation and safety of principal. All of the allowable investments mentioned in the Investment Policy would be suitable for the operating funds. The investments should be structured so that investments mature to meet cash needs and have excess funds for additional liquidity. In the investment of funds decision, the security with the best return within a three to six month range will be selected with the intention of investing in the other maturities at a later date. This strategy allows the City to take full advantage of the yield curve and all investments securities allowed in the Investment Policy. Short-term securities such as discount notes can be used for shorter maturities, while treasury notes and other agency securities can be used for longer-term maturities. At least some of the purchases will be in U.S. Treasuries or Agency securities, which are both liquid and marketable. Investments in Agency securities should be diversified among different Government Agencies. Investments will be ladderred along the yield curve to optimize earnings.

DEBT SERVICE AND DEBT SERVICE RESERVE FUNDS

All Debt Service Reserve funds will be kept in money market mutual funds/accounts or certificates of deposits in the unlikely event the funds would be needed for a shortfall in making debt service payments. Debt Service funds will be accumulated in money market funds/accounts until needed for scheduled debt service payments. The primary objective in investing available funds is the preservation and safety of principal. Yield will be dictated by short-term rates.

PROPRIETARY FUNDS

Proprietary funds include both Enterprise Funds and Internal Service Funds. These funds provide for the operations, capital replacement, and future claims of each functional area. Specifically, proprietary funds include Water and Sewer Fund, Airport Fund, Municipal Garage, Data Processing, Risk Management, and Employee Insurance. All of the allowable investment securities would be suitable for the proprietary funds. The primary objective in investing available funds is the preservation and safety of principal. The investments should be structured so that maturities are scheduled to meet cash needs and have excess funds for additional liquidity. In the investment of funds decision, the security with the best return within a three to six month range will be selected with the intention of investing in the other maturities at a later date. This strategy allows the City to take full advantage of the yield curve and all investments securities allowed in the Investment Policy. Short-term securities such as discount notes can be used for shorter maturities, while treasury notes and other agency securities can be used for longer-term maturities. Most of the purchases will be in U.S. Treasuries or Agency securities, which are both liquid and marketable. Investments in Agency securities should be diversified among different Government Agencies. Investments will be laddered along the yield curve to optimize earnings.

CAPITAL PROJECT FUNDS

Capital project funds are used to account for the construction of various City improvements including General Construction, Street Improvement, Golf Improvement, and other capital improvement funds. All allowable City investments would be suitable for the capital projects funds. The cash should be invested to correspond to the estimated aggregate cash draws on the various projects. At least some of the purchases will be in U.S. Treasuries and Agency securities, which provide both liquidity and marketability. Investments in Agency securities should be diversified among the various Government Agencies.

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

The primary objective in investing Amarillo Economic Development Corporation (AEDC) funds is the preservation and safety of principal; however, AEDC has a great need for liquidity. Suitable investments should be no more than 190 days to maturity. Furthermore, AEDC should have substantial funds held in money market funds/accounts for additional liquidity. Because AEDC funds are very short-term maturities, Treasury Bills, Agency Discount Notes and deposits as described under Section 1 a) of the TO PRESERVE CAPITAL section will be heavily used. Diversification of investments among the various Government Agencies will be very important. Yield will be dictated by short-term rates.

OTHER ENTITY FUNDS

The City also invests funds for other entities. As with City funds, the primary objective in investing available funds is the preservation and safety of principal. Because of the uncertainty of when funds will be needed, liquidity is also very important. When the City invests funds for other entities, the funds will be invested in a similar manner as AEDC funds above.

TRUST FUNDS

Trust funds will be invested in accordance with provisions of the applicable trust agreement. If there are not specific investment requirements, trust funds will be invested in a similar manner as operating funds. In the investment of funds decision, the security with the best return within a three to six month range will be selected with the intention of investing in the other maturities at a later date. This strategy allows the City to take full advantage of the yield curve and all investments securities allowed in the Investment Policy. Short-term securities such as discount notes can be used for shorter maturities, while treasury notes and other agency securities can be used for longer-term maturities. The primary objective in investing available funds is the preservation and safety of principal.

BOND PROCEEDS

The investment of bond proceeds (excluding reserve and debt service funds) shall generally be limited to the anticipated cash flow requirement or the “temporary period,” as defined by Federal tax law. During the temporary period bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds and market conditions to achieve compliance with the applicable regulations. Bond proceeds may be invested in a single flexible repurchase agreement if the Investment Officers determine that such an investment has advantage to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

A flexible repurchase agreement provides that disbursements are allowed in the amount necessary to satisfy reasonable expenditure requests and the defined termination date of the investment does not exceed the estimated expenditure date of the bond proceeds.

MEMO



To: Mayor and City Council
From: Debbie Reid, Finance Director
Date: May 18, 2022
Subject: City of Amarillo 2022 Investment Policy

Attached for your review and approval is the proposed 2022 City of Amarillo Investment Policy (Policy). Each year, the City updates the Investment Policy and seeks to have it authorized by the City Council in accordance with Chapter 2256, Texas Government Code, the Public Funds Investment Act (PFIA). The City's investment objectives are to preserve capital, to provide liquidity and optimize earnings within the constraints of the first two objectives. The City invests in securities authorized by the Policy and the Public Funds Investment Act.

The City will submit the 2022 Investment Policy, once approved, to the Government Treasurers' Organization of Texas (GTOT) for certification. The City has participated in this program in the past with the most recent submission, the 2017 Investment Policy, receiving a Certificate of Distinction. The GTOT Certification program ensures entities that their investment policies comply with the PFIA of Texas. It is important to resubmit the City's Policy on a periodic basis to ensure continued compliance.

There were no legislative changes to the PFIA during the 2021 Legislative session. Therefore, there are no proposed changes to the City of Amarillo Investment Policy for 2022.

The Investment Committee reviewed this policy on March 18, 2022 and is recommending approval. Please let me know if you have any questions regarding the Policy and the proposed changes for 2022.

Thank you for your consideration of this request.

Amarillo City Council

Agenda Transmittal Memo



A

Meeting Date	May 24, 2022	Council Priority	Regular Agenda Item – Public Hearing
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Department	Planning and Development Services Brady Kendrick – Planner II
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Agenda Caption
<u>PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7981</u>

Public hearing and first reading to consider an ordinance rezoning Lot 71, Block 19, Westover Park Unit No. 27, an addition to the City of Amarillo, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Moderate Density District.

VICINITY: Coulter St. and Pinnacle Dr.

APPLICANT/S: Rick Enns for First United Methodist Church

Agenda Item Summary

Adjacent land use and zoning

Adjacent zoning consists of Residential District 1 to the north and east and Agricultural District in all other directions.

Adjacent land uses consist of Westover Park Junior High School to the north, single-family homes to the east, and undeveloped land in all other directions.

Proposal

The applicant is requesting a change in zoning in order to develop the tract with an Assisted Living Facility (Group Living Quarters).

Analysis

Staff's analysis of zoning change requests begins with referring to the Comprehensive Plan's Future Land Use and Character Map, which identifies recommended future land uses. Additionally, staff considers what impact on area existing zoning and development patterns a request may have as well as its conformity to the Neighborhood Unit Concept of Development (NUC).

The Future Land Use Map identifies the applicant's tract as being in the Suburban Commercial Category. The recommended development type for the above-mentioned category includes commercial retail, institutional, and service uses at varying scales. When such recommended land uses are proposed adjacent to residential areas, the Comprehensive Plan recommends that non-residential uses be compatible with adjacent residential uses as much as possible. That said, the Planning and Zoning Commission is of the opinion that the applicants request is compatible with the both the recommended types of development and the surrounding residential areas as the proposed use of the land is residential in nature (residential assisted living facility).

Regarding the Neighborhood Unit Concept of Development, this concept calls for more intensive uses such as commercial, retail, office, and multi-family development to be located at or near Section Line Arterial Intersections with intensity of use and/or zoning decreasing inward towards the center/middle of a section.

Moderate Density District allows for a variety of residential products including but not limited to single-family detached/attached homes, multiple-family housing, as well as a group living quarters. Such zoning districts are typically located at the periphery of a section and shift inward to lower density single-family development types within the interior of the section. The request could provide the recommended transition that serves as a buffer from the heavily travelled section line arterial (Coulter St.) and/or retail service land uses that may develop west of the applicant's site. Considering this, the Planning and Zoning Commission is of the opinion that the proposal conforms to the NUC.

Taking this into account, the Planning and Zoning Commission is of the opinion that the applicant's request would not create any negative impacts to area zoning and/or development patterns.

Requested Action/Recommendation
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Notices have been sent to all property owners within 200 feet as required by State Law. As of this meeting, the Planning Department did receive five comments regarding the request. Of the five, two expressed no opposition once the rezoning request was described further and three expressed following concerns:

- high bankruptcy statistics associated with Assisted Living Facilities
- Property Values being affected negatively
- Vandalism and vagrancy if the structure was to become vacant

Considering the all the above, Staff recommends **APPROVAL** of the request as presented.

ORDINANCE NO. 7981

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF COULTER STREET AND PINNACLE DRIVE, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the "Amarillo Comprehensive Plan" on October 12, 2010, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of Lot 71, Block 19, Westover Park Unit No. 27, an addition to the City of Amarillo, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Moderate Density District.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 24th day of May 2022 and PASSED on Second and Final Reading on this the 14th day of June 2022.

Ginger Nelson, Mayor

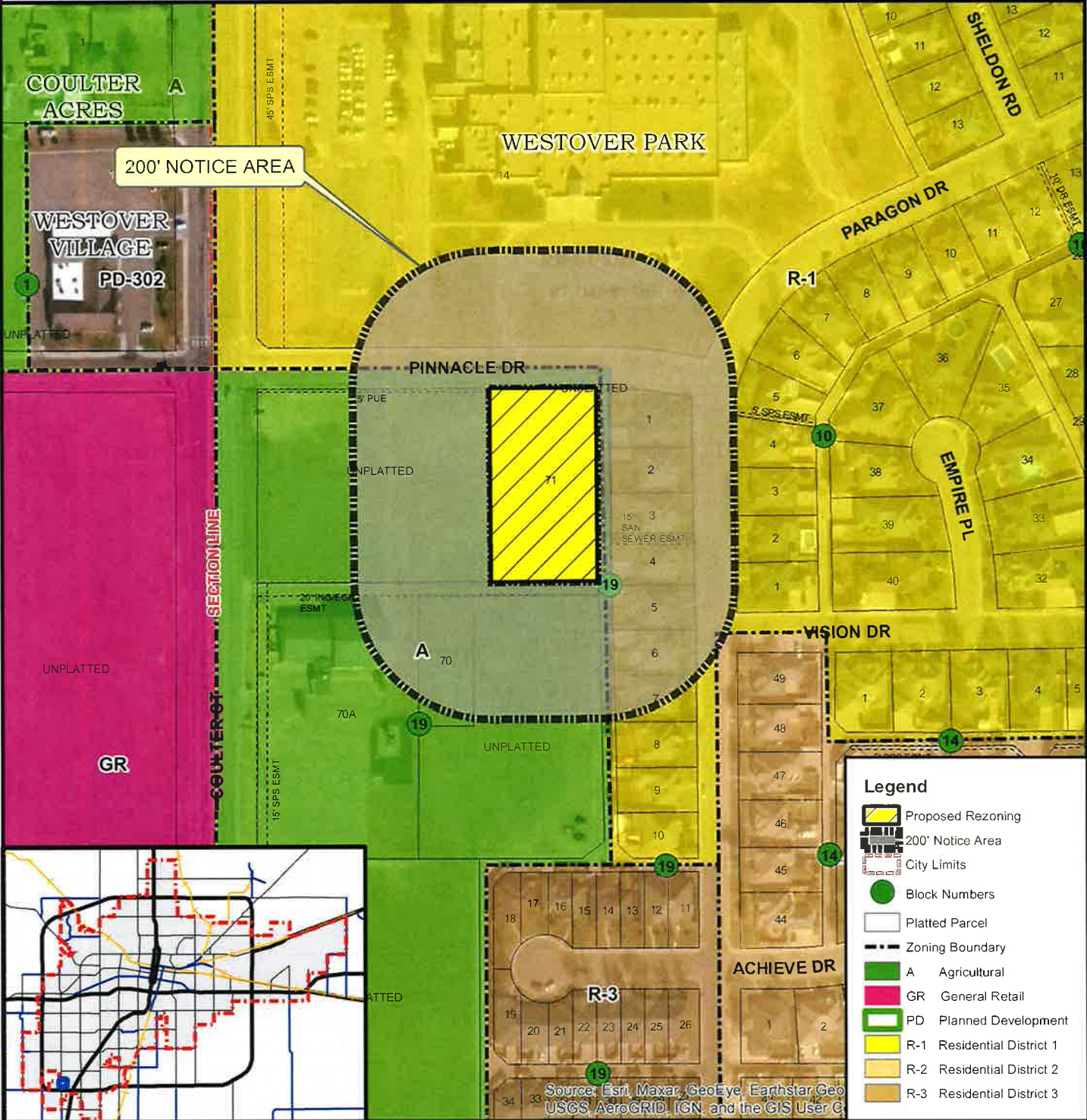
ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

REZONING FROM A TO MD



CITY OF AMARILLO PLANNING DEPARTMENT

Scale: 1 inch = 200 feet
Date: 4/8/2022
Case No: Z-22-11



Rezoning of Lot 71, Block 19, Westover Park Unit No. 27, an addition to the City of Amarillo, in Section 31, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Agricultural District to Moderate Density District.

Applicant: Rick Enns for First United Methodist Church

Vicinity: Coulter St. and Pinnacle Dr.

AP: J-17

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

Amarillo City Council

Agenda Transmittal Memo



B

Meeting Date	May 24, 2022	Council Priority	Regular Agenda Item – Public Hearing
Department	Planning and Development Services Brady Kendrick – Planner II		
Agenda Caption			
PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7982			

Public hearing and first reading to consider an ordinance rezoning portions of Tracts 8, 9, and 12, C.R. Austin’s Subdivision of the E. & S. parts of Section 4, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 and Agricultural District to Residential District 3.
VICINITY: Scotty Dr. and Santa Fe Trl.
APPLICANT/S: Barry Christy

Agenda Item Summary

Adjacent land use and zoning

Adjacent zoning consists of Agricultural District to the south and Residential District 1 in all other directions.

Adjacent land uses consists of single family detached homes to the north and west, a church to the south, and a private drive for a church to the east.

Proposal

The applicant is requesting a change in zoning in order to develop this tract with single family detached homes. According to the applicant, the average size of proposed homes are 2,200 square feet with an average price point of \$348,500.

A Preliminary Plan for the proposed subdivision has been approved and rezoning is the next phase in the development process. The approved preliminary plan is for 49 single family homes with lots that range in size from 5,600 square feet to 10,186 square feet (6,330 average).

It should be noted that a zoning change for this property, to Moderate Density, was previously submitted and considered by the Planning Commission in December 2020. The Planning Commission took into consideration concerns expressed by area residences of uses allowed in Moderate Density zoning (duplexes, townhomes, and apartments) and requested that the applicant change requested zoning to one that only allows single family detached homes. The Moderate Density Zoning request eventually withdrawn by the applicant and proceeded no further.

Beyond the allowed uses being a concern with area residences, additional concerns such as possible negative impacts to property values, rental property in the neighborhood, increased traffic, and a desire for the area to continue to be undeveloped were expressed in 2020.

Since the above-mentioned request, a new property owner acquired the property and upon reviewing the feedback from the 2020 Planning and Zoning Commission meeting, has requested Residential District 3 for the property. Residential District 3 allows for single family detached homes only on lots that have a lot size of 5,000 square feet minimum.

Analysis

The Planning and Zoning Commission’s analysis of zoning change requests begins with referring to the Comprehensive Plan’s Future Land Use and Character Map, which identifies recommended future land uses. Additionally, the Planning and Zoning Commission considers what impact on area existing zoning and development patterns as well as its conformity to the Neighborhood Unit Concept (NUC) of development.

The Future Land Use and Character Map identify the applicant's tract as being mostly within the "General Residential" category. The southern 125 feet of the tract is located within the "Suburban Commercial" category.

The General Residential category calls for detached residential dwellings being the primary focus. The Suburban Commercial category calls for a range of commercial retail and services uses, offices, and Planned developments to accommodate mixed uses in a suburban setting.

The proposed development type of single family detached homes and requested zoning would be in line with the General Residential category. As mentioned above, the southern 125 feet of the tract is located within a Suburban Commercial category, yet the Planning Commission believes that the applicant's proposed land use is more appropriate as the area south of the tract is developed with an existing institutional land use (church) and a transition to residential zoning would be the next logical development type/category rather than Suburban Commercial.

The Neighborhood Unit Concept of Development (NUC), typically recommends retail and commercial uses to be located at or near Section Line Arterial Intersections with a gradual transition to less intensive zoning away from these intersections with zoning gradually transitioning to single family detached homes within the interior of the section.

Traditionally, single-family detached home development on smaller lots are typically located at the periphery of a section of land. A transition to less dense single-family development to the interior of a section typically occurs. When examining development patterns in the area, Residential District 3 at the applicant's location, in the Planning Commission's opinion, would be a recommended development type. The proposed type of residential development would serve as a buffer between the church and its associated external activities (lights, traffic, noise) to the larger residential lots found the west and north of the tract.

It is worth noting that the request is similar in nature to zoning patterns found within the City View Subdivision to the east as is illustrated in the below map. This further illustrates how Residential District 3 has been used as an appropriate transition as discussed previously.



It also must be noted that the Comprehensive Plan and City's policy calls for and encourages appropriate infill development when possible. This request represents one of those opportunities in the Planning and Zoning Commission's opinion. Based on the above, the Planning and Zoning Commission believes that the request is a logical continuation of existing zoning and development patterns in the area.

Regarding impacts to traffic in the area, the Traffic Engineering Department conducted a traffic study in this area. The average daily car count was 67 vehicles per hour along Scotty Drive (between Santa Fe Trl and Laredo Trl). Based on the anticipated development for this tract with 49 homes, the Traffic Engineering Department estimates that this would increase to a total of 88 vehicles per hour at full build out. Considering this information, the volume of traffic would not warrant traffic control measures

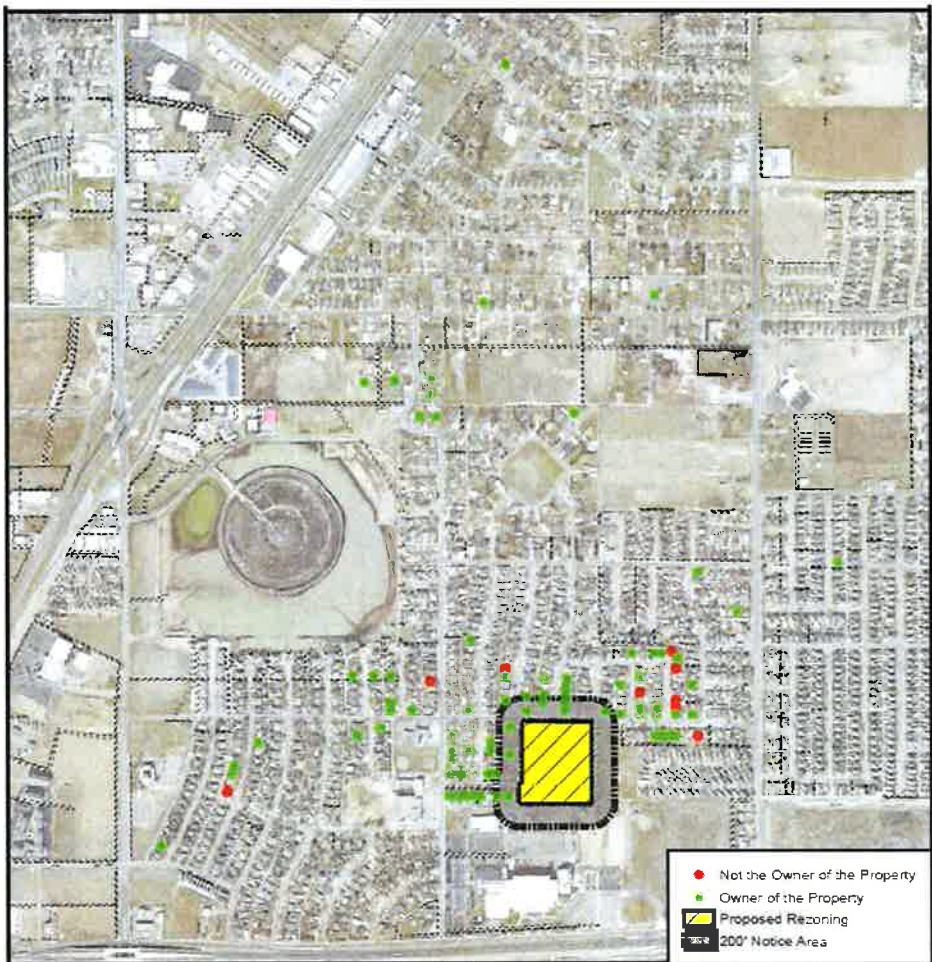
beyond what exists. It is worth noting that during the review of the Preliminary Plan, the Traffic Engineer did not express any concern with the subdivision.

Requested Action/Recommendation

Notices were sent to neighboring property owners as required by State Law. As of this writing, 16 comments have been received regarding the request with one being a general inquiry and 15 expressing opposition.

It is worth noting, a written protest was presented at the Planning Commission meeting that represented 94 individual lots in the surrounding area. Of those 94 lots, twelve were within the 200 foot notice area. This amounts to 22.5 percent of the notice area being opposed to the request and represents a valid protest. Considering a valid protest has been submitted, the requested rezoning can only be passed by a vote of three-fourths of all of the members of the City Council. A map representing all who signed the protest is shown below.

It must also be noted that while the protest documents did state that the property is to be rezoned to Residential District 3, it did include language that stated Residential District 3 allows for apartments, multi-family, and moderate density development. Such uses are not allowed within Residential District 3.



(Green dot = signed by property owner, Red dot = signed by non-property owner)

Below is a summary of all concerns expressed prior to the Planning Commission meeting and during:

- not wanting adjacent trees, on the tract to be rezoned, once the tract is developed
- no longer being able to utilize the tract to be rezoned in the course of backing in and out of a home adjacent to the applicant site.
- Concerns about the density of the new single family detached home development and increased traffic that would result.
- If condos or apartments were constructed, concerned about crime, traffic, and decreased property values.
- Concern about the potential for development of apartments on this tract however, single family detached is acceptable
- Concern that homes will be rental properties.

- Concerns with Carmel Ave. no longer being a cul-de-sac as the developer intends to continue the street eastward. (Carmel Ave. was dedicated with the intent to be continued eastward)

Considering the just mentioned, the Planning and Zoning Commission believes this is a logical continuation of existing land uses and represents an appropriate zoning district given the area. As such the Planning and Zoning Commission recommends **APPROVAL** of the request as presented with a unanimous vote.

ORDINANCE NO. 7982

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF SCOTTY DRIVE AND SANTA FE TRAIL, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the "Amarillo Comprehensive Plan" on October 12, 2010, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of portions of Tracts 8, 9, and 12, C.R. Austin's Subdivision of the E. & S. parts of Section 4, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 and Agricultural District to Residential District 3 and being further described in Exhibit A attached herein.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 24th day of May 2022 and PASSED on Second and Final Reading on this the 14th day of June 2022.

Ginger Nelson, Mayor

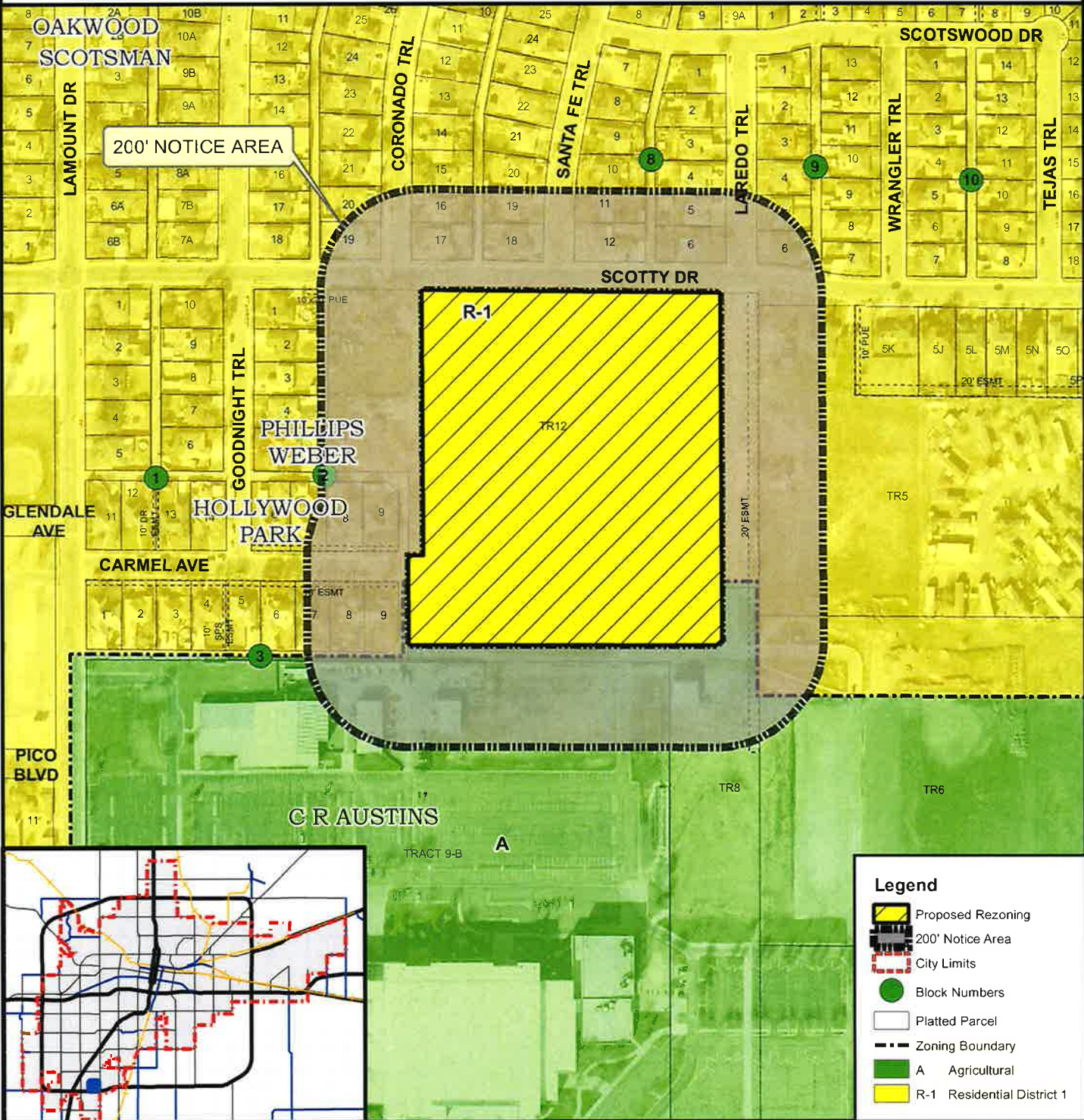
ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

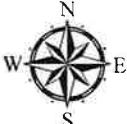
Bryan McWilliams, City Attorney

REZONING FROM A & R-1 TO R-3



CITY OF AMARILLO
PLANNING DEPARTMENT

Scale: 1 inch = 270 feet
Date: 4/22/2022
Case No: Z-22-12



Z-22-12 Rezoning of portions of Tracts 8, 9, and 12, C.R. Austin's Subdivision of the E. & S. parts of Section 4, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 and Agricultural District to Residential District 3.

VICINITY: Scotty Dr. and Santa Fe Trl.
APPLICANT/S: Barry Christy

AP: K-17

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

Amarillo City Council

Agenda Transmittal Memo



C

Meeting Date	May 24, 2022	Council Priority	Regular Agenda Item – Public Hearing
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Department	Planning and Development Services Brady Kendrick – Planner II
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Agenda Caption
<u>PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7983</u>

Public hearing and first reading to consider an ordinance rezoning Lots 4 through 8, Block 41, The Colonies Unit No. 75, an addition to the City of Amarillo, in Section 40, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 to Residential District 3.
VICINITY: Continental Pkwy S. and Colonies Ct.
APPLICANT/S: Jill Miller, Barry Bedwell for Bedwell Homes LTD, and Anthony Saikowski

Agenda Item Summary

Adjacent land use and zoning

Adjacent zoning consists of Residential District 1 in all directions.

Adjacent land uses consist of undeveloped land and single family homes to the north, south, and west and a Public Improvement District maintained common area to the east.

Proposal

The applicants is requesting a change in zoning in order to be able to utilize a 15ft front-yard setback rather than a 25 foot front-yard setback now required in Residential District 1. The lot are currently platted and are not proposed to be changed.

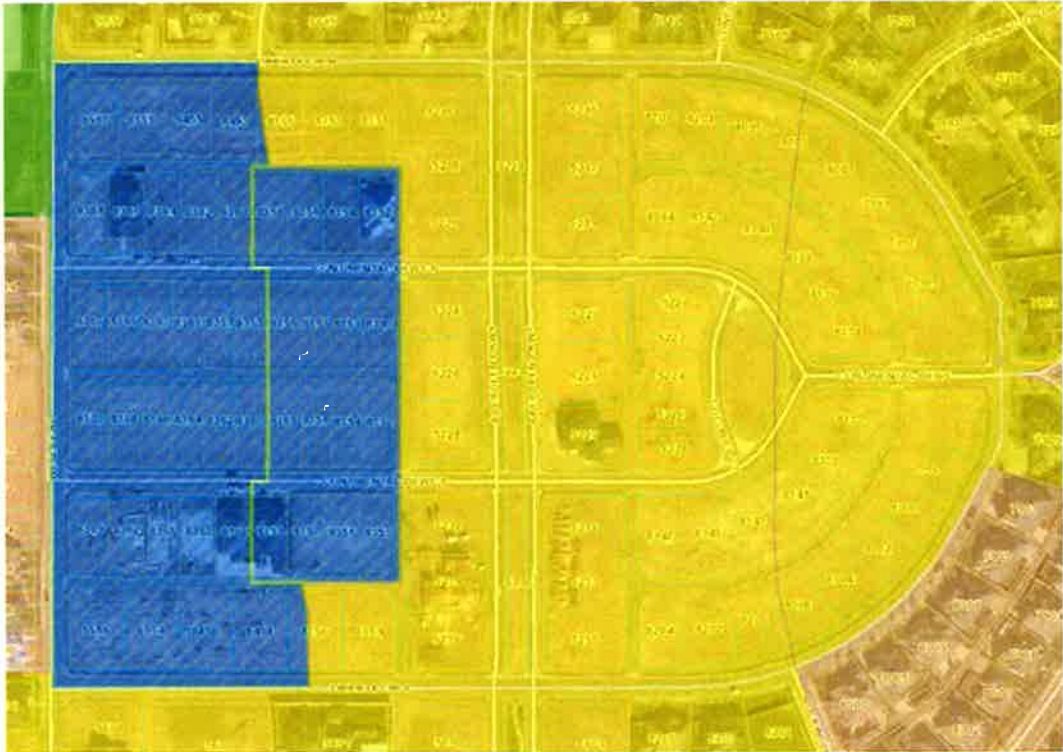
Analysis

The Planning and Zoning Commission's analysis of zoning change requests begins with referring to the Comprehensive Plan's Future Land Use and Character Map, which identifies recommended future land uses. Additionally, the Planning and Zoning Commission considers what impact on area existing zoning and development patterns as well as its conformity to the Neighborhood Unit Concept (NUC) of development a request may have.

The applicant's tract is identified as being in the Parks-Recreation category. Previously, this site was owned by Amarillo Independent School District and was proposed to be a school and park site. Since the map's adoption however, the site was sold and has since been rezoned for single-family land uses (Residential District 1). While neither the current zoning or the proposed zoning would not strictly conform with Parks-Recreation category, single family detached zoning does conform with the surrounding development types.

Regarding the Neighborhood Unit Concept, the request would not strictly conform with this category as this request for Residential District 3 is located within the interior of the residential subdivision.

The Planning and Zoning Commission does note however that a precedent for more dense development and reduced setbacks in the interior of this subdivision has been set by Planned Development 378 located two blocks to the west. As such, the Planning and Zoning Commission believes that the applicant's request would not be out of character at this location withing the Colonies neighborhood.



Considering the applicant's lots face a PID Greenspace and are the only lots on the block, the Planning and Zoning Commission believes that the request would not create a negative situation by which differing setbacks within a block would occur that could result in a negative visual impact. It is also worth noting that a similar development and zoning pattern can be seen in several areas within The Greenways subdivision, one of the areas is shown below:



Considering the previous information, the Planning and Zoning Commission believes that if approved, the visual impacts from a reduction of setback by 10 feet would have minimal impact of the character of the subdivision and would not result in any detrimental impacts to the surrounding area.

Requested Action/Recommendation

Notices were sent to neighboring property owners as required by State Law. As of this writing, no comments have been received regarding this request.

Considering the just mentioned, the Planning and Zoning Commission recommends **APPROVAL** of the request as presented.

ORDINANCE NO. 7983

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF CONTINENTAL PARKWAY SOUTH AND COLONIES COURT, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the "Amarillo Comprehensive Plan" on October 12, 2010, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of Lots 4 through 8, Block 41, The Colonies Unit No. 75, an addition to the City of Amarillo, in Section 40, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 to Residential District 3.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 24th day of May 2022 and PASSED on Second and Final Reading on this the 14th day of June 2022.

Ginger Nelson, Mayor

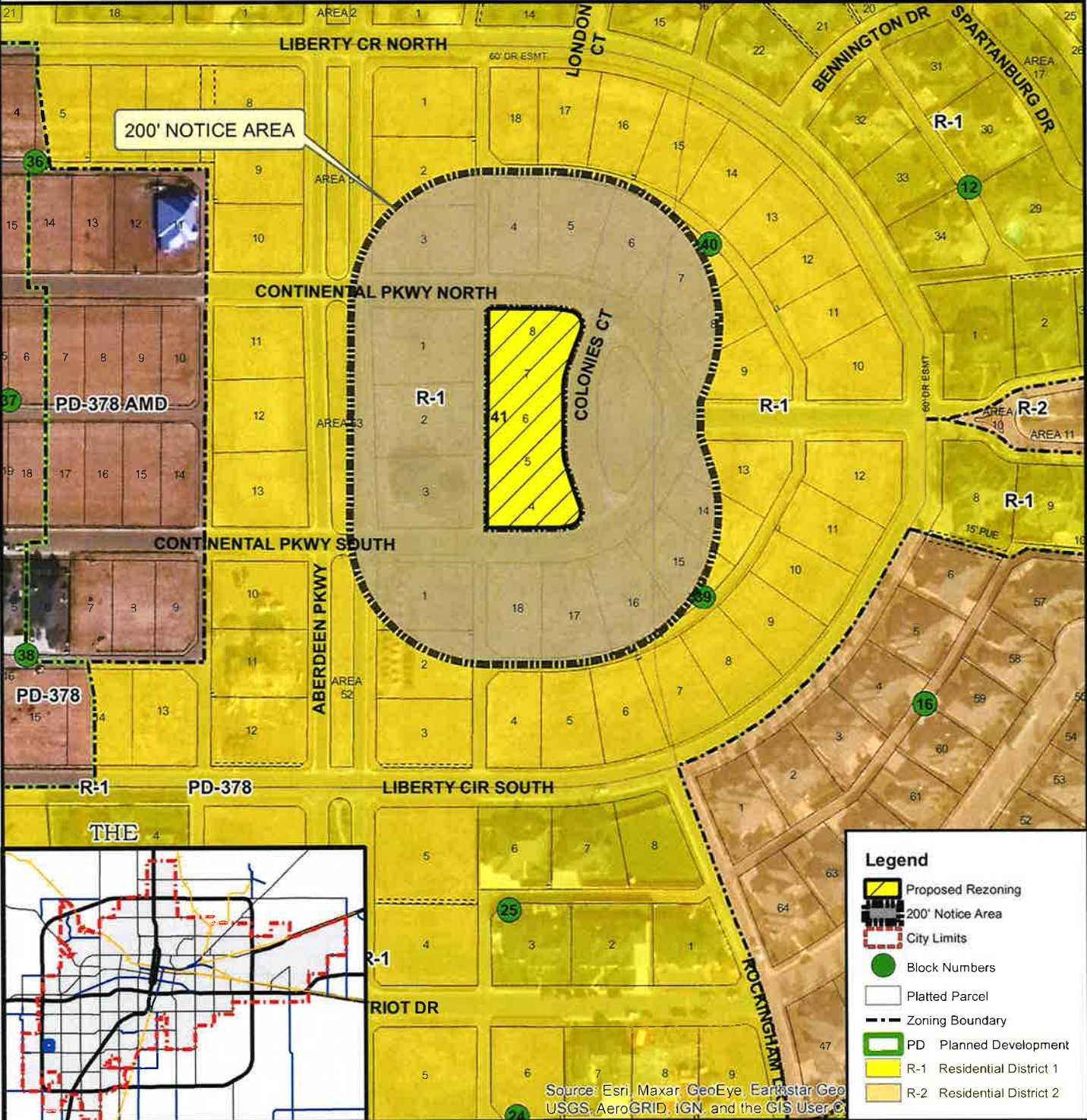
ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

REZONING FROM R-1 TO R-3



CITY OF AMARILLO
PLANNING DEPARTMENT

Scale: 1 inch = 200 feet
Date: 4/18/2022
Case No: Z-22-14



Z-22-14 Rezoning of Lots 4 through 8, Block 41, The Colonies Unit No. 75, an addition to the City of Amarillo, in Section 40, Block 9, B.S.&F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Residential District 1 to Residential District 3.

VICINITY: Continental Pkwy S. and Colonies Ct.

APPLICANT/S: Jill Miller, Barry Bedwell for Bedwell Homes LTD, and Anthony Saikowski

AP: I-15

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Amarillo City Council

Agenda Transmittal Memo



Meeting Date	May 24, 2022	Council Priority	Regular Agenda Item – Public Hearing
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Department	Planning and Development Services Brady Kendrick – Planner II
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Agenda Caption
<u>PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 7984</u>

Public hearing and first reading to consider an ordinance rezoning Lot 11A, Block 1, Sunset Park Addition Unit No. 5, an addition to the City of Amarillo, in Section 226, Block 2, A.B.&M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Office District 1 to Office District 1 with a Specific Use Permit for the placement of a carport in the front yard setback.

VICINITY: Julian Blvd. and Georgia St.

APPLICANT/S: Gregg Bliss for GRV Holdings LLC

Agenda Item Summary

Adjacent land use and zoning

Adjacent zoning consist of Residential District 3 to the north, Residential District 1 to the south and west, and Planned Development District 232 to the east.

Adjacent land uses consist of a pest control company to the north, a church to the south, an insurance office to the east, and a single family detached home to the west.

Proposal

The applicant is requesting a change in zoning in order to place a carport within the front yard setback on Julian Boulevard. The lot is developed with a recently constructed dental office and the carport, if approved, would provide covered parking for the Planning and Zoning Commission of the dental office. The applicant stated that due to this being a corner lot, having to observe two front yard setbacks impacts the buildable area of the lot.

Analysis

Section 4-10-191 (Accessory Building Regulations) of the City’s Zoning Ordinance sets standards for accessory buildings within Amarillo. One of the requirements is that an accessory building shall have a Front Yard setback no less than that specified for the Main Building. In this case, the front yard setback for a non-residential main building in the O-1 District is 15 feet.

As proposed, the carport would encroach into the front yard setback by approximately three feet. The proposed carport will be constructed in a manner that is consistent with the architecture of the recently completed main building on the lot and will be required to submit a permit for review prior to construction. The carport will be nine feet height and will meet all other setback requirements.

The applicant’s carport as proposed will be 600 square feet in size. Typically, carports are limited to 440 square feet in area. The intent of limiting size is geared towards residential carports as they are located on typically smaller lots than non-residential lots. As such, larger carports on smaller sized residential lots could result in greater visual impact on the on the streetscape character of a typical residential neighborhood. considering the applicant’s lot is a large nonresidential site, the Planning and Zoning Commission believes the carport’s scale is appropriate for the site and does not result in a negative visual impact. It is also worth noting that if approved, the lot coverage would be at 32%, which is well below the maximum allowed of 50%.

The Planning and Zoning Commission notes that within the immediate area (approximately 3 blocks), there are three carports that are located within the front yard setback, however neither had a permit on file or an approved Specific Use Permit. Additionally, the Planning and Zoning Commission also notes that there are a number of structures within the immediate area that are observing a similar front-yard setback as requested by the applicant (12 feet).

This includes a professional office building and associated accessory building directly to the east, the main building being only 10ft from adjacent property line and the accessory building only 15 feet from the property line.

Additionally, the properties to the north of the applicant are able to enjoy a 15-foot setback as they are zoned Residential District 3.

Considering the just mentioned, the Planning and Zoning Commission believes that with existing structures in the area observing a similar front-yard setback, if approved, the applicant's carport is not out of character. Additionally, due to the minimal proposed encroachment of the carport into the setback and the architectural design of the carport, the visual impact to the area will be minimal.

It is noted that the applicant as part of their development, was required to provide a six foot tall screening fence along the west property of their site. It is the Planning and Zoning Commission's opinion that the screening fence could be considered a more visually significant feature of the site than the proposed carport.

Requested Action/Recommendation

Notices were sent to neighboring property owners as required by State Law. As of this writing, no comments have been received regarding this request.

Considering the just mentioned, the Planning and Zoning Commission recommends **APPROVAL** of the request as presented.

ORDINANCE NO. 7984

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF JULIAN BOULEVARD AND GEORGIA STREET, POTTER COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the "Amarillo Comprehensive Plan" on October 12, 2010, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of Lot 11A, Block 1, Sunset Park Addition Unit No. 5, an addition to the City of Amarillo, in Section 226, Block 2, A.B.&M. Survey, Potter County, Texas plus one-half of all bounding streets, alleys, and public ways, to change from Office District 1 to Office District 1 with Specific Use Permit 201 for the placement of a carport in the front yard setback.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this Ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This Ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 24th day of May 2022 and PASSED on Second and Final Reading on this the 14th day of June 2022.

Ginger Nelson, Mayor

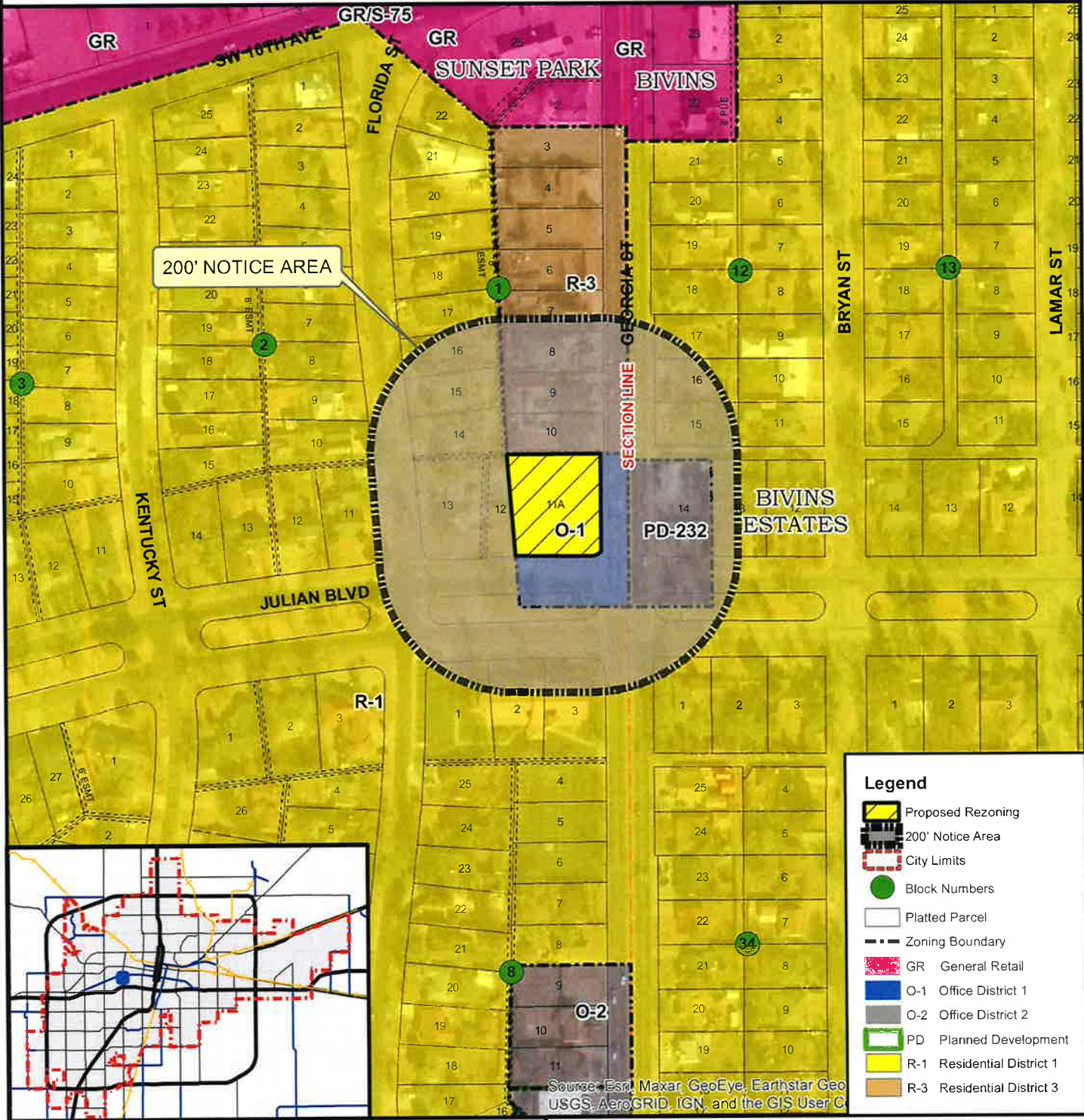
ATTEST:

Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams, City Attorney

REZONING FROM O-1 TO O-1 WITH SPECIFIC USE PERMIT



CITY OF AMARILLO PLANNING DEPARTMENT

Scale: 1 inch = 200 feet
Date: 4/18/2022
Case No: Z-22-15



Rezoning of Lot 11A, Block 1, Sunset Park Addition Unit No. 5, an addition to the City of Amarillo, in Section 226, Block 2, A.B.&M. Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways, to change from Office District 1 to Office District 1 with a Specific Use Permit for the placement of a carport in the front yard setback.

Applicant/s: Gregg Bliss for GRV Holdings LLC
Vicinity: Georgia St. and Julian Dr.

AP: L-12

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be construed or interpreted as accurate and/or reliable; the City of Amarillo assumes no liability or responsibility for any discrepancies or errors for the use of the information provided.

Amarillo City Council

Agenda Transmittal Memo



E

Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT – BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND PRODUCER OWNED BEEF, LLC.

This item considers approval of a Location Incentive Agreement (LIA) between Amarillo Economic Development Corporation (AEDC) and Producer Owned Beef, LLC (POB) for a project estimated at \$650,000,000 in improvements, 1,600 new employees and \$75,000,000 in new annual projected payroll. Under the LIA, AEDC will provide POB \$8,000,000 for the creation of jobs to be paid out over five years as they are created, and AEDC will convey 610 acres, valued at \$3,109,200, to POB.

Agenda Item Summary

Producer Owned Beef, LLC is looking to build a 600,000 sq. ft. Food Processing Facility on 1108 acres located between I-40 and US Hwy 287 west of FM 1912.

Highlights of the project include:

- \$650 MM estimated improvements
- 1600 new employees projected
- \$75,000,000 new annual payroll projected
- Incentive of \$8,000,000 for job creation paid over 5 years as they are created
- Incentive of 610 acres conveyed

AEDC is asking the City Council to approve the location incentive agreement. The AEDC Board approved the agreement on May 16, 2022, on a 5-0 vote.

Requested Action

Approval of the Location Incentive Agreement as presented.

Funding Summary

\$8,000,000 for job creation and 610 acres valued at \$3,109,200.00.

Staff Recommendation

AEDC staff is recommending approval of the Location Incentive Agreement. AEDC Board Approved with 5-0 vote on May 16, 2022.

LOCATION INCENTIVES AGREEMENT
by and between
AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and
PRODUCER OWNED BEEF, LLC

This Agreement, entered into effective as of the ____ day of _____, 2022 (*Effective Date*), is by and between the **AMARILLO ECONOMIC DEVELOPMENT CORPORATION** (*Amarillo EDC*), a Texas nonprofit corporation organized and chartered under Chapters 501 and 504 of the Texas Local Government Code, having its principal place of business in Amarillo, Potter County, Texas and **PRODUCER OWNED BEEF, LLC** (*POB*), a Texas limited liability company having its principal office in Amarillo, Potter County, Texas. Producer Owned Beef Cooperative, Inc., a Delaware nonstock corporation (*Coop*) joins herein as an Affiliate of POB.

Amarillo EDC is a tax-supported non-profit corporation whose primary income is a one-half of one percent sales tax collected within the City of Amarillo dedicated exclusively to economic development. **Amarillo EDC** exists for the primary purpose of stabilizing, diversifying and expanding the Amarillo economy through retention, expansion and recruitment of employment opportunities in order to benefit citizens of Amarillo and the surrounding area.

Amarillo EDC seeks to induce **POB** to establish and expand Amarillo Operations (defined below). The creation and retention of new jobs in **POB's** Amarillo Operations is expected to have a substantial stimulative effect on the Amarillo economy and create many new jobs for Amarillo citizens both directly in **POB's** operations and because of **POB's** expenditures for employee wages and goods and services in the Amarillo economy.

POB is a fed cattle beef processing business that intends to, directly or through one or more Affiliates, manufacture and offer its products at and from the Facility (defined below) to customers and clients throughout the United States and beyond. **POB** desires to establish and expand Amarillo Operations in order to further take advantage of the desirable business operating environment in Amarillo, an environment that provides lower operating costs than many other metropolitan areas and a highly motivated, well-educated, productive workforce of a size **POB** believes is capable of supporting establishment and expansion of Amarillo Operations.

Amarillo EDC, by its execution of this Agreement, extends to **POB** an offer of financial incentives as inducement for **POB** to establish and expand Amarillo Operations. **POB**, by its execution of this Agreement, accepts **Amarillo EDC's** offer of financial incentives. **POB** pledges to use its best efforts to cause the construction of the Facility on the Property (defined below) and pledges to use its best efforts to establish and expand Amarillo Operations to the full extent provided in this Agreement.

The following defined terms will be used in this Agreement:

Defined Term	Definition
Affiliate	Any entity owning, owned by, or under common ownership with POB and that executes and delivers to Amarillo EDC , in form and substance reasonably satisfactory to Amarillo EDC , an agreement to be bound by the reporting requirements of this Agreement; provided, however, the Coop shall be deemed to be an Affiliate of POB .
Amarillo Operations	POB's and its Affiliates' fed cattle beef processing activities and operations provided primarily at or from the Facility with jobs categorized primarily in NAICS Sector Number 31
City Property	That certain tract of land located directly West of the Property across Jackrabbit Road (PRAD Parcel ID#201672)
Date One	December 31, 2025
Date Two	December 31, 2026
Date Three	December 31, 2027
Date Four	December 31, 2028
Date Five	December 31, 2029
Date Six	December 31, 2030
Date Seven	December 31, 2031
Date Eight	December 31, 2032
Employee	Employees of POB and its Affiliates engaged on behalf of POB or its Affiliates in Amarillo Operations at or from the Property or City Property who maintain a permanent residence in the Amarillo Metropolitan Statistical Area (being Potter, Randall, Oldham, Armstrong, and Carson Counties, Texas)
Expansion Grant	As more particularly described in Section 3
Expansion Increment	Each full increment of ten (10) FTEs and \$450,000 in Payroll maintained in Amarillo Operations; provided, however, the term will not include increments beyond 1,600 FTEs or \$72,000,000 in Payroll, in the aggregate
Facility	A manufacturing and distribution facility and related improvements (whether one or multiple structures or phases) to be located on the Property and/or the City Property at a total cost, including furniture, fixtures, and equipment to be located thereon and used in Amarillo Operations, of no less than \$250,000,000 (not including the value of the Property)

Defined Term	Definition
FTE	An employee, to be counted as one FTE, will be any employee who has worked 1,820 hours or more during that period. Employees working more than 1,820 hours in a year will be counted as one FTE. Part-time Employees for a year will be treated as partial FTEs for the year and will be calculated by dividing the number of hours actually worked for each Employee working less than 1,820 hours by 1,820 and rounded to the nearest one-hundredth place. Full-time but less than full year Employees will be treated as partial FTEs and calculated as above. In no event may any one person count as more than one FTE for any year. The total of full-time FTEs and partial FTEs will constitute the total FTEs for the year.
Payroll	Total Gross Wages (as defined by and reportable to the Texas Workforce Commission) paid to Employees; provided, however, that the following components of compensation will be includable in Payroll: salary, hourly wages, bonuses, and overtime
Performance Year	Each 12-month period ending on Date One through Date Eight
Property	That certain tract of land depicted and/or described on <u>Exhibit A</u> , attached and incorporated fully (PRAD Parcel ID#201648 and #201652)

NOW THEREFORE, in consideration of these presents, which are made a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. **Purpose, Amount, and Terms of Incentives Package.**

a. **POB** hereby requests and **Amarillo EDC** hereby agrees to provide to **POB**, cash and property under the terms and conditions of this Agreement, subject to **POB's** qualification therefor. **POB** acknowledges that there are one or more potential repayment obligations to **Amarillo EDC** under the terms of this Agreement and that in order to secure **POB's** performance, **POB** will grant to **Amarillo EDC** a security interest in the Property by written Deed of Trust in the form attached hereto as Exhibit B upon the conveyance to **POB** of, and with respect to, the Property. **Amarillo EDC** agrees to reasonably subordinate its lien under such Deed of Trust (**AEDC Lien**) to such liens securing construction and permanent financing of **POB's** improvements to the Property (excluding future advances not made to finance the original construction of the Facility or the original permanent financing after construction) which subordination will be evidenced and reflected by a Subordination Agreement in form and content reasonably acceptable to **Amarillo EDC**. Security for the performance by **POB** of all obligations arising under or related to this Agreement is the Property, together with its improvements, fixtures, and appurtenances, whether now located on or to be located on the Property. At the Closing (defined below), **POB** will execute and deliver the Deed of Trust and all other instruments or documents reasonably necessary or appropriate to implement the terms of this Agreement.

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ **POB** ____

b. The consideration to be paid, advanced or expended by **Amarillo EDC** includes, (a) the conveyance by **Amarillo EDC** to **POB** of the Property with an agreed present value of \$3,109,200 (which may be referred to herein as the *value of the Property*); and (b) up to \$8,000,000 in cash as job creation and retention grants to be provided, subject to **POB**'s qualification therefor, in installments as more specifically set out in this Agreement. The Property is being conveyed and made available to **POB** to allow it to construct or cause the construction of the Facility and establish Amarillo Operations thereon or on the City Property. The funds described in Section 3 are being made available to **POB** for establishing and expanding Amarillo Operations and will be disbursed to or on behalf of **POB** in accordance with the terms of this Agreement, against delivery of all documents or instruments required under this Agreement.

2. **Conveyance of the Property; Construction of the Facility.**

a. Within three (3) months of the Effective Date, the parties will close the conveyance of the Property to **POB** by Special Warranty Deed in the form of Exhibit C, attached hereto and made a part hereof for all purposes (*Deed*), at a closing at the Title Company (*Closing*). The Deed will contain a reversionary clause as more specifically described therein, triggered in the event construction of the Facility has not begun within 12 months of Closing¹ or is not thereafter diligently pursued to completion within 48 months of Closing. The Deed will contain "as is, where is, with all faults" disclaimers reasonably acceptable to **Amarillo EDC**.

b. The Closing will occur at American Land Title, LLC, 620 S. Taylor, Suite 104, Amarillo, Texas 79101 (*Title Company*); provided that the parties will reasonably cooperate to accommodate a remote closing. At each Closing, **POB** will, at its expense, cause the Title Company to issue to **Amarillo EDC** a lender's policy of title insurance with coverage in the amount of no less than the value of the Property. All costs and fees associated with the Closing (save and except **Amarillo EDC**'s attorneys' fees related to Closing) will be borne solely by **POB**. Without limiting the generality of the foregoing, **POB** shall, at its sole expense prior to the Closing, obtain a survey of the Property that is reasonably satisfactory to **Amarillo EDC**. Upon **Amarillo EDC**'s acceptance of such survey (which may not be unreasonably withheld), the surveyed legal description shall replace Exhibit A hereto and be used for all purposes in connection with the Deed and DOT. Taxes for the year of Closing will be prorated to the date of Closing; provided, however, **Amarillo EDC** will be the sole beneficiary of any tax limitations or exemptions applicable prior to such Closing.

c. On or before the expiration of 12 months after Closing, **POB** agrees to commence construction of the Facility on the Property and/or the City Property and to thereafter diligently pursue construction in a commercially reasonable manner. On or before the expiration of 48 months after Closing: (i) **POB** agrees to cause the Facility to be ready to be occupied by **POB**; and (ii) **POB** agrees to commence Amarillo Operations at the Facility. Amarillo Operations will be deemed to have commenced when, and only when: (a) construction of the Facility has been

¹ Construction of the Facility will be deemed to have begun once Grantee obtains permits and actually breaks ground prior to such date (not including any ceremonial ground breakings).

substantially completed (excepting only normal punch-out items); (b) **POB** has unconditionally received all approvals and certifications of occupancy and operation from any governmental or other entity with jurisdiction over the Property and the City Property for the operations contemplated thereby (including a Certificate of Occupancy); (c) at least 50 Employees are employed by **POB** and actually working at the Facility; and (d) **POB** has delivered written notice certifying such facts to **Amarillo EDC** and provided such back-up documentation as **Amarillo EDC** may reasonably request. If either deadline in this Section 2(c) is not timely met and satisfied, in addition to any other remedies available to **Amarillo EDC**, **Amarillo EDC** may declare the value of the Property due and payable in full by **POB** to **Amarillo EDC**, in which event such amount plus interest at the rate of eight percent (8%) per year since the date of Closing (without compounding) must be paid by **POB** to **Amarillo EDC** within thirty (30) days of **Amarillo EDC**'s written notice thereof.

d. The Facility must satisfy all applicable zoning ordinances and covenants. **POB** will insure that, with respect to the construction of the Facility, all contractors, subcontractors, and materialmen are timely paid in accordance with their respective contracts. If any liens are filed against the Property, **POB** will take such measures to protect the Property including, if necessary, bonding around such liens in accordance with applicable law.

e. If, on or before Date Four: (i) **POB** maintains at least 500 FTEs in a Performance Year; and (ii) at least \$250,000,000 has been expended by **POB** for the construction of the Facility and other buildings and permanent improvements on the Property and/or the City Property (including furniture, fixtures, and equipment located thereon), **POB** may provide written notice of such fact to **Amarillo EDC** and cause **Amarillo EDC** to release the AEDC Lien on the Property. Any such written notice under this Section 2(e) must include such backup documents and information as **Amarillo EDC** may reasonably request to establish **POB**'s satisfaction of the criteria herein.

f. In the event the AEDC Lien on the Property is not released under the terms of Section 2(e), the AEDC Lien shall continue until the full payment and performance of any and all obligations of **POB** under this Agreement. Release of the AEDC Lien under the terms of Section 2(e) will in no event be interpreted to eliminate or reduce any obligation of **POB** under this Agreement, each such obligation surviving such release until satisfied in full. Notwithstanding anything else herein to the contrary, **Amarillo EDC** will have no duties under Section 2(e) during the existence of any uncured event of default of **POB** under this Agreement, regardless of whether performance is extended under the terms of Section 8.

3. Incentive Opportunities for POB's Establishment and Expansion of Amarillo Operations.

a. From and after the Effective Date, **POB** agrees to use its best efforts to establish and expand Amarillo Operations, creating new FTEs and increasing Payroll. Provided **POB** qualifies under the terms of this Section 3, **Amarillo EDC** will pay to **POB** one or more

expansion grant installments under the terms of this section (each an **Expansion Grant** and together the **Expansion Grants**).

b. Each Expansion Grant will be up to \$50,000, payable in five annual installments of up to \$10,000 each, subject to reduction as described in Section 3(c). **POB** will be eligible for one Expansion Grant for each full Expansion Increment newly created on or before Date Four. **POB** agrees to maintain each Expansion Increment in Amarillo Operations for a four-year period beginning at the end of the Performance Year in which each such Expansion Increment was originally created. So, if the first full Expansion Increment is newly created in the year ending on Date Three, the four-year Expansion Grant retention requirement for such Expansion Increment begins on January 1, 2028. **No Expansion Increment will be deemed to have been created unless and until both the full 10 FTEs and \$450,000 in Payroll for such Expansion Increment have been newly created.**

c. The first of five annual Expansion Grant installments called for under Section 3(b) will be due after the Performance Year in which a full Expansion Increment is first newly created. For each of the four years thereafter, if **POB** maintains both the additional 10 FTEs and \$450,000 in Payroll related to such Expansion Increment, there will be no deduction from the Expansion Grant installment amount due under Section 3(b) for such year and Expansion Increment. If **POB** fails to maintain one or both of the FTE or Payroll amounts related to an Expansion Increment in any of the Performance Years following the Date on which an Expansion Increment is newly created, the Expansion Grant installment related to such year and Expansion Increment will be reduced or eliminated altogether, as follows:

1. Should **POB** meet only one of either the FTE or Payroll amounts required (10 for FTEs and \$450,000 for Payroll) related to an Expansion Increment in a Performance Year, and miss the other target by no more than ten percent (10%), the Expansion Grant installment called for under Section 3(b) for such year and Expansion Increment will be calculated as follows: $\$10,000 \times (\text{Actual amount of FTE or Payroll maintained} / [\text{figure that fell short of the required amount}])$ related to such Expansion Increment / [10 if FTEs fell short or \$450,000 if Payroll fell short].
2. There will be no Expansion Grant installment due under Section 3(b) for an Expansion Increment in a Performance Year if either: (i) **POB** meets only one of either the FTE or Payroll amounts required related to an Expansion Increment (again, being 10 FTEs and \$450,000 in Payroll for each Expansion Increment), and misses the other target by more than ten percent (10%); or (ii) **POB** fails to achieve (by any margin) both the FTE or Payroll amounts required related to such Expansion Increment.

No level of future performance by **POB** will give rise to a payment obligation of **Amarillo EDC** related to prior deductions from Expansion Grant payments. The denominator of the fraction in Section 3(c)(1) will only ever be 10 or \$450,000, depending on whether the FTE or

Payroll requirement was missed for an Expansion Increment.

d. The Payroll and FTE Reports required to be provided by **POB** under Section 5 will be used to measure whether an Expansion Increment has been newly created, and whether it has been maintained. Each payment from **Amarillo EDC** required under this Agreement, including without limitation installments of an Expansion Grant, will be payable within thirty (30) days of **Amarillo EDC's** receipt and approval (which may not be unreasonably withheld) of each Payroll and FTE Report (defined below) or other report or back-up documentation reasonably acceptable to **Amarillo EDC** that establishes **POB's** right to such payment.

e. Notwithstanding anything else herein to the contrary, the maximum aggregate amount **Amarillo EDC** will in any event be obligated to pay under this Section 3 is \$8,000,000. After each four-year Expansion Grant payment period, no Expansion Increment can be newly created for the same increment of FTEs and Payroll.

f. **POB** will use the funds provided by **Amarillo EDC** under this Agreement only to establish, maintain, or expand Amarillo Operations.

4. **Potential Repayment Obligation of POB.**

a. Notwithstanding anything else herein to the contrary and in addition to any other repayment obligation triggers in this Agreement, should Amarillo Operations cease while **Amarillo EDC** has any potential payment obligation under this Agreement, **POB** will not receive any Expansion Grant installments for the year in which Amarillo Operations ceased, nor any future years, and **POB** will repay to **Amarillo EDC** the value of the Property within forty-five (45) days of notice of default from **Amarillo EDC**.

b. For purposes of this Section 4, a cessation of Amarillo Operations will be conclusively deemed to have occurred if (i) **Amarillo EDC** reasonably determines that Amarillo Operations have been discontinued; (ii) **POB** fails to timely provide the reports required under this Agreement for more than one Performance Year; or (iii) for any Performance Year ending on or after Date Four, **POB** maintains less than 200 FTEs in Amarillo Operations. A temporary halt, temporary delay, business disruption, or similar occurrence lasting less than forty-five (45) consecutive days, whether or not caused by a force majeure event, does not, on its own, constitute a cessation of Amarillo Operations.

5. **Measurement of and Provisions for Reporting FTEs and Payroll.**

a. On or before February 28 immediately following each Performance Year, **POB** will and will cause each Affiliate with Employees engaged in Amarillo Operations to, without demand or other request therefore, complete and provide to **Amarillo EDC** a written certificate signed by an authorized corporate officer of **POB** or the applicable Affiliate on the form attached hereto as Exhibit D, for the immediately preceding Performance Year, together with all four employer's quarterly reports submitted to the Texas Workforce Commission (**TWC**) along

with a list of Employees, the number of hours worked in Amarillo Operations by each Employee in such Performance Year, FTEs that each Employee represents for such year (in no event may any one person count as more than one (1) FTE for any year), Payroll received by each Employee during such year, and a total aggregate number of FTEs maintained and Payroll paid in Amarillo Operations during such year (each a ***Payroll and FTE Report***). The Payroll and FTE Report, all TWC reports, and any backup documents or information provided therewith shall be clearly marked to indicate any Employees who were not primarily engaged in Amarillo Operations during the applicable Performance Year. All reporting under this Agreement must be sent by email to reporting@amarilloedc.com and to such other addresses as **Amarillo EDC** may from time-to-time designate in writing to the persons designated to receive notice under this Agreement.

b. **POB** and all Affiliates also will allow **Amarillo EDC** and its agents to reasonably examine **POB's** and such Affiliate's records necessary to verify employment in Amarillo Operations should **Amarillo EDC** so request. **Amarillo EDC** understands that such information will be for **Amarillo EDC's** use solely to confirm the accuracy of reports required hereunder and to enforce **Amarillo EDC's** rights under this Agreement. Subject to the Public Information Laws (defined below), **Amarillo EDC** agrees that such review and examination will be subject to reasonable confidentiality safeguards (including, without limitation, the execution and delivery by **Amarillo EDC** and/or its agents, as appropriate, of a reasonable and mutually agreeable confidentiality agreement) and that a **POB** representative will have the right to accompany **Amarillo EDC** or its agents during such review. **Amarillo EDC** or its agents, as appropriate, will be allowed to make and retain copies or transcriptions of any **POB** records. Any inspection will be done with at least five days' advance notice to **POB**, will occur during normal working hours, and will continue from day-to-day until complete.

c. In the event **POB** discovers any Payroll and FTE Report is inaccurate in any way, **POB** will immediately notify **Amarillo EDC** of such inaccuracy and immediately provide a substitute Payroll and FTE Report, highlighting each item of information which was inaccurate. If such replacement report establishes that **POB** received a payment under this Agreement that it was not entitled to receive, in addition to any other rights or remedies of **Amarillo EDC** hereunder, **POB** will immediately repay such amount to **Amarillo EDC** with interest at eight percent (8%) per year since the date of such improper payment.

d. To qualify as an Affiliate of **POB** under this Agreement, each such Affiliate must execute and deliver to **Amarillo EDC** a written agreement including such terms as **Amarillo EDC** reasonably deems appropriate, including without limitation an agreement by such Affiliate to be bound by the terms of this Section 5 and to have an authorized corporate officer certify all reports required hereunder as true and correct to **Amarillo EDC**. The qualification of any third-party as an Affiliate under this Agreement will in no way alter the incentive payment procedures under this Agreement (that is, conveyance of the Property and payments of Expansion Grant installments will only ever be to **POB**).

e. The "floor" for FTEs and Payroll on which each Expansion Increment is measured will rise with the establishment of each Expansion Increment. Similarly, such floor will

not be lowered by the expiration of the four-year performance period for the annual Expansion Grant payments under Section 3(c), related to any Expansion Increment.

f. The Payroll and FTE Reports, as confirmed or modified by an audit by **Amarillo EDC** allowed under this Agreement, will be used to determine **POB's** qualification for any Expansion Grant installments under Section 3(c).

6. **POB's Representations and Warranties.** **POB** represents and warrants to **Amarillo EDC** as of the Effective Date and again upon the provision of any reports required to be provided to **Amarillo EDC** hereunder all of the following:

a. Producer Owned Beef, LLC is a for-profit limited liability company, duly organized and existing in good standing under the laws of the State of Texas.

b. The establishment and expansion of Amarillo Operations has been duly authorized by **POB's** board of managers or equivalent governing authority and this Agreement and the performance by **POB** of its obligations under this Agreement are not in contravention of any law, rule or regulation or of the provisions of **POB's** Certificate of Formation or Company Agreement (or similar formation and governing documents), or of any agreement or instrument to which **POB** is a party or by which it may be bound.

c. No litigation or governmental proceeding is pending, or, to the knowledge of any of **POB's** officers, threatened against or affecting **POB**, which may result in a material adverse change in **POB's** business, properties, or operations sufficient to jeopardize **POB** as a going concern.

d. No Principal (defined below) of **POB** or any Affiliate has been convicted of an offense described in Section 9(f), below.

e. No certificate or statement herewith, heretofore delivered, or to be delivered by **POB** to **Amarillo EDC** in connection herewith (including, without limitation, any report required to be provided hereunder), or in connection with any transaction contemplated hereby, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements or information contained therein from being misleading.

f. The Texas Public Information Act, the Texas Open Meetings Act, and certain document retention statutes and regulations (together, the **Public Information Laws**) apply to **Amarillo EDC** and, as such, this Agreement and some or all of the information, communications, or documents created, obtained, or maintained by **Amarillo EDC** under this Agreement may be subject to required retention and public disclosure.

7. **Amarillo EDC's Representations and Warranties.** **Amarillo EDC** represents and warrants to **POB** as of the Effective Date the following:

a. **Amarillo EDC**, to the best of the knowledge of its President and subject to Section 12, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation organized under Chapters 501 and 504 of the Texas Local Government Code.

b. No litigation or governmental proceeding is pending, or, to the knowledge of any of **Amarillo EDC's** officers, threatened against or affecting **Amarillo EDC**, which if adversely determined is reasonably expected to result in **Amarillo EDC's** inability to meet its obligations under this Agreement.

c. To the best knowledge of its President, the Public Information Laws require this Agreement to be subject to public disclosure. All or parts of the FTE and Payroll reports required to be provided hereunder, in addition to other documents in **Amarillo EDC's** file or otherwise subject to its control relating to **POB**, may also be subject to public disclosure. **Amarillo EDC** will, for so long as it has documents or information that may be confidential or proprietary to **POB**, use commercially reasonable means available to it under the Public Information Laws to allow **POB** to, at **POB's** expense, seek to protect its confidential or proprietary information from public disclosure. For reference, the Texas Public Information Act allows **Amarillo EDC** to do so under Texas Government Code Section 552.305, and as required by that section, **Amarillo EDC** will make a good faith effort to notify **POB** of any request involving its information.

d. To the knowledge of its President, **Amarillo EDC** has received no written or oral notice from any third-party, including governmental agencies, regarding the existence or discharge of hazardous substances on the Property and has no knowledge of the presence of any hazardous substances on the Property. Notwithstanding the foregoing, **POB** is aware of the presence of a so-called "playa lake" on the Property and in no event will **Amarillo EDC's** representation in this Section 7(d) be deemed to relate to such playa lake and surface water runoff on the Property.

As used herein, the term "knowledge" refers to the actual knowledge of the identified person, without duty of investigation.

8. **Force Majeure.** If, by reason of force majeure, such as war, riot, sabotage, blockage, embargo, failure or inability to secure materials, supplies or labor through ordinary sources by reason of shortages or priority, labor strike, lockout or other labor or industrial disturbance (whether or not on the part of agents or employees of either party); civil disturbance; pandemic; epidemic; government lockdown or quarantine; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake or other casualty, any party is reasonably unable to fulfill its obligations under this Agreement, such party will use reasonable and diligent effort to rectify the situation within a reasonable time, which period will, in no event, be longer than three (3) months, and which period will be added to any scheduled period or deadline hereunder. A force majeure event merely pauses a party's performance obligation for the duration of the event, subject to the limit in this Section 8, but does not excuse it.

9. **Events of Default and Remedies.** In addition to any other right of **Amarillo EDC** elsewhere in this Agreement, the following will be events of default under this Agreement:

a. The insolvency of **POB**. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due or is insolvent within the meaning of the federal bankruptcy law.

b. The appointment of a receiver of **POB**, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

c. The filing by **POB** of a petition to be adjudged bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

d. The failure of **POB** to pay or perform any of its obligations under this Agreement within the time periods required by this Agreement.

e. Any material misrepresentation or materially inaccurate report, whether or not knowingly or intentionally provided, of **POB** to **Amarillo EDC**; provided that inaccuracies in any Payroll and FTE Report will be "material" only if such reports over-stated FTE or Payroll levels by more than two and one-half percent (2.5%).

f. The conviction of (which shall include the pleading of guilty or no contest or otherwise judicially admitting to the crime) any Principal in any jurisdiction of a state jail felony crime or any comparable or more severe offense.

In addition to any other remedy available by law, should any of these conditions not be cured within a period of thirty (30) days following written notice from **Amarillo EDC** (if curable), **Amarillo EDC** may, at its option, terminate any and all obligations of **Amarillo EDC** under this Agreement and require repayment of all funds expended by **Amarillo EDC** pursuant to the terms of this Agreement (including the value of the Property), less any amounts previously repaid by **POB**.

As used herein, the term ***Principal*** means any manager or executive officer (whether directly or through one or more other entities) of **POB** or one of its Affiliates.

10. **Governing Law, Venue, and Attorneys' Fees.** All obligations of the parties are performable in Amarillo, Potter County, Texas, and this Agreement is governed by the laws of the State of Texas. Venue for any action arising from or related to this Agreement will be exclusively in the State District Courts in and for Potter County, Texas. The parties waive any claim that such forum is inappropriate or inconvenient. The prevailing party to any lawsuit arising from or related to this Agreement will be entitled to recover its reasonable and necessary attorneys' fees and costs. Interest on amounts past-due hereunder will accrue at the rate of eight percent (8%) per year.

11. **Notice.** All notifications required under and/or having to do with this Agreement will be made to the following:

For Amarillo EDC

Attn: Mr. Kevin Carter, President/CEO
Amarillo Economic Development Corporation
600 S. Tyler, Suite 1600
Amarillo, Texas 79101
Reporting@AmarilloEDC.com
Kevin@AmarilloEDC.com

With a copy (which will not constitute notice) to

John B. Atkins
Underwood Law Firm, P.C.
P.O. Box 9158
Amarillo, Texas 79105
John.Atkins@uwlaw.com

For POB

Attn: Casey Cameron, President/CEO
Producer Owned Beef, LLC
500 S. Taylor, Suite 1050
Amarillo, Texas 79101
Email: Casey@cdccameron.com

J. Shane Brooks
Sprouse Law Firm
701 S. Taylor, Suite 500
Amarillo, Texas 79101
Shane.Brooks@sprouselaw.com

The correspondence address for either party may be revised from time-to-time upon advance written notice to the other party.

12. **Amarillo EDC Board and City Council Approval.** This Agreement is part of a Project (as defined in Chapters 501 and 504 of the Texas Local Government Code). If the Project is not approved by the Board of Directors of the **Amarillo EDC** and the City Council of the City of Amarillo, Texas within ninety (90) days of the Effective Date, this Agreement will terminate without further obligations upon **Amarillo EDC** or **POB**.

13. **Tax Abatement.** **Amarillo EDC** will reasonably cooperate in **POB's** application for: (i) tax abatement on the Property under Chapter 312 of the Texas Tax Code to any taxing authority with jurisdiction over the Property; and (ii) tax limitation on the Property under Chapter 313 of the Texas Tax Code to the applicable school district, in each case at **POB's** expense (including without limitation any abatement or limitation application or other fees). While the taxing districts have historically been receptive to requests for tax abatement when significant investment in real property and job creation are shown, **Amarillo EDC** has no authority over such taxing districts and does not warrant or represent that **POB** will be granted tax abatement or limitation by any or all of the tax districts. **Amarillo EDC** strongly advises **POB** to obtain competent Ch. 313 counsel and understands **POB** has or will do so.

14. **Cooperation on Publicity.** POB agrees to cause one or more of its senior representatives to attend all public events (e.g. Board or City Council meetings, ground-breakings, press conferences) related in any way to this Agreement, the Facility, and the like. Further, POB agrees to reasonably cooperate with Amarillo EDC on press releases and other publicity related to the subject matter of this Agreement, the Facility, and on-going efforts related to the recruitment and retention efforts of Amarillo EDC directed toward POB.

15. **Broker Commissions.** POB represents and warrants to Amarillo EDC that POB is solely responsible for any commissions or similar fees (each a ***Commission***) of brokers, finders, realtors, or similar agents claiming a right to a Commission by, through, or under POB and will indemnify, defend, and hold Amarillo EDC harmless from any claims or liabilities for such a Commission.

16. **Certification Regarding Undocumented Workers.**

a. POB certifies that it does not, all Affiliates (including the Coop) do not, and neither POB nor any Affiliate will knowingly employ an Undocumented Worker, defined below, between the Effective Date and the date upon which both parties no longer owe any duties under this Agreement. ***Undocumented Worker*** will mean an individual who, at any time during employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under law to be employed in that manner in the United States. POB and any applicable Affiliate will immediately notify Amarillo EDC if: (i) POB or such Affiliate becomes aware POB or any Affiliate employs or has employed an Undocumented Worker; (ii) POB or any Affiliate becomes aware or receives notice that POB or any Affiliate is alleged to have employed an Undocumented Worker; or (iii) POB or an Affiliate is convicted of a violation under the following subparagraph.

b. If between the Effective Date and the date on which both parties no longer owe any duties under this Agreement, POB or any Affiliate knowingly employs an Undocumented Worker or is convicted of a violation under 8 U.S.C. Section 1324a(f), POB and such Affiliate will, jointly and severally, repay to Amarillo EDC the entire benefit received by POB pursuant to the terms of this Agreement (including the value of the Property and all Expansion Grant installments). Such amount will be due and payable in full on the 120th day after the date Amarillo EDC notifies POB of the violation and interest will accrue on such amount at the contract rate thereafter.

17. **Counterparts; Signatures.** This Agreement may be executed in counterparts and, if so executed, shall be valid, binding, and have the same effect as if all the Parties hereto actually joined in and executed one and the same document. Facsimile, scanned, and electronic signatures shall be treated as originals for all purposes.

18. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such

invalidity, illegality, or unenforceability shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

19. **Acknowledgement of Nonrepresentation.** POB acknowledges and agrees that the Underwood Law Firm, PC solely represents Amarillo EDC in connection with this Agreement and that POB has engaged separate counsel to advise it on this Agreement.

THIS AGREEMENT IS BINDING UPON THE PARTIES HERETO AND THEIR SUCCESSORS AND ASSIGNS; HOWEVER, IT MAY NOT BE ASSIGNED BY EITHER PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD.

THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

{Signature Page Follows}

EXECUTED by the parties hereto effective as of the Effective Date.

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: _____
Kevin Carter, President and CEO

PRODUCER OWNED BEEF, LLC

By: _____
Casey Cameron, President and CEO

By signing below, the Coop agrees to be bound by the terms of this Agreement as if it were a named party hereto, including without limitation the reporting requirements of Section 5 hereof.

PRODUCER OWNED BEEF COOPERATIVE, INC.

By: _____
Casey Cameron, Chairman

EXHIBIT A

PROPERTY DESCRIPTION

Tract 1:

Property (Including all improvements): A 418.350 acre tract of land being all of the West one-half of Section 30 lying South of Interstate No. 40 and the South one-half of Southeast one-quarter of Section 30 and all of Section 31 lying North of the North R.O.W. line of the B.N.S.F. Railway except a 40.0 acre tract all situated in Block 2, A.B. & M. Survey, Potter County Texas, and described by metes and bounds as follows:

Beginning at a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc., PLS 1939, 30, 31, 36, 37, the Southwest corner of Section 30, the Northwest corner of Section 31, the Northeast corner Section 36, and the Southeast corner of Section 37, the **POINT OF BEGINNING** of this tract, whence a 1 ¼" iron pipe with cap, the Northwest corner of Section 30 bears N 0 05'13" E, 5283.67 feet; (all bearings are Geodetic established by survey grade GPS)

Thence N 00°05'13" E, along the West line of Section 30, same being the East R.O.W. line of Spur 228, a distance of 4161.52 feet to a point, the Northwest corner of this tract; whence a punch mark on a T-DOT Brass Cap bears S 80°25'08" W, 0.48 feet;

Thence N 80°25'08" E, along the Southerly R.O.W. line of Interstate Highway No. 40, 1.29 feet to a ½" X 24" rebar set with aluminum cap stamped "Gresham & Associates, Inc. PLS 1939, prop. cor.;

Thence N 40°00'39" E, along said R.O.W. line a distance of 115.82 feet to a T-DOT Brass Cap found;

Thence N 80°12'22" E, along said R.O.W. line, a distance of 286.02 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor.;

Thence N 89°17'22" E, along the North line of Country Acres, a Subdivision out of Sections 30 and 31, as recorded in Volume 900, Page 417 of the Plat Records of Potter County, Texas, at 2,032.97 feet pass the Northeast corner of said Country Acres, continue a total distance of 2285.07 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop cor. the most North - Northeast corner of this tract;

Thence S 00°02'21" W, along the West line of the East one-half of said Section 30, a distance of 2999.43 feet to a ½" X 24 " rebar set with "aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." and interior corner of this tract;

Thence N 89°50'47" E, along the North line of the South one-half of the Southeast one-quarter of said Section 30, a distance of 2608.66 feet to a ½" X 24" rebar set with 2"aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." In the West R.O.W. line of FM 1912;

Thence S 00°39'06" E, along the West R.O.W. line of said FM 1912, a distance of 250.08 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." The Northeast corner of a 40.0 acre tract;

Thence S 89°50'47" W, along the North line of said 40.0 acre tract, a distance of 787.98 feet to a ½" X 24" rebar set with cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor.", an interior corner of this tract, same being the Northwest corner of said 40.0 acre tract;

Thence S 00°00'00" W, along the West line of said 40.0 acre tract, a distance of 2131.16 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor.", an interior corner of this tract, same being the Southwest corner of said 40.0 acre tract;

Thence S 80°40'07" E, parallel and 220.0 feet North of the Northerly R.O.W. line of the BNSF Railway, a distance of 789.36 feet to a ½" X 24" 1939 prop. cor., in the West R.O.W. line of said FM 1912, the Southeast corner of said 40.0 acre tract;

Thence S 01°17'50" W, along the West R.O.W. line of said FM 1912, at 220.57 feet pass a T-DOT Brass Cap, continue a total distance of 222.18 feet to a ½" X 24:" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." In the Northerly R.O.W. line of the BNSF Railway, the Southeast corner of this tract;

Thence N 80°40'07" W, parallel and 50.0 Northerly of the centerline of the BNSF Railway main track, same being said Northerly R.O.W. line, a distance of 5,315.31 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor.", in the West line of said Section 31, same being the East R.O.W. line of Spur 228, the Southwest corner of this tract;

Thence N 00°05'13" E, along the East R.O.W. line of Spur 228, same being the West line of Section 31, a distance of 536.60 feet to the Northwest corner of said Section 31 and **POINT OF BEGINNING** of this tract;

Said tract contains a computed area of 418.350 acres of land.

Tract 2:

A 203.49 i acre tract of land out of Section 30, Block 2, A.B.&M. Survey, Potter County, Texas and being described by metes and bounds as follows:

Beginning at a ½ " X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939, prop. cor." in the West R.O.W. line of FM 1929, same being the Southeast corner of a certain 10.0 tract of land the **POINT OF BEGINNING** of this tract, whence the Northeast corner of Section 30, bears N 89°59'29" E, 28.12 feet and N 00°00'31" W, 1659.86 feet;

(All bearing are geodetic established by survey grade GPS)

Thence S 00°14'38" w, along the West R.O.W. line of FM 1912, 2159.17 feet to a TDOT Brass Cap found;

Thence S 00°39'06" E along the West R.O.W. line of said FM 1912, 137.07 feet to a ½" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc., PLS 1939, prop. Cor.", the southeast corner of this tract, same being in the South line of the North one - half of the Southeast one-quarter of said Section 30 for a distance of 2608.66 feet to a ½" X 24" rebar set with a 2"aluminum cap stamped "Gresham & Associates, Inc., PLS 1939, prop. cor." in the West line of the East one-half of said Section 30;

Thence N 00°02'21" E, along the West line of the East one-half of said Section 30 for a distance of 2999.43 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc., PLS 1939 prop. cor.";

Thence S 89°17'22" W, at a distance of 252.10 feet pass the Northeast corner of Country Acres, a Subdivision out of Sections 30 and 31, as recorded in Volume 900, Page 417 of the Plat Records of Potter County, Texas, continue along the North line of said Country Acres for a total distance of 2285.07 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc., PLS 1939 prop. cor." in the Southerly R.O.W. line of Interstate Highway No. 40; at Hwy Engineer station 116+99.17;

Thence N 80°12'22" E, along said R.O.W. line for a distance of 300.52 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at a P.I. In said R.O.W. line, Hwy Engr. Station 120+00;

Thence n 69°01'46" E, along said R.O.W. line for a distance of 101.98 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at a P.I. In said R.O.W. line, Hwy Engr. Station 121+00;

Thence N 80°20'22" E, along said R.O.W. line for a distance of 3052.10 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at the beginning of a curve to the right whose center bears S 09°39'38" E, 5579.58 feet, Hwy Engr. Station 151+52.10;

Thence Northeasterly along said R.O.W. line, same being on curve to the right, an arc distance of 338.78 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at a P.I. In said R.O.W. line, Hwy Engr. Station 155+00;

Thence S 84°03'21" E, along said R.O.W. line for a distance of 99.24 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at a P.I. In said R.O.W. line, Hwy Engr. Station 156+00;

Thence Northeasterly along said R.O.W. line of a curve to the right whose center bears S 05°10'54" E, 5559.58 feet an arc distance of 409.44 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at the Northwest corner of an existing 10 acre tract;

Thence S 00°11'25" W, along the West lines of two existing 10 acre tracts, at a distance of 664.52 pass the Westerly common corner of the two existing 10 acre tracts, continue for a total distance of 1324.22 feet to a 1/2" X 24" rebar set with 2" aluminum cap stamped "Gresham & Associates, Inc. PLS 1939 prop. cor." at the Southwest corner of an existing 10 acre tract;

Thence S 89°50'38" E, along the South line of said 10.0 acre tract for a distance of 66.30 feet to the **POINT OF BEGINNING**;

Said tract contains a computed area of 203.491 acres of land.

EXHIBIT B
DEED OF TRUST

Date: _____, 2022

Grantor: PRODUCER OWNED BEEF, LLC, a Texas limited liability company

Grantor's Mailing Address (including county):

500 S. Taylor, Suite 1050
Amarillo, Texas 79101

Trustee: KEVIN CARTER

Trustee's Mailing Address (including county):

600 South Tyler, Suite 1600
Amarillo (Potter County), Texas 79101

Beneficiary: AMARILLO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation

Beneficiary's Mailing Address (including county):

600 S. Tyler, Suite 1600
Amarillo (Potter County), Texas 79101

LIA: Location Incentives Agreement between Grantor and Beneficiary dated _____, 2022

Terms of Payment: As provided under the LIA.

Property: As described on Exhibit A, attached.

Prior Liens: _____

Other Exceptions to Conveyance and Warranty:

This Property is subject to all easements, rights-of-way, and prescriptive rights, whether of record or visible and apparent; all presently recorded restrictions, reservations, covenant conditions, municipal zoning restrictions, oil and gas leases, mineral severances, and other instruments, other than liens and conveyances, that affect the Property; rights of adjoining owners of any walls and fences situated on a common boundary; any discrepancies,

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ POB ____

conflicts, or shortages in area or boundary lines, and any encroachments or overlapping of improvements.

For value received and to secure payment of any and all obligations of Grantor under the LIA (collectively, the **Obligations**), Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property. If Grantor performs all the covenants and satisfies all the Obligations, this Deed of Trust shall have no further effect, and Beneficiary shall release it at Grantor's expense.

Grantor's Obligations

Subject to the terms and conditions of the LIA, Grantor agrees to:

1. keep the Property in good repair and condition, reasonable wear and tear excepted;
2. pay all taxes and assessments on the property when due;
3. preserve the lien's priority as it is established in this Deed of Trust;
4. maintain an insurance policy evidenced by a certificate of insurance that:
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. provides fire and extended coverage, including windstorm coverage;
 - c. protects Beneficiary with a standard mortgage clause;
 - d. provides flood insurance at any time the property is in a flood hazard area; and
 - e. contains such other coverage as Beneficiary may reasonably require;
5. deliver evidence of insurance in the form of a certificate of insurance to Beneficiary and deliver renewals to Beneficiary within thirty days of renewal of the policy;
6. keep any buildings occupied as required by the insurance policy; and
7. if this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds from the LIA are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. If there shall occur any insured damage to or destruction of the Property or any part thereof, and if (i) in the judgment of Grantor's engineers the Property can be restored, within a reasonable time to an economic unit valuable adequately securing the obligation, and (ii) Beneficiary receives assurances reasonably satisfactory to Beneficiary that revenue from the Property will continue in full force and effect after restoration and Amarillo Operations can be maintained as defined and required under the LIA, then, if and so long as there is no Default hereunder, Beneficiary will make

available to Grantor for such restoration, proceeds of insurance, if any, collected by Beneficiary because of the act or occurrence and not restricted by any adverse claim thereto.

4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may, pursuant to terms and conditions of the LIA perform those obligations and be reimbursed by Grantor on demand for any sums so paid, including reasonable attorney's fees, plus interest on those sums from the dates of payment at the rate stated in the LIA. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor fails to perform any of Grantor's obligations under the LIA or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by the LIA, then Beneficiary may:
 - a. declare the amount owed by Grantor under the LIA immediately due;
 - b. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and
 - c. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligations.

Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. sell and convey all or part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and
3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure;
 - b. to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance.

General Provisions

1. If any of the Property is sold under this Deed of Trust, Grantor shall immediately surrender possession to the purchaser thereof. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the Property will be presumed to be true. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

3. This lien shall remain superior to liens later created even if the time of payment of all or part of Grantor's obligations under the LIA are extended or part of the Property is released.
4. If any portion of Grantor's obligations under the LIA cannot be lawfully secured by this Deed of Trust, payments shall be applied first to discharge of that portion.
5. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses reasonably incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the amounts owed under the LIA. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
6. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in Default under the LIA or this Deed of Trust. Grantor will apply all rent and other income and receipts to payment of its obligations under the LIA and performance of this Deed of Trust, but if the rent and other income and receipts exceed the amount due under the LIA and Deed of Trust, Grantor may retain the excess. If Grantor defaults in payment of the Obligations or performance of this Deed of Trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the Property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the Property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the LIA and this Deed of Trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.
7. Interest on the Obligations is secured by this Deed of Trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.
8. When the context requires, singular nouns and pronouns include the plural.

- 9. The term "Obligations" includes all sums secured by this Deed of Trust.
- 10. This Deed of Trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
- 11. If Grantor and Maker are not the same person, the term "Grantor" shall include Maker.
- 12. This Deed of Trust is executed and delivered by Grantor to the Trustee for the benefit of Beneficiary, in conjunction with the LIA, containing additional provisions concerning the Obligations, which is incorporated herein by reference and made a part hereof for all purposes.
- 13. This Deed of Trust shall secure all renewals and extensions of the indebtedness described above, and, in addition, all funds hereafter advanced by Beneficiary to or for the benefit of Grantor as contemplated by any covenant or provision herein contained or for any other purpose, and all other indebtedness of whatever kind or character owing or which may hereafter become owing by Grantor to Beneficiary, whether such indebtedness is evidenced by note, open account, overdraft, endorsement, surety agreement, guaranty, or otherwise, it being contemplated that Grantor may hereafter become indebted to Beneficiary in further sum or sums.
- 14. Notwithstanding the provisions hereof, Grantor shall not be in default for failure to pay or discharge any tax, assessment, or mechanic's or materialman's lien asserted against the Property if, and so long as, (a) Grantor shall have notified Beneficiary of same within ten days of obtaining knowledge thereof; (b) Grantor shall diligently and in good faith contest the same by appropriate legal proceedings which shall operate to prevent the enforcement or collection of the same and the sale of the Property or any part thereof, to satisfy the same; and (c) Grantor shall promptly upon final determination thereof pay the amount of any such tax, assessment or claim so determined, together with all costs, interest and penalties which may be payable in connection therewith.
- 15. To the extent there exists a conflict between the terms and conditions of this Deed of Trust and the LIA, the terms and conditions of the LIA shall control.

Producer Owned Beef, LLC

By: _____

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2022, by _____, as _____ of Producer Owned Beef, LLC, a Texas limited liability company, on behalf of said company.

Notary Public, STATE OF _____

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ POB ____

**EXHIBIT A
TO DEED OF TRUST**

[INSERT LEGAL DESCRIPTION BASED UPON SURVEY]

After recording return to:

Kevin Carter
Amarillo Economic Development Corporation
600 S. Tyler St., Suite 1600
Amarillo, Texas 79101

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ **POB** ____

EXHIBIT C

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY 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.

SPECIAL WARRANTY DEED

Date: _____, 2022

Grantor: Amarillo Economic Development Corporation, a Texas non-profit corporation

Grantor's Mailing Address:

600 S. Tyler, Suite 1600
Amarillo, Texas 79101

Grantee: Producer Owned Beef, LLC, a Texas limited liability company

Grantee's Mailing Address:

500 S. Taylor, Suite 1050
Amarillo, Texas 79101

Consideration: Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Grantor, together with obligations owed or that may become owed by Grantee under that certain Location Incentives Agreement dated as of _____, 2022, executed by Grantee and Grantor (the *LIA*). Performance by Grantee under the LIA is secured by a deed of trust lien against the Property as set forth in a deed of trust of even date from Grantee to KEVIN CARTER, TRUSTEE.

Property (including any improvements):

That certain property in Potter County, Texas, described on Exhibit A, attached and incorporated herein for all purposes.

Reservations from Conveyance and Exceptions to Conveyance and Warranty:

Those items listed on Exhibit B, attached hereto and incorporated herein by reference.

GRANTEE IS PURCHASING THE PROPERTY "AS IS" WITH ALL FAULTS AND DEFECTS, AND GRANTEE ACKNOWLEDGES AND AGREES THAT, GRANTOR

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ POB ____

HAS NOT MADE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE, GAS OR SUBSTANCE OR SOLID WASTE ON OR ABOUT THE PROPERTY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY INTEND TO CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION INCLUDING, WITHOUT LIMITATION, ALL APPLICABLE ZONING LAWS, (E) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OF THE PROPERTY, OR (F) ANY OTHER MATTER RELATED TO OR CONCERNING THE PROPERTY, AND GRANTEE SHALL NOT SEEK RECOURSE AGAINST GRANTOR ON ACCOUNT OF ANY LOSS, COST OR EXPENSE SUFFERED OR INCURRED BY GRANTEE WITH REGARD TO ANY OF THE MATTERS DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE. GRANTEE ACKNOWLEDGES THAT GRANTEE, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED BY GRANTOR. GRANTEE ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS DEED ARE AN INTEGRAL PORTION OF THIS DEED AND THAT GRANTOR WOULD NOT SELL THE PROPERTY TO GRANTEE WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH HEREIN.

It is expressly understood and agreed, however, that this conveyance is made upon the condition that Grantee, subject to Excusable Delays (defined below): (i) commences construction of the Facility within 12 months of the date hereof (which will be deemed satisfied if Grantee obtains permits and actually breaks ground prior to such date), and (ii) thereafter pursues construction of the Facility in a commercially reasonable manner to Substantial Completion within 48 months after the date hereof. Should Grantee fail to meet either of the conditions above, title to the Property shall revert to Grantor, its successors or assigns. As used herein, the term "Facility" shall mean those certain industrial buildings and related improvements as defined in the LIA and to be located on the Property conveyed hereby; and the term "Excusable Delay" shall mean any delay in obtaining the necessary permits and approvals or in the actual construction of the Facility caused by strikes, lockouts, labor disputes, casualties, terrorism, acts of God or the public enemy, governmental embargo restrictions, shortages of fuel, labor or building materials, action or non-action of public utilities, pandemic, epidemic, government lockdown or quarantine, or

adverse weather conditions. Furthermore, the Facility shall be deemed “Substantially Complete” only upon the satisfaction of all of the following: (a) construction of the Facility has been substantially completed excepting only normal punch-out items; (b) Grantee has unconditionally received all approvals and certifications of occupancy and operation from any governmental or other entity with jurisdiction over the Property for the operations contemplated by Grantee; and (c) Grantee has delivered written notice certifying such facts to Grantor and providing such back-up documentation as Grantor may reasonably request. In the event of an Excusable Delay, the time required to commence or Substantially Complete construction of the Facility shall be extended for only such period of time as may be reasonably necessary to compensate for the resulting delay.

Grantor, for the consideration and subject to the reservations from and 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 wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: _____
Kevin Carter, President and CEO

STATE OF TEXAS §

COUNTY OF POTTER §

This instrument was acknowledged before me on the ____ day of _____, 2022, by Kevin Carter, President and CEO of AMARILLO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation, on behalf of said corporation.

Notary Public, State of Texas

ACCEPTED:

Producer Owned Beef, LLC

By: _____

Printed Name: _____

Title: _____

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ **POB** ____

**EXHIBIT A
TO SPECIAL WARRANTY DEED
PROPERTY DESCRIPTION**

[INSERT LEGAL DESCRIPTION BASED ON SURVEY]

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ **POB** ____

EXHIBIT B
TO SPECIAL WARRANTY DEED
RESERVATIONS & EXCEPTIONS TO CONVEYANCE AND WARRANTY

- 1. Taxes for the year of closing and all subsequent years, the payment of which Grantee assumes.
- 2. Roll-back, change-in-use, and similar taxes whether related to or assessed before or after closing.
- 3. [Other items revealed by the final Commitment for Title Insurance]

AFTER RECORDING RETURN TO:
Casey Cameron
500 S. Taylor, Suite 1050
Amarillo, Texas 79101

PREPARED IN THE LAW OFFICE OF:
Underwood Law Firm, P.C.
P.O. Box 9158
Amarillo, Texas 79105

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and PRODUCER OWNED BEEF, LLC

Amarillo EDC ____ **POB** ____

EXHIBIT D
FORM OF PAYROLL AND FTE REPORT

[POB LETTERHEAD]

I, _____[PRINTED NAME]_____, as _____[TITLE]_____ of Producer Owned Beef, LLC, a Texas limited liability company, (**POB**), provide this report in connection with that certain Location Incentives Agreement (**Agreement**) between POB and the Amarillo Economic Development Corporation (**Amarillo EDC**) dated effective as of _____, 2022. Capitalized terms used but not defined herein shall have the meaning as set forth in the Agreement.

I hereby certify and confirm to the Amarillo EDC on behalf of POB that the following are true and correct for the Performance Year (as defined in the Agreement) indicated below:

1. All funds received by POB from Amarillo EDC under the Agreement have been used solely for the land, buildings, equipment, facilities, expenditures, targeted infrastructure, or improvements to construct, equip, and improve the Facility and POB’s operations thereon.
2. The aggregate number of FTEs maintained for the indicated Performance Year totaled:
_____.
3. Payroll in Amarillo Operations for the indicated Performance Year totaled:
\$ _____.
4. Attached hereto are true and correct copies of the back-up documents and information confirming the FTE and Payroll figures reported above, assembled in satisfaction of the reporting requirements of the Agreement.

PERFORMANCE YEAR: **January 1, 20**____ **through December 31, 20**_____

Printed Name: _____
Title: _____

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – TAX ABATEMENT AGREEMENT – BETWEEN CITY OF AMARILLO AND AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND PRODUCER OWNED BEEF, LLC.

This item considers approval of a Tax Abatement Agreement between the City of Amarillo, the Amarillo Economic Development Corporation (AEDC) and Producer Owned Beef, LLC (POB). The agreement would provide for an abatement of future taxes on the construction and equipment costs at 100% abatement for 10 years on \$650,000,000 estimated cost of improvements.

Agenda Item Summary

Producer Owned Beef, LLC is looking to build a 600,000 sq. ft. Food Processing Facility on 1108 acres located between I-40 and US Hwy 287 west of FM 1912.

Highlights of the project include:

- \$650 MM estimated improvements
- 1600 new employees projected
- \$75,000,000 new annual payroll projected
- Incentive of \$8,000,000 for job creation paid over 5 years as they are created
- Incentive of 610 acres conveyed

AEDC is asking the City Council to approve an abatement of future taxes on the construction and equipment costs. AEDC is recommending 100% abatement for 10 years on the above costs.

Requested Action

Approval of the Tax Abatement Agreement as presented.

Funding Summary

N/A

Staff Recommendation

AEDC staff is recommending approval of the Tax Abatement Agreement.

**TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF AMARILLO,
AMARILLO ECONOMIC DEVELOPMENT CORPORATION, PRODUCER OWNED
BEEF, LLC, AND PRODUCER OWNED BEEF COOPERATIVE, INC.**

STATE OF TEXAS §
 §
COUNTY OF POTTER §

This Tax Abatement Agreement (“*Agreement*”), is entered into as of this 24th day of May, 2022 (“*Effective Date*”), by and between the City of Amarillo, Texas (“*City*”), a home rule city and municipal corporation located in Potter and Randall Counties, Texas, duly acting herein by and through its City Manager or other designated representative, Amarillo Economic Development Corporation, a Texas nonprofit corporation (“*Amarillo EDC*”), Producer Owned Beef, LLC, a Texas limited liability company (“*POB*”), and Producer Owned Beef Cooperative, Inc., a Delaware nonstock corporation (“*Coop*”). POB and the Coop may be referred to collectively as “*Recipients*.”

WITNESSETH:

WHEREAS, the City Council of the City of Amarillo, Texas (“*City Council*”) indicated its election to be eligible to participate in Tax Abatements in the Resolution Adopting Guidelines and Criteria for Tax Abatement in the City of Amarillo (“*Policy Statement*”), by the passage of Resolution No. 7-26-88-1 on the 21st day of July, 1988; and

WHEREAS, on the 24th day of August, 2021, the City Council readopted the Policy Statement by the passage of Resolution No. 08-24-21-1; and

WHEREAS, the City’s current Policy Statement entitled:

RESOLUTION ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT WITHIN REINVESTMENT ZONES
FOR THE
CITY OF AMARILLO

Is attached as Exhibit A hereto; and

WHEREAS, the Policy Statement constitutes appropriate “guidelines and criteria” governing tax abatement agreements which may be entered into by the City as contemplated by the Texas Tax Code (“*Tax Code*”), and provides for the availability of tax abatement for both new facilities and structures and for the contemplated expansion or modernization of existing facilities or structures; and

WHEREAS, entering into this Agreement will produce public benefits:

- 1) enhancing and diversifying the economic and industrial bases of the Amarillo area;

- 2) contributing to the retention and expansion of primary employment; and
- 3) attracting major investment that will be of benefit to the Premises (as hereafter defined) and that will contribute to the economic development of the City; and

WHEREAS, on the 24th day of May, 2022, the City Council adopted Ordinance No. 7977 establishing City of Amarillo Reinvestment Zone No. 17 (“**Zone**”) for commercial/industrial tax abatement, as authorized by Tax Code Chapter 312; and

WHEREAS, Amarillo EDC and the City each currently holds title to portions of the Premises, but POB desires to receive title to the Premises under written agreements with the City and Amarillo EDC (together, the “**Purchase Agreements**”); and

WHEREAS, POB and Coop expect Coop to lease the Premises from POB after the closing of the Purchase Agreements; and

WHEREAS, the contemplated uses of the Premises (a fed cattle beef production facility), the contemplated improvements to the Premises as set forth in this Agreement, the contemplated equipment, and other business personal property, and the other terms of this Agreement will encourage development of the Zone, are in accordance with the purposes for its creation, and are in compliance with the Policy Statement, the Ordinance, and all applicable laws; and

WHEREAS, Coop’s use of the Premises is expected to favorably influence the economic and employment base of the City, to wit: within 24 months of the completion of the facility to be located on the Premises to provide more than 1,000 new full time jobs; and

WHEREAS, the City Council finds that the improvements sought are feasible and practical and will be of benefit to the Premises, the Zone, and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the proposed Qualified Facilities and Qualified Personal Property (as hereafter defined) subject to this Agreement meet the applicable guidelines and criteria previously adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the law, to the presiding officers of the governing bodies of each of the taxing units in which the Premises subject to the Agreement is located;

NOW, THEREFORE, the City for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment to the Zone and business activity which contributes to the overall economic development of the City and enhancement of the tax base in the City; the City, Amarillo EDC, POB, and Coop for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged by each, which consideration includes the tax abatement set forth below, as authorized by Tax Code Chapter 312, Subchapter B, do hereby contract and agree as follows:

1. Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

- 1) “Tax Code” means the relevant provisions of the Texas Tax Code.
- 2) “Eligible Property Value” shall mean the value of Recipient’s Qualified Facilities and Qualified Personal Property that:
 - a) is eligible for tax abatement under Tax Code Chapter 312 (which shall not include the real property’s current value – only increase in value of the real property may be exempted); and
 - b) has taxable situs in the Zone on January 1 of the first tax year as set forth in Section 3 or on January 1 of any subsequent tax year as set forth in Section 3.

However, pursuant to Tax Code Section 312.204, tangible personal property that was located on the Premises before the beginning date of the abatement period shall not be eligible for tax abatement. Supplies and inventory located in the Zone at any time shall not be eligible for tax abatement.

- 3) “Qualified Facilities” shall mean the buildings and other improvements constructed by or for the benefit of Recipients for design, assembly, manufacturing, storage, training, repair, or other purposes in the Zone, consisting of an approximately 700,000 ft² fed cattle beef processing facility expected to cost no less than \$400,000,000.
- 4) “Qualified Personal Property” shall mean the machinery, equipment, furniture, fixtures, and other tangible personal property that are eligible for tax abatement under Tax Code Chapter 312, consisting of furniture, fixtures, and equipment sufficient to carry on fed cattle beef production operations and expected to cost no less than \$100,000,000, and that:
 - a) is owned by either of the Recipients or a third party as described in Section 2(11)(b);
 - b) is located in the Zone; and
 - c) but for this Agreement would be subject to appraisal by the Potter County Appraisal District or its successor for the applicable tax year.
- 5) “Premises” shall mean the parcel of land owned by the City and Amarillo EDC and to be owned by POB under the Purchase Agreements in Amarillo, Potter County, Texas, as described on Exhibit B, which is attached hereto and incorporated by reference, and is located within the Zone (or that entirely constitutes the Zone).

- 6) "Abatement" shall mean the tax abatement rate in those percentages set forth in Section 5 for each applicable year.

2. General Provisions

- 1) Recipients agree that their use of the Premises will be in accordance with applicable state and local laws and regulations.
- 2) The parties agree that the periods of abatement under this Agreement are directly proportional to the capital expenditures for improvements and the number of permanent full-time jobs created by Coop.
- 3) The procedures followed by the City in the enforcement and administration of this Agreement will conform to the requirements of the Tax Code and other applicable law. To the extent possible, these procedures will be undertaken in coordination with Recipients' corporate, public, employee, and business relations requirements.
- 4) The Premises are presently owned by the City and Amarillo EDC and are to be owned by POB under the Purchase Agreements. Amarillo EDC joins herein solely as an accommodation party currently owning part of the Premises which is to be transferred to POB under the applicable Purchase Agreement; provided, however, that all parties hereto agree that the applicable Purchase Agreement is the sole agreement between Amarillo EDC and POB with respect to the purchase and sale of a portion of the Premises, and this Agreement does not create, and shall not be construed to create, an independent obligation of Amarillo EDC to convey any portion of the Premises to POB. The Premises are located solely within the extra-territorial jurisdiction of the City and within the Zone.
- 5) The Premises and Qualified Facilities are not an improvement project financed by tax increment bonds.
- 6) This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.
- 7) The Premises and Qualified Personal Property are not owned or leased by any member of the Amarillo City Council or any member of the Planning and Zoning Commission of the City or a member of the governing body of any taxing units joining in or adopting this Agreement.
- 8) The City has adopted guidelines and criteria governing tax abatement agreements and it has the authority to enter into this Agreement.
- 9) This Agreement is intended to comply with the requirements of law and is authorized by the Texas Property Redevelopment and Tax Abatement Act, Tax Code Chapter 312, the Policy Statement, and by resolution of the City Council of the City of Amarillo authorizing execution of this Agreement.

- 10) During the period of tax abatement herein authorized, Recipients shall be subject to taxation on all real and personal property not abated or otherwise exempted.
- 11) This Agreement shall apply to Qualified Facilities and Qualified Personal Property which is owned by:
 - a) Either of the Recipients; or
 - b) A third party when
 - i) Either of the Recipients is contractually obligated to pay taxes on said personal property; and
 - ii) Either of the Recipients renders said personal property for taxation.
- 12) The construction and development of the Qualified Facilities and Qualified Personal Property contemplated by this Agreement will be diligently pursued by Recipients and may occur in Phases. Each Phase will be created as set forth in Section 4 of this Agreement.

3. Term and Abatement Period

A ten (10) year tax abatement is hereby granted to POB and Coop subject to meeting the conditions herein. For each Phase (as hereafter defined), the ten (10) year abatement period commences beginning on January 1 of the first tax year for which POB or Coop files an approved abatement application with the Potter County Appraisal District. For each subsequent Phase, the ten (10) year abatement period commences on January 1 of the first tax year for which POB or Coop timely files an approved abatement application for that Phase with the Potter County Appraisal District.

4. Construction May Occur in Phases

At its option, POB or Coop may elect to stage development of the Qualified Facilities and Qualified Personal Property to occur at different times within the Zone. If POB or Coop chooses to make this election, each individual Phase shall be eligible for Abatement under the terms of this Agreement for a period of ten (10) years.

POB and Coop will designate each Phase by metes and bounds or by description of the improvement or property sought to be abated, to be submitted with the first Tax Abatement application filed on each Qualified Facility or Qualified Personal Property in that Phase. Each Phase so designated will be sequentially numbered as Phase 1, Phase 2, and so forth. Thereafter, the Qualified Facilities and Qualified Personal Property in each Phase shall be the subject of a separate Tax Abatement application as may be required by law. For purposes of identifying property within a Phase, it shall be sufficient to generally identify the improvement or property by its use or purpose and relative geographic location to other existing improvements.

The deadline for designating a Phase under Section 4 of this Agreement coincides with the expiration of the Zone, being the fifth (5th) anniversary of the establishment of the Zone, unless renewed or extended to a later date by the City.

5. Rate of Abatement

The rate and scope of tax abatement shall be as follows:

- 1) Scope of Abatement. The annual rate of abatement will be applied as set forth below to the Eligible Property Value.
- 2) Annual Rate of Abatement. The following shall be the annual rate of tax abatement. The rate of abatement shall be applied separately to the Eligible Property Value in each Phase created under this Agreement for each applicable tax year.

<u>Year of Abatement</u>	<u>Rate of Abatement on Incremental Increase</u>
1	100%
2	100%
3	100%
4	100%
5	100%
6	100%
7	100%
8	100%
9	100%
10	100%

6. Records and Audits

- 1) At all times throughout the term of this Agreement and upon at least 24 hours prior notice to Recipients, the City and the Potter County Appraisal District shall have reasonable access to the Premises by their employees or agents, accompanied by POB or Coop personnel, for the purpose of inspecting the Premises to ensure the Qualified Facilities and Qualified Personal Property are maintained in accordance with the conditions of this Agreement and shall have access to the books and records of Recipients for purposes of determining compliance with state law and this Agreement.
- 2) Before December 31 of each year, Recipients must certify in writing to the governing body of each participating taxing unit that it is in compliance with each term of this Agreement; provided, however, that Recipients shall not be considered in default hereunder until the applicable party has received notice of non-compliance, and has had a period of time (not to exceed 30 days) to provide the required certification.

7. Performance Requirement

Recipients shall not be entitled to any Eligible Property Value tax abatement under this Agreement for any tax year during which either of the Recipients is in default of this Agreement following the expiration of the applicable cure period set forth in, or authorized pursuant to, Section 8 of this Agreement.

8. Breach and Default

In the event that POB or Coop:

- 1) fails to make the improvements or repairs;
- 2) allows *ad valorem* taxes on the Premises, Qualified Facilities, or Qualified Personal Property subject to abatement to become delinquent and fails to timely and properly follow the legal procedures for the protest and/or appeal of such *ad valorem* taxes,
- 3) fails or refuses to timely file the documents required to be filed with the State Comptroller or local tax appraisal district in connection with the tax abatement set forth in this Agreement; or,
- 4) breaches any of the terms or conditions of this Agreement;

then POB and Coop shall be in default of this Agreement.

If POB or Coop defaults in its performance of 1, 2, 3, or 4 above, the City shall give POB and Coop written notice of default. If POB or Coop, as appropriate, has not cured such default within ninety (90) days of receipt of written notice, or, if such default cannot be cured by the payment of money or posting of a bond or other collateral, POB and Coop shall be in default for that tax year. However, if such default is not reasonably susceptible of cure within such ninety (90) day period, whether or not due to causes within the control of POB or Coop, and POB and Coop, as appropriate, has begun efforts to cure the default, then after first advising the City of its efforts, POB or Coop may utilize an additional one hundred eighty (180) days to cure the default. Time in addition to the foregoing two hundred seventy (270) day cure period may be authorized by the City, in its sole and absolute discretion.

Failure to timely cure any default will result in the cancellation of this Agreement and the retroactive loss of the tax abatement. Additionally after the expiration of the applicable notice and cure periods, all taxes which would have otherwise been paid to the City during the tax year in which the default occurs without the benefit of abatement plus ten percent (10%) interest beginning on the date of expiration of the cure period will be owed by POB or Coop, as appropriate, to the City as liquidated damages. This amount shall be due and owing to the City within sixty (60) days of the expiration of the above referenced cure period, subject to all lawful offsets, settlements, deductions, or credits to which POB or Coop may be entitled. The parties acknowledge that actual damages in the event of default would be speculative and difficult to determine.

If the default is cured after the expiration of the two hundred seventy (270) day cure period provided but no later than three hundred sixty-five (365) days after default, then the terms and conditions of this Agreement may be reinstated for the remaining number of years available under Section 3 in which an abatement has not yet been enjoyed.

9. Sale, Assignment, or Lease of Premises; Termination

- 1) This Agreement may be assigned by POB or Coop to an entity controlling, controlled by, or under common control with POB or Coop without further consent of the City.
- 2) This Agreement may be assigned by POB or Coop to any other entity only with the consent of the City, which consent shall not be unreasonably withheld.
- 3) This Agreement shall terminate in the event that POB has not acquired a portion of the Premises from the City or either Amarillo EDC or POB notifies City that POB has not acquired the other portion of the Premises pursuant to the terms and conditions of the Purchase Agreements.

10. Indemnity

It is understood and agreed among the parties that POB and Coop, in performing their obligations hereunder, are acting independently of City and Amarillo EDC. City and Amarillo EDC assume no responsibilities or liabilities in connection therewith to POB, Coop, or third parties, and City agrees that Amarillo EDC has no responsibility or liability under this Agreement with respect to the obligations of POB or Coop. POB and Coop agree to indemnify and hold City and Amarillo EDC and their agents, employees, and officers harmless from penalties, fines, damages of every kind, attorney fees, costs, and interest that arise out of or relate to POB's or Coop's, respectively, acts or omissions relating to the Premises, Qualified Facilities, Qualified Personal Property, or the performance or benefits of this Agreement provided, however, such indemnity shall not extend to matters outside the scope of this Agreement.

11. Notice

Any notice called for or required by this Agreement shall be considered delivered when actually received by a party at the following address, or at such other address as may be designated in writing.

For Coop:

Producer Owned Beef Cooperative, Inc.
800 S. Polk St., Suite 201
Amarillo, Texas 79101
Attention: Casey Cameron, Chairman
Casey@cdccameron.com

For POB:

Producer Owned Beef, LLC
800 S. Polk St., Suite 201
Amarillo, Texas 79101
Attention: Casey Cameron, President and CEO
Casey@cdccameron.com

For City of Amarillo, Texas:

City Manager
City of Amarillo
P.O. Box 1971
Amarillo, Texas 79186-1971
Fax (806) 378-8394

12. City Authorization

This Agreement was authorized by Resolution of the Amarillo City Council approved by a majority of the City Council at a regularly scheduled meeting in accordance with applicable provisions of the Tax Code. The resolution authorized the City Manager, or designee, to execute this Agreement on behalf of the City.

13. POB, Coop, and Amarillo EDC Authorization

This Agreement was entered into by POB, Coop, and Amarillo EDC pursuant to proper authority whereby an authorized executive officer of POB, Coop, and Amarillo EDC, each signing below, were authorized to execute this Agreement on behalf of each entity as shown.

14. Severability

If any section, subsection, paragraph, sentence, phrase, or word of this Agreement is held invalid, illegal, or unconstitutional, the balance of this Agreement shall be enforceable and read as if the parties intended at all times to delete the invalid section, subsection, paragraph, sentence, phrase, or word.

15. Estoppel Certificate

Any party hereto may request an estoppel certificate from another party if the certificate is requested in connection with a bona fide business purpose. The estoppel certificate will be addressed as requested by the party, and shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of primary Abatement in effect, and such other matters reasonably requested by the party.

16. POB and Coop Standing

POB and Coop shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same and POB and Coop shall be entitled to intervene in said litigation.

17. Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Potter County, Texas. This Agreement is performable in Potter County, Texas.

18. Recordation of Agreement

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Potter County, Texas.

19. Entire Agreement

This Agreement contains the entire agreement of the parties on the subject matter herein. This Agreement supersedes any prior written or oral tax abatement agreements or representations between the parties. It may only be modified by written instrument signed by the parties provided, that following the acquisition of the Premises by POB, Amarillo EDC shall not be a necessary party and this Agreement may be modified without Amarillo EDC's consent or acknowledgement.

Notwithstanding the foregoing provisions, this Agreement does not modify, alter, or amend any other agreement or instrument between the City, POB, and/or Coop relating to matters other than the abatement of ad valorem taxes on the Eligible Property Value. This Agreement is being executed in multiple originals which are being distributed for execution to POB, Coop, Amarillo EDC, and the City. Each party agrees that its sole execution of an original shall constitute its consent to, and acceptance of the Agreement, without the necessity of a single copy being executed by all parties.

{Signature Pages Follow}

Executed to be effective as of the Effective Date.

CITY OF AMARILLO, TEXAS

By: _____
Jared Miller, City Manager

Attest:

Stephanie Coggins, City Secretary

Approved as to form:

Bryan S. McWilliams, City Attorney

City’s Acknowledgment

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Jared Miller, City Manager of the City of Amarillo, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the City of Amarillo, Texas, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Amarillo, and that he executed the same as the act of the said City for purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of Texas

PRODUCER OWNED BEEF, LLC

By: _____
Casey Cameron, President and CEO

POB Acknowledgment

PRODUCER OWNED BEEF, LLC

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Casey Cameron, as President and CEO of Producer Owned Beef, LLC, a Texas limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Producer Owned Beef, LLC, that he/she was duly authorized to perform the same by appropriate resolution of such corporation, and that he/she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of Texas

**PRODUCER OWNED BEEF COOPERATIVE,
INC.**

By: _____
Casey Cameron, Chairman

Coop Acknowledgment

PRODUCER OWNED BEEF COOPERATIVE, INC.

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Casey Cameron, as Chariman of Producer Owned Beef Cooperative, Inc., a Delaware nonstock corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Producer Owned Beef Cooperative, Inc., that he/she was duly authorized to perform the same by appropriate resolution of such corporation, and that he/she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of Texas

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: _____
Kevin Carter, President and CEO

Amarillo EDC Acknowledgment

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Kevin Carter, as President and CEO of Amarillo Economic Development Corporation, a Texas nonprofit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Amarillo Economic Development Corporation, that he was duly authorized to perform the same by appropriate resolution of such corporation, and that he executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of Texas

EXHIBIT A
POLICY STATEMENT

08-17-2021

RESOLUTION NO. 08-24-21 - I

**A RESOLUTION OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: ADOPTING GUIDELINES AND
CRITERIA FOR TAX ABATEMENT WITHIN
REINVESTMENT ZONES FOR THE CITY OF
AMARILLO; PROVIDE A SEVERANCE CLAUSE;
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of Amarillo desires to participate in tax abatements from time to time as the City Council may find appropriate, in accordance with the criteria and guidelines herein adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, THAT:

SECTION 1. That for tax abatements in reinvestment zones adopted by the City of Amarillo, the fundamental purpose is to stimulate growth and create jobs, and the following guidelines and general criteria will apply:

- A. Tax abatements may be provided for both new facilities and structures and for the expansion or modernization of existing facilities and structures. Each project proposed for tax abatement shall be considered individually on its own merits, benefit to the public, and in context of any other economic incentives for the project or existing in the reinvestment zone.
- B. The developer, property owner, project owner, or other recipient of a tax abatement must annually certify in writing to the governing body of each participating taxing unit that the developer, owner or recipient is in compliance with each applicable term of the agreement.
- C. Only the taxable value of improvements to real property or tangible personal property that is brought to the real property after the execution of a tax abatement agreement will qualify for tax abatement.
- D. A tax abatement agreement must ensure that the periods of abatement are directly proportional to the capital expenditures for improvements and the number of permanent full-time jobs created.
- E. Expansion or modernization of existing facilities qualifies for tax abatement if the expansion meets the qualifications for capital expenditures and retention of or creation of new jobs nets new jobs. The number of jobs created must be new jobs and not replacement of jobs which were in the payroll within the year immediately prior to application for tax abatement. A tax abatement shall not be granted if the facility has been the subject of or included in a prior tax abatement agreement.
- F. If a new facility is constructed to replace an existing facility, and the existing facility is abandoned by the developer, property owner, project owner, or other recipient of a tax abatement, only the difference in taxable value of the new facility over the existing facility will qualify for tax abatement.
- G. An agreement will be executed by the developer, property owner, project owner, or other recipient of a tax abatement which incorporates the terms of this resolution and includes any other site and development specific terms which might be found applicable at the time.
- H. The tax abatement agreement will require, among other things, that the City of Amarillo will have the right of access to the site and books and records of the applicant for tax abatement to determine compliance with statutory requirements and the agreement. Failure to fulfill any of the requirements of the agreement will result in cancellation of the agreement and retroactive loss of tax abatement.

SECTION 2. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this resolution or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this resolution, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 3. This Resolution is immediately effective upon passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on this the 24 day of August, 2021.

THE CITY OF AMARILLO


Ginger Nelson, Mayor, City of Amarillo

ATTEST:


Stephanie Coggins, City Secretary

APPROVED AS TO FORM:

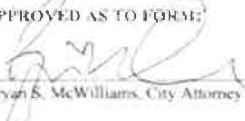

Bryan S. McWilliams, City Attorney

EXHIBIT B

Property Description

The following tracts in Potter County, Texas:

SECT 30 A B & M BLK 0002, IRREG TR BEG 25.76 W & 1659.75FT S OF NE COR SECT
REF 200 0300 0002, 203.4900 ACRES

SECT 30 A B & M BLK 0002, IRREG TR BEING THE MOST WEST & SOUTH PTN OF SEC
30 AND NORTH PTN OF SEC 31, 418.3500 ACRES

SECT 36 A B & M BLK 0002, IRREG TR BEG 120FT W OF NE COR OF SECT ALL LYING
N OF RR, 19.2300 ACRES

SECT 37 A B & M BLK 0002, 264FT W X 561FT N BEG 2607FT W OF SE COR OF SECT,
3.3800 ACRES

SECT 37 A B & M BLK 0002, ENTIRE SECT LESS ROW & LESS VARIOUS TRACTS,
464.2500 ACRES

Amarillo City Council

Agenda Transmittal Memo



G

Meeting Date	May 24, 2022	Council Priority	Economic Development
Department	City Manager's Office	Contact Person	Andrew Freeman, Assistant City Manager

Agenda Caption
CONSIDER APPROVAL OF A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT BETWEEN THE CITY OF AMARILLO AND PRODUCER OWNED BEEF, LLC:

This item authorizes the City Manager to execute a Chapter 380 Agreement with Producer Owned Beef, LLC, for the purposes of building a new 600,000 square feet food processing facility.

Agenda Item Summary
This Chapter 380 Agreement is part of a joint incentive package with the Amarillo EDC's Location Incentive Agreement and the City of Amarillo Tax Abatement being considered on the May 24, 2022 agenda. Highlights of the investment by Producer Owned Beef, LLC includes \$650MM in estimated improvements, 1,600 new employees, and \$75,000,000 in new payroll. The project will be located between i-40 and US Hwy 287 west of FM 1912 on land being sold or conveyed by the City of Amarillo and Amarillo EDC.

Highlights of the Chapter 380 Agreement include:

- City agrees to design and construct a water main extension and associated meter at an approximate cost of \$3.45MM
- City agrees to participate in an amount not to exceed \$120,000 toward a sanitary sewer extension
- One-time permit fee amount of \$1,290,000 for plan reviews and building permit
- Water rate structure agreement for the same rate as the fed cattle beef production facility located northeast of the Rick Husband International Airport
- Producer Owned Beef, LLC consents to future annexation of the property

Requested Action
Approve as presented
Funding Summary
N/A
Community Engagement Summary
N/A
Staff Recommendation
Staff recommends approval as presented

Amarillo City Council

Agenda Transmittal Memo



H

Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – LOCATION INCENTIVE AGREEMENT – BETWEEN AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND CVMR (TEXAS) INC.

This item considers approval of a Location Incentive Agreement (LIA) between Amarillo Economic Development Corporation (AEDC) and CVMR (Texas) Inc. for a project estimated at \$1,500,000,000 in improvements, 1,000 new employees in Phase 1 and \$97,000,000 in new annual projected payroll. Under the LIA, AEDC will provide CVMR (Texas) Inc. \$20,000,000 for the creation of jobs to be paid out over 10 years as they are created, and AEDC will convey 540 acres, valued at \$4,800,000, to CVMR (Texas) Inc.

Agenda Item Summary

CVMR (Texas) Inc. is looking to build a 500,000 sq. ft. Mineral Processing Facility on 540 acres located at US Hwy 60 west of Parsley Road.

Highlights of the project include:

- \$1.5 Billion estimated improvements
- 1000 new employees projected in 1st Phase (Up to 2500 in future phases)
- \$97,000,000 new annual payroll projected
- Incentive of \$20,000,000 for job creation paid over 10 years as they are created
- Incentive of 540 acres conveyed

AEDC is asking the City Council to approve the location incentive agreement. The AEDC Board approved the agreement on May 16, 2022, on a 5-0 vote.

Requested Action

Approval of the Location Incentive Agreement as presented.

Funding Summary

\$20,000,000 for job creation and 400 acres valued at \$4,800,000.00.

Staff Recommendation

AEDC staff is recommending approval of the Location Incentive Agreement. AEDC Board Approved with 5-0 vote on May 16, 2022.

LOCATION INCENTIVES AGREEMENT
by and between
AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and
CVMR (TEXAS) INC.

This Agreement, entered into effective as of the ____ day of _____, 2022 (*Effective Date*), is by and between the **AMARILLO ECONOMIC DEVELOPMENT CORPORATION** (*Amarillo EDC*), a Texas nonprofit corporation organized and chartered under Chapters 501 and 504 of the Texas Local Government Code, having its principal place of business in Amarillo, Potter County, Texas and **CVMR (TEXAS) INC.** (*CVMR*), a Texas corporation with its principal place of business in _____.

Amarillo EDC is a tax-supported non-profit corporation whose primary income is a one-half of one percent sales tax collected within the City of Amarillo dedicated exclusively to economic development. **Amarillo EDC** exists for the primary purpose of stabilizing, diversifying and expanding the Amarillo economy through retention, expansion and recruitment of employment opportunities in order to benefit citizens of Amarillo and the surrounding area.

Amarillo EDC seeks to induce **CVMR** to establish and expand Amarillo Operations (defined below). The creation and retention of new jobs in **CVMR's** Amarillo Operations is expected to have a substantial stimulative effect on the Amarillo economy and create many new jobs for Amarillo citizens both directly in **CVMR's** operations and because of **CVMR's** expenditures for employee wages and goods and services in the Amarillo economy.

CVMR is a rare earth elements technology provider that intends to manufacture and offer its products at and from the Facility (defined below) to customers and clients throughout the United States and beyond. **CVMR** desires to establish and expand Amarillo Operations in order to further take advantage of the desirable business operating environment in Amarillo, an environment that provides lower operating costs than many other metropolitan areas and a highly motivated, well-educated, productive workforce of a size **CVMR** believes is capable of supporting establishment and expansion of Amarillo Operations.

Amarillo EDC, by its execution of this Agreement, extends to **CVMR** an offer of financial incentives as inducement for **CVMR** to establish and expand Amarillo Operations. **CVMR**, by its execution of this Agreement, accepts **Amarillo EDC's** offer of financial incentives. **CVMR** pledges to use its best efforts to cause the construction of the Facility on the Property (defined below) and pledges to use its best efforts to establish and expand Amarillo Operations to the full extent provided in this Agreement.

The following defined terms will be used in this Agreement:

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

Defined Term	Definition
Affiliate	Any entity owning, owned by, or under common ownership with CVMR and that executes and delivers to Amarillo EDC , in form and substance reasonably satisfactory to Amarillo EDC , an agreement to be bound by the reporting requirements of this Agreement
Amarillo Operations	CVMR's and its Affiliates' manufacturing and distribution activities and operations provided primarily at or from the Property with jobs categorized primarily in NAICS Sector Number 32
Date One	December 31, 2023
Date Two	December 31, 2024
Date Three	December 31, 2025
Date Four	December 31, 2026
Date Five	December 31, 2027
Date Six	December 31, 2028
Date Seven	December 31, 2029
Date Eight	December 31, 2030
Date Nine	December 31, 2031
Date Ten	December 31, 2032
Date Eleven	December 31, 2033
Date Twelve	December 31, 2034
Date Thirteen	December 31, 2035
Date Fourteen	December 31, 2036
Date Fifteen	December 31, 2037
Date Sixteen	December 31, 2038
Employee	Employees of CVMR and its Affiliates engaged on behalf of CVMR or its Affiliates in Amarillo Operations at or from the Property who maintain a permanent residence in the Amarillo Metropolitan Statistical Area (being Potter, Randall, Oldham, Armstrong, and Carson Counties, Texas)
Expansion Grant	As more particularly described in Section 3
Expansion Increment	Each full increment of twenty (20) FTEs and \$1,500,000 in Payroll maintained in Amarillo Operations; provided, however, the term will not include increments beyond 1,000 FTEs or \$75,000,000 in Payroll, in the aggregate
Facility	A manufacturing and distribution facility and related improvements (whether one or multiple structures or phases) to be located on the Property at a total cost, including furniture, fixtures, and equipment to be located thereon and used in Amarillo Operations, of no less than \$250,000,000 (not including the value of the Property)

Defined Term	Definition
FTE	An employee, to be counted as one FTE, will be any employee who has worked 1,820 hours or more during that period. Employees working more than 1,820 hours in a year will be counted as one FTE. Part-time Employees for a year will be treated as partial FTEs for the year and will be calculated by dividing the number of hours actually worked for each Employee working less than 1,820 hours by 1,820 and rounded to the nearest one-hundredth place. Full-time but less than full year Employees will be treated as partial FTEs and calculated as above. In no event may any one person count as more than one FTE for any year. The total of full-time FTEs and partial FTEs will constitute the total FTEs for the year.
Payroll	Total Gross Wages (as defined by and reportable to the Texas Workforce Commission) paid to Employees; provided, however, that the following components of compensation will be includable in Payroll: salary, hourly wages, and bonuses
Performance Year	Each 12-month period ending on Date One through Date Sixteen
Property	That certain tract of land in Potter County, Texas depicted and/or described on Exhibit A, attached and incorporated fully

NOW THEREFORE, in consideration of these presents, which are made a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. **Purpose, Amount, and Terms of Incentives Package.**

a. **CVMR** hereby requests and **Amarillo EDC** hereby agrees to provide to **CVMR**, cash and property under the terms and conditions of this Agreement, subject to **CVMR's** qualification therefor. **CVMR** acknowledges that there are one or more potential repayment obligations to **Amarillo EDC** under the terms of this Agreement and that in order to secure **CVMR's** performance, **CVMR** will grant to **Amarillo EDC** a security interest in the Property by written Deed of Trust in the form attached hereto as Exhibit B upon the conveyance to **CVMR** of, and with respect to, the Property. **Amarillo EDC** agrees to reasonably subordinate its lien under such Deed of Trust (***AEDC Lien***) to such liens securing construction and permanent financing of **CVMR's** improvements to the Property (excluding future advances not made to finance the original construction of the Facility or the original permanent financing after construction) which subordination will be evidenced and reflected by a Subordination Agreement in form and content reasonably acceptable to **Amarillo EDC**. Security for the performance by **CVMR** of all obligations arising under or related to this Agreement is the Property, together with its improvements, fixtures, and appurtenances, whether now located on or to be located on the Property. At the Closing (defined below), **CVMR** will execute and deliver the Deed of Trust and all other instruments or documents reasonably necessary or appropriate to implement the terms of this Agreement.

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

b. The consideration to be paid, advanced or expended by **Amarillo EDC** includes, (a) the conveyance by **Amarillo EDC** to **CVMR** of the Property with an agreed present value of \$4,800,000 (which may be referred to herein as the *value of the Property*); and (b) up to \$20,000,000 in cash as job creation and retention grants to be provided, subject to **CVMR**'s qualification therefor, in installments as more specifically set out in this Agreement. The Property is being conveyed and made available to **CVMR** to allow it to construct or cause the construction of the Facility and establish Amarillo Operations thereon. The funds described in Section 3 are being made available to **CVMR** for establishing and expanding Amarillo Operations and will be disbursed to or on behalf of **CVMR** in accordance with the terms of this Agreement, against delivery of all documents or instruments required under this Agreement.

c. **CVMR** agrees to cause **CVMR (USA) Inc.**, a Delaware corporation, to execute and deliver that certain guaranty for the benefit of **Amarillo EDC** in the form of Exhibit C (*Guaranty*). The full execution and delivery of the Guaranty is a precondition to **Amarillo EDC**'s obligations under this Agreement.

2. Conveyance of the Property; Construction of the Facility.

a. Within three (3) months of the Effective Date, the parties will close the conveyance of the Property to **CVMR** by Special Warranty Deed in the form of Exhibit D, attached hereto and made a part hereof for all purposes (*Deed*), at a closing at the Title Company (*Closing*). The Deed will contain a reversionary clause as more specifically described therein, triggered in the event construction of the Facility has not begun within 18 months of Closing¹ or is not thereafter diligently pursued to completion within 36 months of Closing. The Deed will contain "as is, where is, with all faults" disclaimers reasonably acceptable to **Amarillo EDC**.

b. The Closing will occur at American Land Title, LLC, 620 S. Taylor, Suite 104, Amarillo, Texas 79101 (*Title Company*); provided that the parties will reasonably cooperate to accommodate a remote closing. At each Closing, **CVMR** will, at its expense, cause the Title Company to issue to **Amarillo EDC** a lender's policy of title insurance with coverage in the amount of no less than the value of the Property. All costs and fees associated with each Closing (save and except **Amarillo EDC**'s attorneys' fees related to such Closing) will be borne solely by **CVMR**. Without limiting the generality of the foregoing, **CVMR** shall, at its sole expense prior to the Closing, obtain a survey of the Property that is reasonably satisfactory to **Amarillo EDC**. Upon **Amarillo EDC**'s acceptance of such survey (which may not be unreasonably withheld), the surveyed legal description shall replace Exhibit A hereto and be used for all purposes in connection with the Deed and DOT. Taxes for the year of Closing will be prorated to the date of Closing; provided, however, **Amarillo EDC** will be the sole beneficiary of any tax limitations or exemptions applicable prior to such Closing.

¹ Construction of the Facility will be deemed to have begun once Grantee obtains permits and actually breaks ground prior to such date (not including any ceremonial ground breakings).

c. On or before the expiration of 18 months after Closing, **CVMR** agrees to commence construction of the Facility on the Property and to thereafter diligently pursue construction in a commercially reasonable manner. On or before the expiration of 36 months after Closing: (i) **CVMR** agrees to cause the Facility to be ready to be occupied by **CVMR**; and (ii) **CVMR** agrees to commence Amarillo Operations at the Facility. Amarillo Operations will be deemed to have commenced when, and only when: (a) construction of the Facility has been substantially completed (excepting only normal punch-out items); (b) **CVMR** has unconditionally received all approvals and certifications of occupancy and operation from any governmental or other entity with jurisdiction over the Property for the operations contemplated thereby (including a Certificate of Occupancy); (c) at least 40 Employees are employed by **CVMR** and actually working at the Facility; and (d) **CVMR** has delivered written notice certifying such facts to **Amarillo EDC** and provided such back-up documentation as **Amarillo EDC** may reasonably request.

d. The Facility must satisfy all applicable zoning ordinances and covenants. **CVMR** will insure that, with respect to the construction of the Facility, all contractors, subcontractors, and materialmen are timely paid in accordance with their respective contracts. If any liens are filed against the Property, **CVMR** will take such measures to protect the Property including, if necessary, bonding around such liens in accordance with applicable law.

e. If, on or before Date Seven: (i) at least 500,000 square feet of buildings and other permanent improvements have been constructed on the Property (including the Facility); and (ii) at least \$250,000,000 has been expended by **CVMR** for the construction of the Facility and other buildings and permanent improvements on the Property (including furniture, fixtures, and equipment located thereon), **CVMR** may provide written notice of such fact to **Amarillo EDC** and cause **Amarillo EDC** to release the AEDC Lien on the Property. Any such written notice under this Section 2(e) must include such backup documents and information as **Amarillo EDC** may reasonably request to establish **CVMR's** satisfaction of the criteria herein.

f. In the event the AEDC Lien on the Property is not released under the terms of Section 2(e), the AEDC Lien shall continue until the full payment and performance of any and all obligations of **CVMR** under this Agreement. Release of the AEDC Lien under the terms of Section 2(e) will in no event be interpreted to eliminate or reduce any obligation of **CVMR** under this Agreement, each such obligation surviving such release until satisfied in full. Notwithstanding anything else herein to the contrary, **Amarillo EDC** will have no duties under Section 2(e) during the existence of any uncured event of default of **CVMR** under this Agreement, regardless of whether performance is extended under the terms of Section 8.

3. Incentive Opportunities for CVMR's Establishment and Expansion of Amarillo Operations.

a. From and after the Effective Date, **CVMR** agrees to use its best efforts to establish and expand Amarillo Operations, creating new FTEs and increasing Payroll. Provided **CVMR** qualifies under the terms of this Section 3, **Amarillo EDC** will pay to **CVMR** one or more

expansion grant installments under the terms of this section (each an *Expansion Grant* and together the *Expansion Grants*).

b. Each Expansion Grant will be up to \$400,000, payable in ten annual installments of up to \$40,000 each, subject to reduction as described in Section 3(c). **CVMR** will be eligible for one Expansion Grant for each full Expansion Increment newly created on or before Date Seven. **CVMR** agrees to maintain each Expansion Increment in Amarillo Operations for a nine-year period beginning at the end of the Performance Year in which each such Expansion Increment was originally created. So, if the first full Expansion Increment is newly created in the year ending on Date Three, the nine-year Expansion Grant retention requirement begins on January 1, 2026. **No Expansion Increment will be deemed to have been created unless and until both the full 20 FTEs and \$1,500,000 in Payroll for such Expansion Increment have been newly created.**

c. The first of ten annual Expansion Grant installments called for under Section 3(b) will be due after the Performance Year in which a full Expansion Increment is first newly created. For each of the nine years thereafter, if **CVMR** maintains both the additional 20 FTEs and \$1,500,000 in Payroll related to such Expansion Increment, there will be no deduction from the Expansion Grant installment amount due under Section 3(b) for such year and Expansion Increment. If **CVMR** fails to maintain one or both of the FTE or Payroll amounts related to an Expansion Increment in any of the Performance Years following the Date on which an Expansion Increment is newly created, the Expansion Grant installment related to such year and Expansion Increment will be reduced or eliminated altogether, as follows:

1. Should **CVMR** meet only one of either the FTE or Payroll amounts required (20 for FTEs and \$1,500,000 for Payroll) related to an Expansion Increment in a Performance Year, and miss the other target by no more than ten percent (10%), the Expansion Grant installment called for under Section 3(b) for such year and Expansion Increment will be calculated as follows: $\$40,000 \times (\text{Actual amount of FTE or Payroll maintained} / [\text{using the figure that fell short of the required amount}] \text{ related to such Expansion Increment} / [20 \text{ if FTEs fell short or } \$1,500,000 \text{ if Payroll fell short}])$.
2. There will be no Expansion Grant installment due under Section 3(b) for an Expansion Increment in a Performance Year if either: (i) **CVMR** meets only one of either the FTE or Payroll amounts required related to an Expansion Increment (again, being 20 FTEs and \$1,500,000 in Payroll for each Expansion Increment), and misses the other target by more than ten percent (10%); or (ii) **CVMR** fails to achieve (by any margin) both the FTE or Payroll amounts required related to such Expansion Increment.

No level of future performance by **CVMR** will give rise to a payment obligation of **Amarillo EDC** related to prior deductions from Expansion Grant payments. The denominator of the fraction in Section 3(c)(1) will only ever be 20 or \$1,500,000, depending on whether the

additional FTE or Payroll requirement was missed for an Expansion Increment.

d. The Payroll and FTE Reports required to be provided by **CVMR** under Section 5 will be used to measure whether an Expansion Increment has been newly created, and whether it has been maintained. Each payment from **Amarillo EDC** required under this Agreement, including without limitation installments of an Expansion Grant, will be payable within thirty (30) days of **Amarillo EDC's** receipt and approval (which may not be unreasonably withheld) of each Payroll and FTE Report (defined below) or other report or back-up documentation reasonably acceptable to **Amarillo EDC** that establishes **CVMR's** right to such payment.

e. Notwithstanding anything else herein to the contrary, the maximum aggregate amount **Amarillo EDC** will in any event be obligated to pay under this Section 3 is \$20,000,000. After each nine-year Expansion Grant payment period, no Expansion Increment can be newly created for the same increment of FTEs and Payroll.

f. **CVMR** will use the funds provided by **Amarillo EDC** under this Agreement only to establish, maintain, or expand Amarillo Operations.

4. **Potential Repayment Obligation of CVMR.**

a. Notwithstanding anything else herein to the contrary and in addition to any other repayment obligation triggers in this Agreement, should Amarillo Operations cease while **Amarillo EDC** has any potential payment obligation under this Agreement, **CVMR** will not receive any Expansion Grant installments for the year in which Amarillo Operations ceased, nor any future years, and **CVMR** will repay to **Amarillo EDC** the value of the Property within forty-five (45) days of notice of default from **Amarillo EDC**.

b. For purposes of this Section 4, a cessation of Amarillo Operations will be conclusively deemed to have occurred if (i) **Amarillo EDC** reasonably determines that Amarillo Operations have been discontinued; (ii) **CVMR** fails to timely provide the reports required under this Agreement for more than one Performance Year; or (iii) for any Performance Year ending on or after Date Three, **CVMR** maintains less than 70 FTEs in Amarillo Operations. A temporary halt, temporary delay, business disruption, or similar occurrence lasting less than forty-five (45) consecutive days, whether or not caused by a force majeure event, does not, on its own, constitute a cessation of Amarillo Operations.

5. **Measurement of and Provisions for Reporting FTEs and Payroll.**

a. On or before February 28 immediately following each Performance Year, **CVMR** will and will cause each Affiliate with Employees engaged in Amarillo Operations to, without demand or other request therefore, complete and provide to **Amarillo EDC** a written certificate signed by an authorized corporate officer of **CVMR** or the applicable Affiliate on the form attached hereto as Exhibit E, for the immediately preceding Performance Year, together with

all four employer's quarterly reports submitted to the Texas Workforce Commission (*TWC*) along with a list of Employees, the number of hours worked in Amarillo Operations by each Employee in such Performance Year, FTEs that each Employee represents for such year (in no event may any one person count as more than one (1) FTE for any year), Payroll received by each Employee during such year, and a total aggregate number of FTEs maintained and Payroll paid in Amarillo Operations during such year (each a *Payroll and FTE Report*). The Payroll and FTE Report, all TWC reports, and any backup documents or information provided therewith shall be clearly marked to indicate any Employees who were not primarily engaged in Amarillo Operations during the applicable Performance Year. All reporting under this Agreement must be sent by email to reporting@amarilloedc.com and to such other addresses as **Amarillo EDC** may from time-to-time designate in writing to the persons designated to receive notice under this Agreement.

b. **CVMR** and all Affiliates also will allow **Amarillo EDC** and its agents to reasonably examine **CVMR's** and such Affiliate's records necessary to verify employment in Amarillo Operations should **Amarillo EDC** so request. **Amarillo EDC** understands that such information will be for **Amarillo EDC's** use solely to confirm the accuracy of reports required hereunder and to enforce **Amarillo EDC's** rights under this Agreement. Subject to the Public Information Laws (defined below), **Amarillo EDC** agrees that such review and examination will be subject to reasonable confidentiality safeguards (including, without limitation, the execution and delivery by **Amarillo EDC** and/or its agents, as appropriate, of a reasonable and mutually agreeable confidentiality agreement) and that a **CVMR** representative will have the right to accompany **Amarillo EDC** or its agents during such review. **Amarillo EDC** or its agents, as appropriate, will be allowed to make and retain copies or transcriptions of any **CVMR** records. Any inspection will be done with at least five days' advance notice to **CVMR**, will occur during normal working hours, and will continue from day-to-day until complete.

c. **CVMR** will provide reports on a timely basis to **Amarillo EDC**, as provided above, and failure to do so may, in the discretion of **Amarillo EDC**, constitute a condition of default under this Agreement. In the event **CVMR** discovers any Payroll and FTE Report is inaccurate in any way, **CVMR** will immediately notify **Amarillo EDC** of such inaccuracy and immediately provide a substitute Payroll and FTE Report, highlighting each item of information which was inaccurate. If such replacement report establishes that **CVMR** received a payment under this Agreement that it was not entitled to receive, in addition to any other rights or remedies of **Amarillo EDC** hereunder, **CVMR** will immediately repay such amount to **Amarillo EDC** with interest at eight percent (8%) per year since the date of such improper payment.

d. To qualify as an Affiliate of **CVMR** under this Agreement, each such Affiliate must execute and deliver to **Amarillo EDC** a written agreement including such terms as **Amarillo EDC** reasonably deems appropriate, including without limitation an agreement by such Affiliate to be bound by the terms of this Section 5 and to have an authorized corporate officer certify all reports required hereunder as true and correct to **Amarillo EDC**. The qualification of any third-party as an Affiliate under this Agreement will in no way alter the incentive payment procedures under this Agreement (that is, conveyance of the Property and payments of Expansion Grant installments will only ever be payable to **CVMR**).

e. The “floor” for FTEs and Payroll on which each Expansion Increment is measured will rise with the establishment of each Expansion Increment. Similarly, such floor will not be lowered by the expiration of the nine-year performance period for the annual Expansion Grant payments under Section 3(c), related to any Expansion Increment.

f. The Payroll and FTE Reports, as confirmed or modified by an audit by **Amarillo EDC** allowed under this Agreement, will be used to determine **CVMR**’s qualification for any Expansion Grant installments under Section 3(c).

6. **CVMR’s Representations and Warranties.** **CVMR** represents and warrants to **Amarillo EDC** as of the Effective Date and again upon the provision of any reports required to be provided to **Amarillo EDC** hereunder all of the following:

a. **CVMR (Texas) Inc.** is a for-profit corporation, duly organized and existing in good standing under the laws of the State of Texas.

b. The establishment and expansion of Amarillo Operations has been duly authorized by **CVMR**’s board of directors or equivalent governing authority and this Agreement and the performance by **CVMR** of its obligations under this Agreement are not in contravention of any law, rule or regulation or of the provisions of **CVMR**’s certificate of formation or bylaws (or similar formation and governing documents), or of any agreement or instrument to which **CVMR** is a party or by which it may be bound.

c. No litigation or governmental proceeding is pending, or, to the knowledge of any of **CVMR**’s officers, threatened against or affecting **CVMR**, which may result in a material adverse change in **CVMR**’s business, properties, or operations sufficient to jeopardize **CVMR** as a going concern.

d. No Principal (defined below) of **CVMR** or any Affiliate has been convicted of an offense described in Section 9(f), below.

e. No certificate or statement herewith, heretofore delivered, or to be delivered by **CVMR** to **Amarillo EDC** in connection herewith (including, without limitation, any report required to be provided hereunder), or in connection with any transaction contemplated hereby, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements or information contained therein from being misleading.

f. The Texas Public Information Act, the Texas Open Meetings Act, and certain document retention statutes and regulations (together, the **Public Information Laws**) apply to **Amarillo EDC** and, as such, this Agreement and some or all of the information, communications, or documents created, obtained, or maintained by **Amarillo EDC** under this Agreement may be subject to required retention and public disclosure.

7. **Amarillo EDC's Representations and Warranties.** Amarillo EDC represents and warrants to CVMR as of the Effective Date the following:

a. **Amarillo EDC**, to the best of the knowledge of its President and subject to Section 12, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation organized under Chapters 501 and 504 of the Texas Local Government Code.

b. No litigation or governmental proceeding is pending, or, to the knowledge of any of **Amarillo EDC's** officers, threatened against or affecting **Amarillo EDC**, which if adversely determined is reasonably expected to result in **Amarillo EDC's** inability to meet its obligations under this Agreement.

c. To the best of its knowledge and belief, the Public Information Laws require this Agreement to be subject to public disclosure. All or parts of the FTE and Payroll reports required to be provided hereunder, in addition to other documents in **Amarillo EDC's** file or otherwise subject to its control relating to **CVMR**, may also be subject to public disclosure. **Amarillo EDC** will, for so long as it has documents or information that may be confidential or proprietary to **CVMR**, use commercially reasonable means available to it under the Public Information Laws to allow **CVMR** to, at **CVMR's** expense, seek to protect its confidential or proprietary information from public disclosure. For reference, the Texas Public Information Act allows **Amarillo EDC** to do so under Texas Government Code Section 552.305, and as required by that section, **Amarillo EDC** will make a good faith effort to notify **CVMR** of any request involving its information.

8. **Force Majeure.** If, by reason of force majeure, such as war, riot, sabotage, blockage, embargo, failure or inability to secure materials, supplies or labor through ordinary sources by reason of shortages or priority, labor strike, lockout or other labor or industrial disturbance (whether or not on the part of agents or employees of either party); civil disturbance; pandemic; epidemic; government lockdown or quarantine; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake or other casualty, any party is reasonably unable to fulfill its obligations under this Agreement, such party will use reasonable and diligent effort to rectify the situation within a reasonable time, which period will, in no event, be longer than three (3) months, and which period will be added to any scheduled period or deadline hereunder. A force majeure event merely pauses a party's performance obligation for the duration of the event, subject to the limit in this Section 8, but does not excuse it.

9. **Events of Default and Remedies.** In addition to any other right of **Amarillo EDC** elsewhere in this Agreement, the following will be events of default under this Agreement:

a. The insolvency of **CVMR**. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due or is insolvent within the meaning of the federal bankruptcy law.

b. The appointment of a receiver of **CVMR**, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

c. The filing by **CVMR** of a petition to be adjudged bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

d. The failure of **CVMR** to pay or perform any of its obligations under this Agreement within the time periods required by this Agreement.

e. Any material misrepresentation or materially inaccurate report, whether or not knowingly or intentionally provided, of **CVMR** to **Amarillo EDC**; provided that inaccuracies in any Payroll and FTE Report will be “material” only if such reports over-stated FTE or Payroll levels by more than two and one-half percent (2.5%).

f. The conviction of (which shall include the pleading of guilty or no contest or otherwise judicially admitting to the crime) any Principal in any jurisdiction of a state jail felony crime or any comparable or more severe offense.

In addition to any other remedy available by law, should any of these conditions not be cured within a period of thirty (30) days following written notice from **Amarillo EDC** (if curable), **Amarillo EDC** may, at its option, terminate any and all obligations of **Amarillo EDC** under this Agreement and require repayment of all funds expended by **Amarillo EDC** pursuant to the terms of this Agreement (including the value of the Property), less any amounts previously repaid by **CVMR**.

As used herein, the term *Principal* means any executive officer, partner, or owner (whether directly or through one or more other entities) of **CVMR** or one of its Affiliates.

10. **Governing Law, Venue, and Attorneys’ Fees.** All obligations of the parties are performable in Amarillo, Potter County, Texas, and this Agreement is governed by the laws of the State of Texas. Venue for any action arising from or related to this Agreement will be exclusively in the State District Courts in and for Potter County, Texas. The parties waive any claim that such forum is inappropriate or inconvenient. The prevailing party to any lawsuit arising from or related to this Agreement will be entitled to recover its reasonable and necessary attorneys’ fees and costs. Interest on amounts past-due hereunder will accrue at the rate of eight percent (8%) per year.

11. **Notice.** All notifications required under and/or having to do with this Agreement will be made to the following:

For Amarillo EDC

With a copy (which will not constitute notice) to

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ CVMR ____

Attn: Mr. Kevin Carter, President/CEO
Amarillo Economic Development Corporation
600 S. Tyler, Suite 1600
Amarillo, Texas 79101
Reporting@AmarilloEDC.com
Kevin@AmarilloEDC.com

John B. Atkins
Underwood Law Firm, P.C.
P.O. Box 9158
Amarillo, Texas 79105
Facsimile: (806) 242-0521
John.Atkins@uwlaw.com

For CVMR

Attn: _____

Email: _____

The correspondence address for either party may be revised from time-to-time upon advance written notice to the other party.

12. **Amarillo EDC Board and City Council Approval.** This Agreement is part of a Project (as defined in Chapters 501 and 504 of the Texas Local Government Code). If the Project is not approved by the Board of Directors of the **Amarillo EDC** and the City Council of the City of Amarillo, Texas within forty-five (45) days of the Effective Date, this Agreement will terminate without further obligations upon **Amarillo EDC** or **CVMR**.

13. **Tax Abatement.** **Amarillo EDC** will reasonably cooperate in **CVMR's** application for: (i) tax abatement on the Property under Chapter 312 of the Texas Tax Code to any taxing authority with jurisdiction over the Property; and (ii) tax limitation on the Property under Chapter 313 of the Texas Tax Code to the applicable school district, in each case at **CVMR's** expense (including without limitation any abatement or limitation application or other fees). While the taxing districts have historically been receptive to requests for tax abatement when significant investment in real property and job creation are shown, **Amarillo EDC** has no authority over such taxing districts and does not warrant or represent that **CVMR** will be granted tax abatement by any or all of the tax districts.

14. **Cooperation on Publicity.** **CVMR** agrees to cause one or more of its senior representatives to attend all public events (e.g. Board or City Council meetings, ground-breakings, press conferences) related in any way to this Agreement, the Facility, and the like. Further, **CVMR** agrees to reasonably cooperate with **Amarillo EDC** on press releases and other publicity related to the subject matter of this Agreement, the Facility, and on-going efforts related to the recruitment and retention efforts of **Amarillo EDC** directed toward **CVMR**.

15. **Broker Commissions.** CVMR represents and warrants to Amarillo EDC that CVMR is solely responsible for any commissions or similar fees (each a *Commission*) of brokers, finders, realtors, or similar agents claiming a right to a Commission by, though, or under CVMR and will indemnify, defend, and hold Amarillo EDC harmless from any claims or liabilities for such a Commission.

16. **Certification Regarding Undocumented Workers.**

a. CVMR certifies that it does not and will not knowingly employ an Undocumented Worker, defined below, between the Effective Date and the date upon which both parties no longer owe any duties under this Agreement. *Undocumented Worker* will mean an individual who, at any time during employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under law to be employed in that manner in the United States. CVMR will immediately notify Amarillo EDC if: (i) CVMR becomes aware it employs or has employed an Undocumented Worker; (ii) CVMR becomes aware or receives notice that it is alleged to have employed an Undocumented Worker; or (iii) CVMR is convicted of a violation under the following subparagraph.

b. If between the Effective Date and the date on which both parties no longer owe any duties under this Agreement, CVMR knowingly employs an Undocumented Worker or is convicted of a violation under 8 U.S.C. Section 1324a(f), CVMR will repay to Amarillo EDC the entire benefit received by CVMR pursuant to the terms of this Agreement (including the value of the Property and all Expansion Grant installments). Such amount will be due and payable in full on the 120th day after the date Amarillo EDC notifies CVMR of the violation and interest will accrue on such amount at the contract rate thereafter.

17. **Signatures.** This Agreement may be executed in counterparts and, if so executed, shall be valid, binding, and have the same effect as if all the Parties hereto actually joined in and executed one and the same document. Facsimile, scanned, and electronic signatures shall be treated as originals for all purposes.

18. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

THIS AGREEMENT IS BINDING UPON THE PARTIES HERETO AND THEIR SUCCESSORS AND ASSIGNS; HOWEVER, IT MAY NOT BE ASSIGNED BY EITHER PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER, WHICH CONSENT WILL NOT BE UNREASONABLY WITHHELD.

THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

{Signature Page Follows}

EXECUTED by the parties hereto effective as of the Effective Date.

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: _____
Kevin Carter, President and CEO

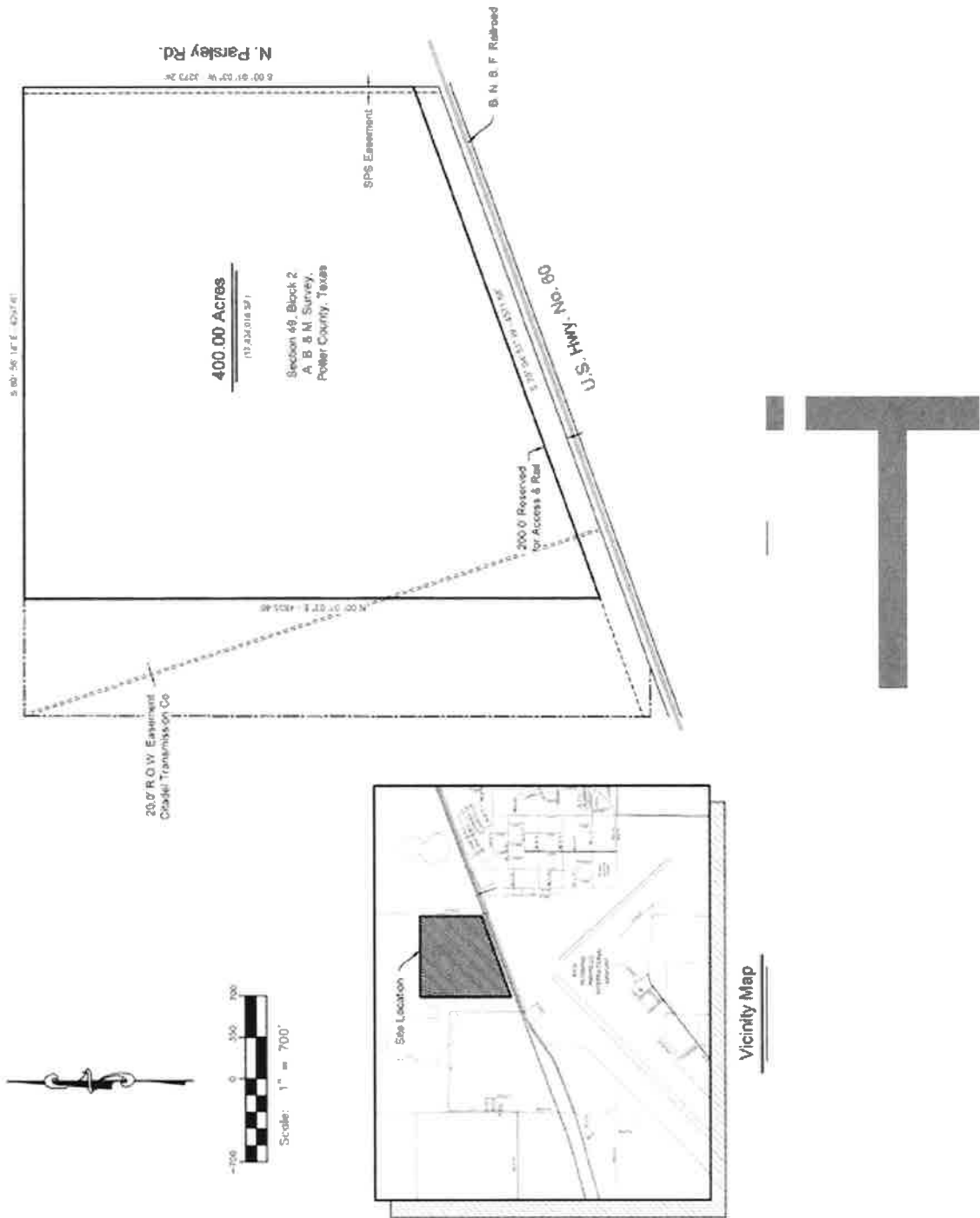
CVMR (TEXAS) INC.

By: _____

DRAFT

EXHIBIT A

PROPERTY DEPICTION



LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC _____ **CVMR** _____

EXHIBIT B
DEED OF TRUST

Date: _____, 2022

Grantor: CVMR (TEXAS) INC., a Texas corporation

Grantor's Mailing Address (including county):

Trustee: JOHN B. ATKINS

Trustee's Mailing Address (including county):

500 South Taylor, Suite 1200, LB 233
Amarillo (Potter County), Texas 79101

Beneficiary: AMARILLO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation

Beneficiary's Mailing Address (including county):

600 S. Tyler, Suite 1600
Amarillo (Potter County), Texas 79101

LIA: Location Incentives Agreement between Grantor and Beneficiary dated _____, 2022

Terms of Payment: As provided under the LIA.

Property: As described on Exhibit A, attached.

Prior Liens: _____

Other Exceptions to Conveyance and Warranty:

This Property is subject to all easements, rights-of-way, and prescriptive rights, whether of record or visible and apparent; all presently recorded restrictions, reservations, covenant conditions, municipal zoning restrictions, oil and gas leases, mineral severances, and other instruments, other than liens and conveyances, that affect the Property; rights of adjoining owners of any walls and fences situated on a common boundary; any discrepancies,

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ CVMR ____

conflicts, or shortages in area or boundary lines, and any encroachments or overlapping of improvements.

For value received and to secure payment of any and all obligations of Grantor under the LIA (collectively, the **Obligations**), Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property. If Grantor performs all the covenants and satisfies all the Obligations, this Deed of Trust shall have no further effect, and Beneficiary shall release it at Grantor's expense.

Grantor's Obligations

Subject to the terms and conditions of the LIA, Grantor agrees to:

1. keep the Property in good repair and condition, reasonable wear and tear excepted;
2. pay all taxes and assessments on the property when due;
3. preserve the lien's priority as it is established in this Deed of Trust;
4. maintain an insurance policy evidenced by a certificate of insurance that:
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. provides fire and extended coverage, including windstorm coverage;
 - c. protects Beneficiary with a standard mortgage clause;
 - d. provides flood insurance at any time the property is in a flood hazard area; and
 - e. contains such other coverage as Beneficiary may reasonably require;
5. deliver evidence of insurance in the form of a certificate of insurance to Beneficiary and deliver renewals to Beneficiary within thirty days of renewal of the policy;
6. keep any buildings occupied as required by the insurance policy; and
7. if this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds from the LIA are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. If there shall occur any insured damage to or destruction of the Property or any part thereof, and if (i) in the judgment of Grantor's engineers the Property can be restored, within a reasonable time to an economic unit valuable adequately securing the obligation, and (ii) Beneficiary receives assurances reasonably satisfactory to Beneficiary that revenue from the Property will continue in full force and effect after restoration and Amarillo Operations can be maintained as defined and required under the LIA, then, if and so long as there is no Default hereunder, Beneficiary will make

available to Grantor for such restoration, proceeds of insurance, if any, collected by Beneficiary because of the act or occurrence and not restricted by any adverse claim thereto.

- 4. If Grantor fails to perform any of Grantor’s obligations, Beneficiary may, pursuant to terms and conditions of the LIA perform those obligations and be reimbursed by Grantor on demand for any sums so paid, including reasonable attorney’s fees, plus interest on those sums from the dates of payment at the rate stated in the LIA. The sum to be reimbursed shall be secured by this deed of trust.
- 5. If Grantor fails to perform any of Grantor’s obligations under the LIA or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by the LIA, then Beneficiary may:
 - a. declare the amount owed by Grantor under the LIA immediately due;
 - b. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary’s agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and
 - c. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligations.

Trustee’s Duties

If requested by Beneficiary to foreclose this lien, Trustee shall:

- 1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
- 2. sell and convey all or part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and
- 3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure;
 - b. to Beneficiary, the full amount of principal, interest, attorney’s fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance.

General Provisions

- 1. If any of the Property is sold under this Deed of Trust, Grantor shall immediately surrender possession to the purchaser thereof. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
- 2. Recitals in any Trustee’s deed conveying the Property will be presumed to be true. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

3. This lien shall remain superior to liens later created even if the time of payment of all or part of Grantor's obligations under the LIA are extended or part of the Property is released.
4. If any portion of Grantor's obligations under the LIA cannot be lawfully secured by this Deed of Trust, payments shall be applied first to discharge of that portion.
5. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses reasonably incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the amounts owed under the LIA. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
6. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in Default under the LIA or this Deed of Trust. Grantor will apply all rent and other income and receipts to payment of its obligations under the LIA and performance of this Deed of Trust, but if the rent and other income and receipts exceed the amount due under the LIA and Deed of Trust, Grantor may retain the excess. If Grantor defaults in payment of the Obligations or performance of this Deed of Trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the Property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the Property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the LIA and this Deed of Trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.
7. Interest on the Obligations is secured by this Deed of Trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.
8. When the context requires, singular nouns and pronouns include the plural.

14. Grantor may hereafter become indebted to Beneficiary in further sum or sums. Notwithstanding the provisions hereof, Grantor shall not be in default for failure to pay or discharge any tax, assessment, or mechanic's or materialman's lien asserted against the Property if, and so long as, (a) Grantor shall have notified Beneficiary of same within ten days of obtaining knowledge thereof; (b) Grantor shall diligently and in good faith contest the same by appropriate legal proceedings which shall operate to prevent the enforcement or collection of the same and the sale of the Property or any part thereof, to satisfy the same; and (c) Grantor shall promptly upon final determination thereof pay the amount of any such tax, assessment or claim so determined, together with all costs, interest and penalties which may be payable in

By: _____

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2022,
by _____, as _____ of CVMR (Texas) Inc., a Texas corporation, on
behalf of said company.

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC _____ CVMR _____

**EXHIBIT A
TO DEED OF TRUST**

[INSERT LEGAL DESCRIPTION BASED UPON SURVEY]

After recording return to:

John B. Atkins
Underwood Law Firm, P.C.
P.O. Box 9158
Amarillo, Texas 79105

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

EXHIBIT C
GUARANTY FOR THE BENEFIT OF
AMARILLO ECONOMIC DEVELOPMENT CORPORATION

Specification of Obligations Guaranteed. By written agreement entitled Location Incentives Agreement (the *Agreement*) by and between **AMARILLO ECONOMIC DEVELOPMENT CORPORATION (Amarillo EDC)** and **CVMR (TEXAS) INC.**, a Texas corporation (**CVMR**) dated _____, 2022, **Amarillo EDC** and **CVMR** entered into an agreement to induce **CVMR** to establish and expand Amarillo Operations as therein defined. As inducement for **Amarillo EDC** to enter into such Agreement, the Agreement provides that **CVMR (USA) Inc.**, a Delaware corporation, (together if more than one, jointly and severally, **Guarantor**) shall guarantee performance of the obligations of **CVMR** under the Agreement, which is incorporated herein by reference and made a part hereof for all purposes.

Consideration. In consideration of the mutual promises and agreements contained in the Agreement, and to induce **Amarillo EDC** to enter into the Agreement, **Guarantor** hereby undertakes this unconditional Guaranty.

Guaranty by Guarantor. For the consideration recited above, and in compliance with the requirements of the Agreement, **Guarantor** does hereby guarantee to **Amarillo EDC**, its successors and assigns, as provided herein the due and punctual payment and performance by **CVMR** of **CVMR's** obligations contained in the Agreement. This Guaranty shall only expire when all obligations of **CVMR** shall have been performed in accordance with the Agreement. As from the expiration of this Guaranty, the **Guarantor** shall have no further obligations or liability under this Guaranty, whether or not this Guaranty is returned to the **Guarantor**. Nothing herein shall, however, be construed as imposing greater obligations and liabilities on **Guarantor** than are imposed on **CVMR** under the Agreement.

Guaranty of Payment. This is an unconditional and continuing guaranty of payment and performance to **Amarillo EDC**, its successors and assigns, and not just a guaranty of collection. **Amarillo EDC** may enforce **Guarantor's** obligations hereunder without first suing or enforcing its rights or remedies for an uncured default against **CVMR** or against any other guarantor and if an action for enforcement is brought directly against **Guarantor**, **Guarantor** shall be entitled to all defenses available to **CVMR**. Alternatively, **Amarillo EDC** may enforce the Agreement obligations against **CVMR**, any final judgment for which shall be covered by this Guaranty. If **Amarillo EDC** recovers a final, unappealable judgment against **CVMR**, **Guarantor** shall not be entitled to assert any defense to the payment of such judgment or recovery, whether or not such defense could be separately asserted by **Guarantor** as a guarantor, so long as **Guarantor** shall not have been prevented by **Amarillo EDC** from intervening in any action brought by **Amarillo EDC**. Performance by **Guarantor** under the terms of this Guaranty shall in no event excuse or alleviate performance by **CVMR** of any other obligation under the terms of the Agreement not so performed by **Guarantor**, provided, however, **Amarillo EDC** shall not be entitled to double recovery.

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC. **Amarillo EDC** ____ **CVMR** ____

Continuation of Guaranty in Regard to Specific Events. **Guarantor** hereby consents and agrees to and acknowledges that its obligations hereunder shall not be released or discharged by, the following: (a) the modification or alteration of the Agreement; (b) any forbearance or compromises granted to **CVMR** by **Amarillo EDC**; and (c) the insolvency, bankruptcy, liquidation, dissolution, or reorganization of **CVMR**. Failure by **Amarillo EDC** to exercise its rights herein shall not operate as a waiver of the default or any other default thereafter. **Guarantor's** guaranty obligations will not be released, diminished, or discharged by any permitted assignment or subletting by **CVMR**, or by the acquisition or merger or consolidation of **CVMR**, or the acquisition of some or all of **CVMR's** assets by any person or entity.

Guarantor's Representations and Warranties. **Guarantor** represents and warrants the following:

- a. It is duly formed, validly existing, and in good standing under the laws of its State of incorporation;
- b. It has all requisite power and authority to enter into this Guaranty and to carry out the terms and provisions of this Guaranty and **Guarantor's** responsibilities specified in the Agreement;
- c. The execution of this Guaranty is not in contravention of any law, rule or regulations or of any agreement or instrument to which it is a party or by which it may be bound;
- d. No action, proceeding, or investigation is pending or threatened which in any way prevents or interferes with or adversely affects its ability to enter into and perform under this Guaranty, or its ability to meet its obligations under this Guaranty; and
- e. It is an equity owner or affiliate of **CVMR** and has received or will receive direct or indirect consideration from the Agreement and the making of this Guaranty; it is familiar with the financial condition of **CVMR**; and **Amarillo EDC** has made no representations to it in order to induce it to execute this Guaranty other than as set forth in the Agreement.

Attorneys' Fees and Costs of Litigation. **Guarantor** agrees to reimburse **Amarillo EDC** for all expenses reasonably incurred in the enforcement of this Guaranty, including, but not limited to, reasonable attorneys' fees and court costs.

Notification. All notifications required under and/or having to do with this Guaranty shall be made to the following:

For **Amarillo EDC**:
Amarillo Economic Development Corporation
Attn: Kevin Carter, President and CEO
600 S. Tyler, Suite 1600

Amarillo, TX 79101

For **Guarantor**:
CVMR (USA) INC.
Attn: _____

Place of Performance of Guaranty. This Guaranty, performable by **Guarantor** in Amarillo, Potter County, Texas, embodies the entire agreement between the parties hereto, and supersedes all prior agreements, conditions and understandings, if any, related to the subject matter hereof. This Guaranty may be amended only by a written instrument executed by **Guarantor** and **Amarillo EDC**. The substantive laws of the State of Texas shall govern the validity, construction, enforcement and interpretation of this Guaranty.

EXECUTED this ____ day of _____, 2022.

Guarantor:
CVMR (USA) INC.
By: _____
Printed Name: _____
Title: _____

ACCEPTED:
Amarillo Economic Development Corporation

By: _____
Kevin Carter, President and CEO

EXHIBIT D

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY 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.

SPECIAL WARRANTY DEED

Date: _____, 2022

Grantor: Amarillo Economic Development Corporation, a Texas non-profit corporation

Grantor's Mailing Address:

600 S. Tyler, Suite 1600
Amarillo, Texas 79101

Grantee: CVMR (Texas) Inc., a Texas corporation

Grantee's Mailing Address:

Consideration: Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Grantor, together with obligations owed or that may become owed by Grantee under that certain Location Incentives Agreement dated as of _____, 2022, executed by Grantee and Grantor (the **LIA**). Performance by Grantee under the LIA is secured by a deed of trust lien against the Property as set forth in a deed of trust of even date from Grantee to JOHN B. ATKINS, TRUSTEE.

Property (including any improvements):

That certain property in Potter County, Texas, described on Exhibit A, attached and incorporated herein for all purposes.

Reservations from Conveyance and Exceptions to Conveyance and Warranty:

Those items listed on Exhibit B, attached hereto and incorporated herein by reference.

GRANTEE IS PURCHASING THE PROPERTY "**AS IS**" WITH ALL FAULTS AND DEFECTS, AND GRANTEE ACKNOWLEDGES AND AGREES THAT, GRANTOR

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ CVMR ____

HAS NOT MADE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE, GAS OR SUBSTANCE OR SOLID WASTE ON OR ABOUT THE PROPERTY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY INTEND TO CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION INCLUDING, WITHOUT LIMITATION, ALL APPLICABLE ZONING LAWS, (E) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OF THE PROPERTY, OR (F) ANY OTHER MATTER RELATED TO OR CONCERNING THE PROPERTY, AND GRANTEE SHALL NOT SEEK RECOURSE AGAINST GRANTOR ON ACCOUNT OF ANY LOSS, COST OR EXPENSE SUFFERED OR INCURRED BY GRANTEE WITH REGARD TO ANY OF THE MATTERS DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE. GRANTEE ACKNOWLEDGES THAT GRANTEE, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED BY GRANTOR. GRANTEE ACKNOWLEDGES THAT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH IN THIS DEED ARE AN INTEGRAL PORTION OF THIS DEED AND THAT GRANTOR WOULD NOT SELL THE PROPERTY TO GRANTEE WITHOUT THE DISCLAIMERS, AGREEMENTS AND OTHER STATEMENTS SET FORTH HEREIN.

It is expressly understood and agreed, however, that this conveyance is made upon the condition that Grantee, subject to Excusable Delays (defined below): (i) commences construction of the Facility within 18 months of the date hereof (which will be deemed satisfied if Grantee obtains permits and actually breaks ground prior to such date), and (ii) thereafter pursues construction of the Facility in a commercially reasonable manner to Substantial Completion within 36 months after the date hereof. Should Grantee fail to meet either of the conditions above, title to the Property shall revert to Grantor, its successors or assigns. As used herein, the term “Facility” shall mean those certain industrial buildings and related improvements as defined in the LIA and to be located on the Property conveyed hereby; and the term “Excusable Delay” shall mean any delay in obtaining the necessary permits and approvals or in the actual construction of the Facility caused by strikes, lockouts, labor disputes, casualties, terrorism, acts of God or the public enemy, governmental embargo restrictions, shortages of fuel, labor or building materials, action or non-action of public utilities, or adverse weather conditions. Furthermore, the Facility shall

be deemed “Substantially Complete” only upon the satisfaction of all of the following: (a) construction of the Facility has been substantially completed excepting only normal punch-out items; (b) Grantee has unconditionally received all approvals and certifications of occupancy and operation from any governmental or other entity with jurisdiction over the Property for the operations contemplated by Grantee; and (c) Grantee has delivered written notice certifying such facts to Grantor and providing such back-up documentation as Grantor may reasonably request. In the event of an Excusable Delay, the time required to commence or Substantially Complete construction of the Facility shall be extended for only such period of time as may be reasonable necessary to compensate for the resulting delay.

Grantor, for the consideration and subject to the reservations from and 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 wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: Kevin Carter, President and CEO

STATE OF TEXAS §

COUNTY OF POTTER §

This instrument was acknowledged before me on the ____ day of _____, 2022, by Kevin Carter, President and CEO of AMARILLO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation, on behalf of said corporation.

Notary Public, State of Texas

ACCEPTED:

CVMR (Texas) Inc.

By: _____

Printed Name: _____

Title: _____

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

**EXHIBIT A
TO SPECIAL WARRANTY DEED
PROPERTY DESCRIPTION**

[INSERT LEGAL DESCRIPTION BASED ON SURVEY]

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

EXHIBIT B
TO SPECIAL WARRANTY DEED
RESERVATIONS & EXCEPTIONS TO CONVEYANCE AND WARRANTY

- 1. Taxes for the year of closing and all subsequent years.
- 2. Roll-back, change-in-use, and similar taxes whether related to or assessed before or after closing.
- 3. [Other items revealed by the final Commitment for Title Insurance]

AFTER RECORDING RETURN TO:

PREPARED IN THE LAW OFFICE OF:
Underwood Law Firm, P.C.
P.O. Box 9158
Amarillo, Texas 79105

DRAFT

LOCATION INCENTIVES AGREEMENT: _____, 2022
between AMARILLO ECONOMIC DEVELOPMENT CORPORATION
and CVMR (TEXAS) INC.

Amarillo EDC ____ **CVMR** ____

EXHIBIT E
FORM OF PAYROLL AND FTE REPORT

[CVMR LETTERHEAD]

I, _____[PRINTED NAME]_____, as _____[TITLE]_____ of CVMR (Texas) Inc., a Texas corporation, (***CVMR***), provide this report in connection with that certain Location Incentives Agreement (***Agreement***) between CVMR and the Amarillo Economic Development Corporation (***Amarillo EDC***) dated effective as of _____, 2022. Capitalized terms used but not defined herein shall have the meaning as set forth in the Agreement.

I hereby certify and confirm to the Amarillo EDC on behalf of CVMR that the following are true and correct for the Performance Year (as defined in the Agreement) indicated below:

- DRAFT

 1. All funds received by CVMR from Amarillo EDC under the Agreement have been used solely for the land, buildings, equipment, facilities, expenditures, targeted infrastructure, or improvements to construct, equip, and improve the Facility and CVMR's operations thereon.
 2. The aggregate number of FTEs maintained for the indicated Performance Year totaled:
_____.
 3. Payroll in Amarillo Operations for the indicated Performance Year totaled:
\$ _____.
 4. Attached hereto are true and correct copies of the back-up documents and information confirming the FTE and Payroll figures reported above, assembled in satisfaction of the reporting requirements of the Agreement.

PERFORMANCE YEAR: **January 1, 20**____ **through December 31, 20**_____

Printed Name: _____
Title: _____

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	May 24, 2022	Council Pillar	Economic Development
Department	Amarillo Economic Development Corporation		
Contact	Kevin Carter, President and CEO		

Agenda Caption

CONSIDER APPROVAL – TAX ABATEMENT AGREEMENT – BETWEEN CITY OF AMARILLO AND AMARILLO ECONOMIC DEVELOPMENT CORPORATION AND CVMR (TEXAS) INC.

This item considers approval of a Tax Abatement Agreement between the City of Amarillo, the Amarillo Economic Development Corporation (AEDC) and CVMR (Texas) Inc. The agreement would provide for an abatement of future taxes on the construction and equipment costs at 100% abatement for 10 years on \$1,500,000,000 estimated cost of improvements.

Agenda Item Summary

CVMR (Texas) Inc. is looking to build a 500,000 sq. ft. Mineral Processing Facility on 540 acres located at US Hwy 60 west of Parsley Road.

- Highlights of the project include:
- \$1.5 Billion estimated improvements
 - 1000 new employees projected in 1st Phase (Up to 2500 in future phases)
 - \$97,000,000 new annual payroll projected
 - Incentive of \$20,000,000 for job creation paid over 10 years as they are created
 - Incentive of 540 acres conveyed

AEDC is asking the City Council to approve an abatement of future taxes on the construction and equipment costs. AEDC is recommending 100% abatement for 10 years on the above costs.

Requested Action

Approval of the Tax Abatement Agreement as presented.

Funding Summary

N/A

Staff Recommendation

AEDC staff is recommending approval of the Tax Abatement Agreement.

**TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF AMARILLO,
AMARILLO ECONOMIC DEVELOPMENT CORPORATION,
AND CVMR (TEXAS) INC.**

STATE OF TEXAS §
 §
COUNTY OF POTTER §

This Tax Abatement Agreement (“**Agreement**”), is entered into as of this 24th day of May, 2022 (“**Effective Date**”), by and between the City of Amarillo, Texas (“**City**”), a home rule city and municipal corporation located in Potter and Randall Counties, Texas, duly acting herein by and through its City Manager or other designated representative, Amarillo Economic Development Corporation, a Texas nonprofit corporation (“**Amarillo EDC**”), CVMR (Texas) Inc., a Texas corporation (“**Recipient**”).

WITNESSETH:

WHEREAS, the City Council of the City of Amarillo, Texas (“**City Council**”) indicated its election to be eligible to participate in Tax Abatements in the Resolution Adopting Guidelines and Criteria for Tax Abatement in the City of Amarillo (“**Policy Statement**”), by the passage of Resolution No. 7-26-88-1 on the 21st day of July, 1988; and

WHEREAS, on the 24th day of August, 2021, the City Council readopted the Policy Statement by the passage of Resolution No. 08-24-21-1; and

WHEREAS, the City’s current Policy Statement entitled:

RESOLUTION ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT WITHIN REINVESTMENT ZONES
FOR THE
CITY OF AMARILLO

Is attached as Exhibit A hereto; and

WHEREAS, the Policy Statement constitutes appropriate “guidelines and criteria” governing tax abatement agreements which may be entered into by the City as contemplated by the Texas Tax Code (“**Tax Code**”), and provides for the availability of tax abatement for both new facilities and structures and for the contemplated expansion or modernization of existing facilities or structures; and

WHEREAS, entering into this Agreement will produce public benefits:

- 1) enhancing and diversifying the economic and industrial bases of the Amarillo area;
- 2) contributing to the retention and expansion of primary employment; and

- 3) attracting major investment that will be of benefit to the Premises (as hereafter defined) and that will contribute to the economic development of the City; and

WHEREAS, on the 24th day of May, 2022, the City Council adopted Ordinance No. 7978 establishing City of Amarillo Reinvestment Zone No. 18 (“**Zone**”) for commercial/industrial tax abatement, as authorized by Tax Code Chapter 312; and

WHEREAS, Amarillo EDC currently holds title to the Premises, but Recipient desires to receive title to the Premises under a written agreement with Amarillo EDC (the “**Purchase Agreement**”); and

WHEREAS, the contemplated uses of the Premises (a manufacturing and distribution facility, whether in one or more structures), the contemplated improvements to the Premises as set forth in this Agreement, the contemplated equipment, and other business personal property, and the other terms of this Agreement will encourage development of the Zone, are in accordance with the purposes for its creation, and are in compliance with the Policy Statement, the Ordinance, and all applicable laws; and

WHEREAS, Recipient’s use of the Premises is expected to favorably influence the economic and employment base of the City, to wit: within 48 months of the completion of the facility to be located on the Premises to provide more than 500 new full time jobs; and

WHEREAS, the City Council finds that the improvements sought are feasible and practical and will be of benefit to the Premises, the Zone, and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the proposed Qualified Facilities and Qualified Personal Property (as hereafter defined) subject to this Agreement meet the applicable guidelines and criteria previously adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the law, to the presiding officers of the governing bodies of each of the taxing units in which the Premises subject to the Agreement is located.

NOW, THEREFORE, the City for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment to the Zone and business activity which contributes to the overall economic development of the City and enhancement of the tax base in the City; the City, Amarillo EDC, and Recipient for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged by each, which consideration includes the tax abatement set forth below, as authorized by Tax Code Chapter 312, Subchapter B, do hereby contract and agree as follows:

1. Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

- 1) “Tax Code” means the relevant provisions of the Texas Tax Code.

- 2) “Eligible Property Value” shall mean the value of Recipient’s Qualified Facilities and Qualified Personal Property that:
 - a) is eligible for tax abatement under Tax Code Chapter 312 (which shall not include the real property’s current value – only increase in value of the real property may be exempted); and
 - b) has taxable situs in the Zone on January 1 of the first tax year as set forth in Section 3 or on January 1 of any subsequent tax year as set forth in Section 3.

However, pursuant to Tax Code Section 312.204, tangible personal property that was located on the Premises before the beginning date of the abatement period shall not be eligible for tax abatement. Supplies and inventory located in the Zone at any time shall not be eligible for tax abatement.

- 3) “Qualified Facilities” shall mean the buildings and other improvements constructed by or for the benefit of Recipients for design, assembly, manufacturing, storage, training, repair, distribution or other purposes in the Zone, consisting of no less than 500,000 ft² and expected to cost no less than \$250,000,000, including furniture and equipment.
- 4) “Qualified Personal Property” shall mean the machinery, equipment, furniture, fixtures, and other tangible personal property that are eligible for tax abatement under Tax Code Chapter 312, consisting of furniture, fixtures, and equipment sufficient to carry on Recipient’s manufacturing and distribution activities, and that:
 - a) is owned by Recipient or a third party as described in Section 2(11)(b);
 - b) is located in the Zone; and
 - c) but for this Agreement would be subject to appraisal by the Potter County Appraisal District or its successor for the applicable tax year.
- 5) “Premises” shall mean the parcel of land owned by Amarillo EDC and to be owned by Recipient under the Purchase Agreement in Amarillo, Potter County, Texas, as described on Exhibit B, which is attached hereto and incorporated by reference, and is located within the Zone (or that entirely constitutes the Zone).
- 6) “Abatement” shall mean the tax abatement rate in those percentages set forth in Section 5 for each applicable year.

2. General Provisions

- 1) Recipient agrees that its use of the Premises will be in accordance with applicable state and local laws and regulations.

- 2) The parties agree that the periods of abatement under this Agreement are directly proportional to the capital expenditures for improvements and the number of permanent full-time jobs to be created by Recipient.
- 3) The procedures followed by the City in the enforcement and administration of this Agreement will conform to the requirements of the Tax Code and other applicable law. To the extent possible, these procedures will be undertaken in coordination with Recipient's corporate, public, employee, and business relations requirements.
- 4) The Premises are presently owned by Amarillo EDC and are to be owned by Recipient under the Purchase Agreement. Amarillo EDC joins herein solely as an accommodation party currently owning the Premises which is to be transferred to Recipient under the Purchase Agreement; provided, however, all parties hereto agree that the Purchase Agreement is the sole agreement between Amarillo EDC and Recipient with respect to the purchase and sale of the Premises, and this Agreement does not create, and shall not be construed to create, an independent obligation of Amarillo EDC to convey any portion of the Premises to Recipient. The Premises are located solely within the extra-territorial jurisdiction of the City and within the Zone.
- 5) The Premises and Qualified Facilities are not an improvement project financed by tax increment bonds.
- 6) This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.
- 7) The Premises and Qualified Personal Property are not owned or leased by any member of the Amarillo City Council or any member of the Planning and Zoning Commission of the City or a member of the governing body of any taxing units joining in or adopting this Agreement.
- 8) The City has adopted guidelines and criteria governing tax abatement agreements and it has the authority to enter into this Agreement.
- 9) This Agreement is intended to comply with the requirements of law and is authorized by the Texas Property Redevelopment and Tax Abatement Act, Tax Code Chapter 312, the Policy Statement, and by resolution of the City Council of the City of Amarillo authorizing execution of this Agreement.
- 10) During the period of tax abatement herein authorized, Recipients shall be subject to taxation on all real and personal property not abated or otherwise exempted.
- 11) This Agreement shall apply to Qualified Facilities and Qualified Personal Property which is owned by:
 - a) Recipient; or
 - b) A third party when

- i) Recipient is contractually obligated to pay taxes on said personal property; and
 - ii) Recipient renders said personal property for taxation.
- 12) The construction and development of the Qualified Facilities and Qualified Personal Property contemplated by this Agreement will be diligently pursued by Recipient and may occur in Phases. Each Phase will be created as set forth in Section 4 of this Agreement.

3. Term and Abatement Period

A ten (10) year tax abatement is hereby granted to Recipient subject to meeting the conditions herein. For each Phase (as hereafter defined), the ten (10) year abatement period commences beginning on January 1 of the first tax year for which Recipient files an approved abatement application with the Potter County Appraisal District. For each subsequent Phase, the ten (10) year abatement period commences on January 1 of the first tax year for which Recipient timely files an approved abatement application for that Phase with the Potter County Appraisal District.

4. Construction May Occur in Phases

At its option, Recipient may elect to stage development of the Qualified Facilities and Qualified Personal Property to occur at different times within the Zone. If Recipient chooses to make this election, each individual Phase shall be eligible for Abatement under the terms of this Agreement for a period of ten (10) years.

Recipient will designate each Phase by metes and bounds or by description of the improvement or property sought to be abated, to be submitted with the first Tax Abatement application filed on each Qualified Facility or Qualified Personal Property in that Phase. Each Phase so designated will be sequentially numbered as Phase 1, Phase 2, and so forth. Thereafter, the Qualified Facilities and Qualified Personal Property in each Phase shall be the subject of a separate Tax Abatement application as may be required by law. For purposes of identifying property within a Phase, it shall be sufficient to generally identify the improvement or property by its use or purpose and relative geographic location to other existing improvements.

The deadline for designating a Phase under Section 4 of this Agreement coincides with the expiration of the Zone, being the fifth (5th) anniversary of the establishment of the Zone, unless renewed or extended to a later date by the City.

5. Rate of Abatement

The rate and scope of tax abatement shall be as follows:

- 1) **Scope of Abatement.** The annual rate of abatement will be applied as set forth below to the Eligible Property Value.

- 2) Annual Rate of Abatement. The following shall be the annual rate of tax abatement. The rate of abatement shall be applied separately to the Eligible Property Value in each Phase created under this Agreement for each applicable tax year.

<u>Year of Abatement</u>	<u>Rate of Abatement on Incremental Increase</u>
1	100%
2	100%
3	100%
4	100%
5	100%
6	100%
7	100%
8	100%
9	100%
10	100%

6. Records and Audits

- 1) At all times throughout the term of this Agreement and upon at least 24 hours prior notice to Recipient, the City and the Potter County Appraisal District shall have reasonable access to the Premises by their employees or agents, accompanied by Recipient personnel, for the purpose of inspecting the Premises to ensure the Qualified Facilities and Qualified Personal Property are maintained in accordance with the conditions of this Agreement and shall have access to the books and records of Recipient for purposes of determining compliance with state law and this Agreement.
- 2) Before December 31 of each year, Recipient must certify in writing to the governing body of each participating taxing unit that it is in compliance with each term of this Agreement; provided, however, that Recipient shall not be considered in default hereunder until the applicable party has received notice of non-compliance, and has had a period of time (not to exceed 30 days) to provide the required certification.

7. Performance Requirement

Recipient shall not be entitled to any Eligible Property Value tax abatement under this Agreement for any tax year during which Recipient is in default of this Agreement following the expiration of the applicable cure period set forth in, or authorized pursuant to, Section 8 of this Agreement.

8. Breach and Default

In the event that Recipient:

- 1) fails to make the improvements or repairs;
- 2) allows *ad valorem* taxes on the Premises, Qualified Facilities, or Qualified Personal Property subject to abatement to become delinquent and fails to timely and properly follow the legal procedures for the protest and/or appeal of such *ad valorem* taxes,
- 3) fails or refuses to timely file the documents required to be filed with the State Comptroller or local tax appraisal district in connection with the tax abatement set forth in this Agreement; or,
- 4) breaches any of the terms or conditions of this Agreement;

then Recipient shall be in default of this Agreement.

If Recipient defaults in its performance of 1, 2, 3, or 4 above, the City shall give Recipient written notice of default. If Recipient has not cured such default within ninety (90) days of receipt of written notice, or, if such default cannot be cured by the payment of money or posting of a bond or other collateral, Recipient shall be in default for that tax year. However, if such default is not reasonably susceptible of cure within such ninety (90) day period, whether or not due to causes within the control of Recipient, and Recipient has begun efforts to cure the default, then after first advising the City of its efforts, Recipient may utilize an additional one hundred eighty (180) days to cure the default. Time in addition to the foregoing two hundred seventy (270) day cure period may be authorized by the City, in its sole and absolute discretion.

Failure to timely cure any default will result in the cancellation of this Agreement and the retroactive loss of the tax abatement. Additionally after the expiration of the applicable notice and cure periods, all taxes which would have otherwise been paid to the City during the tax year in which the default occurs without the benefit of abatement plus ten percent (10%) interest beginning on the date of expiration of the cure period will be owed by Recipient to the City as liquidated damages. This amount shall be due and owing to the City within sixty (60) days of the expiration of the above referenced cure period, subject to all lawful offsets, settlements, deductions, or credits to which Recipient may be entitled. The parties acknowledge that actual damages in the event of default would be speculative and difficult to determine.

If the default is cured after the expiration of the two hundred seventy (270) day cure period provided but no later than three hundred sixty-five (365) days after default, then the terms and conditions of this Agreement may be reinstated for the remaining number of years available under Section 3 in which an abatement has not yet been enjoyed.

9. Sale, Assignment, or Lease of Premises; Termination

- 1) This Agreement may be assigned by Recipient to an entity controlling, controlled by, or under common control with Recipient without further consent of the City.
- 2) This Agreement may be assigned by Recipient to any other entity only with the consent of the City, which consent shall not be unreasonably withheld.
- 3) This Agreement shall terminate in the event that Recipient has not acquired the Premises from Amarillo EDC pursuant to the terms and conditions of the Purchase Agreement.

10. Indemnity

It is understood and agreed among the parties that Recipient, in performing its obligations hereunder, are acting independently of City and Amarillo EDC. City and Amarillo EDC assume no responsibilities or liabilities in connection therewith to Recipient or third parties, and City agrees that Amarillo EDC has no responsibility or liability under this Agreement with respect to the obligations of Recipient. Recipient agrees to indemnify and hold City and Amarillo EDC and their agents, employees, and officers harmless from penalties, fines, damages of every kind, attorney fees, costs, and interest that arise out of or relate to Recipient's acts or omissions relating to the Premises, Qualified Facilities, Qualified Personal Property, or the performance or benefits of this Agreement provided, however, such indemnity shall not extend to matters outside the scope of this Agreement.

11. Notice

Any notice called for or required by this Agreement shall be considered delivered when actually received by a party at the following address, or at such other address as may be designated in writing.

For Recipient:

CVMR (Texas) Inc.

Attention: _____

Email: _____

For City of Amarillo, Texas:

City Manager

City of Amarillo

P.O. Box 1971

Amarillo, Texas 79186-1971

Fax (806) 378-8394

12. City Authorization

This Agreement was authorized by Resolution of the Amarillo City Council approved by a majority of the City Council at a regularly scheduled meeting in accordance with applicable provisions of the Tax Code. The resolution authorized the City Manager, or designee, to execute this Agreement on behalf of the City.

13. Recipient and Amarillo EDC Authorization

This Agreement was entered into by Recipient and Amarillo EDC pursuant to proper authority whereby an authorized executive officer of Recipient and Amarillo EDC, each signing below, were authorized to execute this Agreement on behalf of each entity as shown.

14. Severability

If any section, subsection, paragraph, sentence, phrase, or word of this Agreement is held invalid, illegal, or unconstitutional, the balance of this Agreement shall be enforceable and read as if the parties intended at all times to delete the invalid section, subsection, paragraph, sentence, phrase, or word.

15. Estoppel Certificate

Any party hereto may request an estoppel certificate from another party if the certificate is requested in connection with a bona fide business purpose. The estoppel certificate will be addressed as requested by the party, and shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of primary Abatement in effect, and such other matters reasonably requested by the party.

16. Recipient Standing

Recipient shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same and Recipient shall be entitled to intervene in said litigation.

17. Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Potter County, Texas. This Agreement is performable in Potter County, Texas.

18. Recordation of Agreement

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Potter County, Texas.

19. Entire Agreement

This Agreement contains the entire agreement of the parties on the subject matter herein. This Agreement supersedes any prior written or oral tax abatement agreements or representations between the parties. It may only be modified by written instrument signed by the parties provided, that following the acquisition of the Premises by Recipient, Amarillo EDC shall not be a necessary party and this Agreement may be modified without Amarillo EDC's consent or acknowledgement.

Notwithstanding the foregoing provisions, this Agreement does not modify, alter, or amend any other agreement or instrument between the City and Recipient relating to matters other than the abatement of ad valorem taxes on the Eligible Property Value. This Agreement is being executed in multiple originals which are being distributed for execution to Recipient, Amarillo EDC, and the City. Each party agrees that its sole execution of an original shall constitute its consent to, and acceptance of the Agreement, without the necessity of a single copy being executed by all parties.

{Signature Pages Follow}

DRAFT

Executed to be effective as of the Effective Date.

CITY OF AMARILLO, TEXAS

By: _____
Jared Miller, City Manager

Attest:

Stephanie Coggins, City Secretary

Approved as to form:

Bryan S. McWilliams, City Attorney

DRAFT

City's Acknowledgment

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Jared Miller, City Manager of the City of Amarillo, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the City of Amarillo, Texas, a municipal corporation, that he was duly authorized to perform the same by appropriate resolution of the City Council of the City of Amarillo, and that he executed the same as the act of the said City for purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of Texas

CVMR (TEXAS) INC.

By: _____
_____, its _____

Recipient Acknowledgment

STATE OF TEXAS §
 §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared _____, as _____ of CVMR (Texas) Inc., a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said CVMR (Texas) Inc., that he/she was duly authorized to perform the same by appropriate resolution of such corporation, and that he/she executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2022.

Notary Public, State of _____

AMARILLO ECONOMIC DEVELOPMENT CORPORATION

By: Kevin Carter, President and CEO

Amarillo EDC Acknowledgment

STATE OF TEXAS §
COUNTY OF POTTER §

BEFORE ME, the undersigned authority, a Notary Public in and for said State, on this day personally appeared Kevin Carter, as President and CEO of Amarillo Economic Development Corporation, a Texas nonprofit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Amarillo Economic Development Corporation, that he was duly authorized to perform the same by appropriate resolution of such corporation, and that he executed the same as the act of the said corporation for purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this day of , 2022.

Notary Public, State of Texas

EXHIBIT A
POLICY STATEMENT

SAW-17-00271

RESOLUTION NO. 05-24-21-1

**A RESOLUTION OF THE CITY OF AMARILLO, TEXAS
CITY COUNCIL: ADOPTING GUIDELINES AND
CRITERIA FOR TAX ABATEMENT WITHIN
REINVESTMENT ZONES FOR THE CITY OF
AMARILLO: PROVIDE A SEVERANCE CLAUSE;
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of Amarillo desires to participate in tax abatements from time to time as the City Council may find appropriate, in accordance with the criteria and guidelines herein adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS, THAT:

SECTION 1. That for tax abatements in reinvestment zones adopted by the City of Amarillo, the fundamental purpose is to stimulate growth and create jobs, and the following guidelines and general criteria will apply:

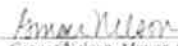
- A. Tax abatements may be provided for both new facilities and structures and for the expansion or modernization of existing facilities and structures. Each project proposed for tax abatement shall be considered individually on its own merits, benefit to the public, and in context of any other economic incentives for the project or existing in the reinvestment zone.
- B. The developer, property owner, project owner, or other recipient of a tax abatement must annually certify in writing to the governing body of each participating taxing unit that the developer, owner or recipient is in compliance with each applicable term of the agreement.
- C. Only the taxable value of improvements to real property or tangible personal property that is brought to the real property after the execution of a tax abatement agreement will qualify for tax abatement.
- D. A tax abatement agreement must ensure that the periods of abatement are directly proportional to the capital expenditures for improvements and the number of permanent full-time jobs created.
- E. Expansion or modernization of existing facilities qualifies for tax abatement if the expansion meets the qualifications for capital expenditures and retention of or creation of new jobs nets new jobs. The number of jobs created must be new jobs and not replacement of jobs which were in the payroll within the year immediately prior to application for tax abatement. A tax abatement shall not be granted if the facility has been the subject of or included in a prior tax abatement agreement.
- F. If a new facility is constructed to replace an existing facility, and the existing facility is abandoned by the developer, property owner, project owner, or other recipient of a tax abatement, only the difference in taxable value of the new facility over the existing facility will qualify for tax abatement.
- G. An agreement will be executed by the developer, property owner, project owner, or other recipient of a tax abatement which incorporates the terms of this resolution and includes any other site and development specific terms which might be found applicable at the time.
- H. The tax abatement agreement will require, among other things, that the City of Amarillo will have the right of access to the site and books and records of the applicant for tax abatement to determine compliance with statutory requirements and the agreement. Failure to fulfill any of the requirements of the agreement will result in cancellation of the agreement and retroactive loss of tax abatement.

SECTION 2. If any provision, section, subsection, sentence, clause or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this resolution or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this resolution, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 3. This Resolution is immediately effective upon passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on this the 24 day of August, 2021.

THE CITY OF AMARILLO


Ginger Nelson, Mayor, City of Amarillo

ATTEST:


Stephanie Coggins, City Secretary

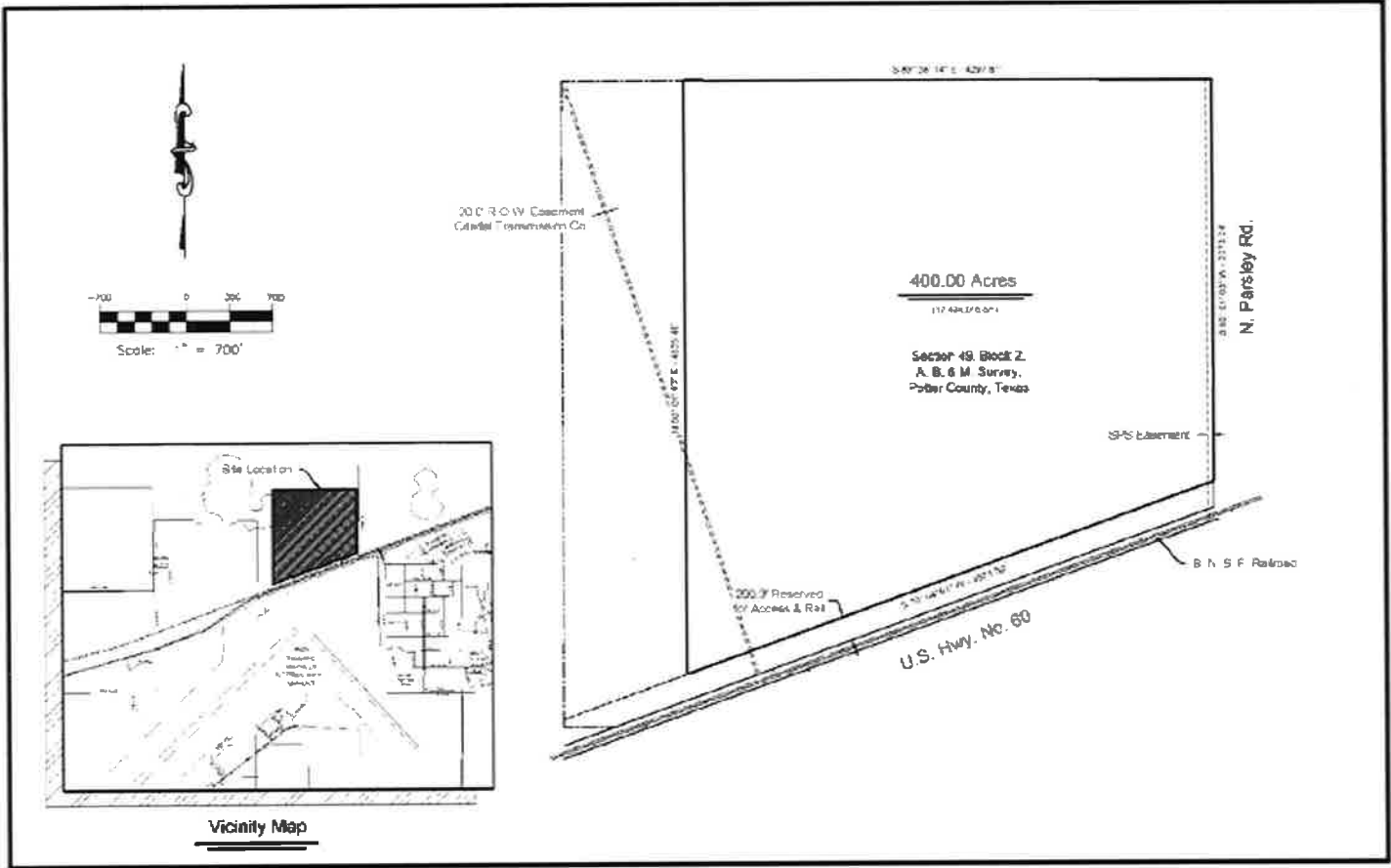
APPROVED AS TO FORM:


Bryan S. McWilliams, City Attorney

EXHIBIT B

Property Description

[INSERT LEGAL DESCRIPTION]



Amarillo City Council

Agenda Transmittal Memo



J

Meeting Date	May 24, 2022	Council Priority	Civic Pride
Department	City Secretary's Office		
Contact	Stephanie Coggins, City Secretary		

Agenda Caption

CONSIDERATION OF APPOINTMENTS TO CITY OF AMARILLO BOARDS AND COMMISSIONS

This item is to consider mid-year appointments that are needed for the following boards and commissions:

- Amarillo Animal Management and Welfare Advisory Board
- Civil Service Commission
- First Responders Excellence and Innovation Fund Committee
- Library Advisory Board
- Pedestrian and Bicycle Safety Advisory Committee
- Quail Creek Public Improvement District Advisory Board

Agenda Item Summary

This item is for Council's consideration of mid-year appointments six City boards and commissions with current vacancies that need to be filled. Annual board and commission appointments will take place in November.

Requested Action

Consideration of the various boards and commissions presented for appointments.

Funding Summary

There is no funding associated with this item.

Community Engagement Summary

Applications were accepted through the City's website and previously advertised through the City's social media as part of the annual appointment process.

Staff Recommendation

Staff recommends Council make all applicable appointments presented.

Amarillo City Council

Agenda Transmittal Memo



K

Meeting Date	May 24, 2022	Council Priority	Economic Development and Redevelopment
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Department	City Manager's Office	Contact Person	Andrew Freeman, Assistant City Manager
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Agenda Caption
PRESENTATION AND DISCUSSION OF KEY FINDINGS FROM THE GARFIELD PUBLIC PRIVATE PRE-DEVELOPMENT FINAL REPORT FOR THE AMARILLO CIVIC CENTER COMPLEX REDEVELOPMENT:

City staff will present key findings and information provided by Garfield Public Private in their recently completed Pre-Development Final Report.

Agenda Item Summary
In June 2021, City Council entered into a pre-development services agreement with Garfield Public Private for their advice and counsel in connection with the planning, design, and construction of a project consisting of a modern arena, the rehabilitation and expansion of the Amarillo Civic Center Complex, the rehabilitation of the Santa Fe Depot, and associated parking facilities to serve the citizens and businesses of the City and the general public. The scope of services included multiple areas such as evaluation of the existing conceptual design; updating construction cost estimates; analyzing current Civic Center operations; third party review of environmental, geotechnical, and market studies; public and stakeholder engagement; and preparation of a public/private finance plan for the project.

The final report has been provided to City Council and City staff will be presenting key finding during the May 24th City Council meeting.

Requested Action
N/A

Funding Summary
N/A

Community Engagement Summary
The Garfield team held over ten meetings with city staff and elected officials, including three with a volunteer community committee that assisted with providing feedback to help form the results of the report. In addition to the above meetings, the team held telephone calls, web meetings, and email communications amongst the team members and with various City and ACCC staff to conduct due diligence and develop the information included in their report.

Staff Recommendation
N/A

Amarillo City Council

Agenda Transmittal Memo



L

Meeting Date	May 24, 2022	Council Pillar	Fiscal Responsibility
Department	City Manager's Office		
Contact	Laura Storrs, Assistant City Manager		

Agenda Caption

DISCUSSION AND CONSIDERATION OF ORDINANCE NO. 7985
(Contact: Laura Storrs, Assistant City Manager)

Discussion and consideration of an ordinance authorizing the issuance of the City of Amarillo, Texas Combination Tax and Revenue Notes, Series 2022A resolving other matters incident and related thereto including the approval of a paying agent/registrar agreement and a purchase contract.

Agenda Item Summary

This ordinance authorizes the City to issue the Combination Tax and Revenue Notes, Series 2022A for the purpose of paying contractual obligations to be incurred for (i) acquiring, constructing, improving, expanding, and equipping the City's convention center facilities, to-wit: the City's civic center complex, including the addition of an arena related thereto and improvements to the Amarillo Santa Fe Depot property and any needed land and rights-of-way therefor and (ii) professional services rendered in relation to such projects and the financing thereof.

Requested Action

Adopt the Ordinance authorizing the issuance of the Combination Tax and Revenue Notes, Series 2022A.

Funding Summary

N/A

Community Engagement Summary

A public private partnership (P3) committee was formed in November 2020 to evaluate alternative options for the Civic Center Complex project. The P3 committee met from November 2020 to May 2021 to research alternative options for the Civic Center and to research potential P3 partners. At the June 22, 2021 City Council meeting, Council approved a contract with Garfield Public/Private LLC (GPP) for pre-development services. GPP attended meetings with the P3 committee on August 27, 2021, October 6, 2021, November 12, 2021, November 30, 2021, and March 25, 2022 to receive input for their final report to Council.

Staff Recommendation

City staff is recommending approval of the Ordinance.