

City of Lubbock – Downtown Public Improvement District Bylaws

ARTICLE I. PURPOSE

The purpose of the Downtown Public Improvement District Advisory Board (the “Board”) is to manage the affairs of the Downtown Public Improvement District (the “District” or “PID”), as approved by the City Council (the “Council”) of the City of Lubbock (the “City”), in accordance with Texas Local Government Code Chapter 372 (the “Act”) and the City of Lubbock Public Improvement District Policies & Guidelines (the “Policies & Guidelines”). These Downtown Public Improvement District Advisory Board Bylaws (the “Bylaws”) are to guide the Board in its management of the District in accordance with the Act and the Policies & Guidelines, and subject to the ultimate approval of the Council. To the extent these Bylaws and the Policies & Guidelines conflict, these Bylaws control.

As detailed in the Petition Requesting Establishment of a Public Improvement District, hereinafter referred to as the “Petition,” the purpose of the PID is financing improvements and services related to: (i) landscaping; erection of fountains, distinctive lighting, and signs; (ii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way; (iii) construction or improvement of pedestrian malls; (iv) acquisition and installation of pieces of art; (v) acquisition, construction, or improvement of off-street parking facilities; (vi) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements; (vii) the establishment or improvement of parks; (viii) projects similar to those listed above; (ix) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement; (x) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; or, (xi) payment of expenses incurred in the establishment, administration, and operation of the district. (List not prioritized)

ARTICLE II. ADVISORY BOARD

Section 1. Administration. The PID will be administered and operated by the Governing Body of the City of Lubbock, the City Council. The City Council shall appoint an Advisory Board, which shall be subject to the restrictions imposed by law and these Bylaws. The City Council shall exercise all powers of the District.

Section 2. PID Address. The official address of the District shall be: City of Lubbock Downtown Public Improvement District, Attn: Cheryl Brock, P.O. Box 2000, Lubbock, Texas 79457.

Section 3. Advisory Board Composition. The Advisory Board shall consist of seven (7) members, each of whom shall be nominated by the lot owners of the District and approved by the City Council. Each member of the Advisory Board shall be a lot owner or the employee of a lot owner within the District. Each lot shall be limited to a maximum of one (1) member serving concurrently.

Section 4. Lot owner. An owner of undeveloped land or an undeveloped lot shall be considered a lot owner. An owner of a developed retail area shall be considered a lot owner. An owner of an improved residential lot shall be considered a lot owner.

Section 5. Nomination of Advisory Board members. All lot owners shall be notified of the nomination process in sufficient time to allow lot owners to participate in the nomination process. All lot owners within the District will be eligible to run for an open position on the Advisory Board within their lot's zoning classification and vote for the Advisory Board nominees (i) within their lot's zoning classification, and (ii) for the open at-large positions. Each lot owner will be allowed one ballot for each lot owned. On that ballot, the lot owner may cast one (1) vote for each open seat from a list of nominations for the Advisory Board.

Section 6. Term of Office. Each member shall serve a three (3) year term that begins the month following election at the annual meeting and approval by the City Council. The Advisory Board shall stagger terms to maintain the continuity of the Board. For example, if one-half of the Advisory Board members end their term in two years, the other half of the members would end their term in the third year. At the initial meeting, determination of which members will serve the shorter term will be determined by a random, fair lottery of the Board's own choosing.

Section 7. Nomination Process. The City Manager shall appoint a Nomination Coordinator from City staff who shall administer the nomination process. The nomination schedule shall be as follows:

1. **Nominations accepted at the annual meeting.**
2. **Voting shall take place at the annual meeting.**
3. **Ballots counted at the annual meeting.**
4. **New Advisory Board members shall take office on the first day of the month after the nomination process concludes if approved by the City Council.**

Section 8. Nomination discrepancies. In the case of any other unresolved nomination discrepancies, the current Advisory Board will make the final decision.

Section 9. Vacancies. A vacancy in any Advisory Board position shall be filled by the Advisory Board for the unexpired portion of the term of that office. A vacancy in the office of President or Vice President shall be filled by election by the Advisory Board, from the remaining members for the unexpired portion of the term of that Advisory Board position.

Section 10. Write-In Candidates. Write-in candidates are allowed. Write-in candidates who are nominated must be the current owner or the employee or agent of a lot owner within the geographical boundaries of the District. A write-in candidate who is nominated but is not a current owner of a lot within the boundaries of the District is not qualified, will not be allowed to take office, and those votes will be thrown out and considered invalid. In

this case, the qualified candidate with the next-highest number of votes will be determined to be the winner.

Section 11. Compensation. Advisory Board members, including the President and Vice President, shall receive no salary or compensation for their services.

Section 12. Committees of the Advisory Board. Committees of the Advisory Board shall be appointed by the Advisory Board as needed to address matters of specific interest and to make recommendations to the Advisory Board. A committee shall consist of but not be limited to one (1) Advisory Board member. Other lot owners from the district may also serve on the committee at the discretion of the committee Chairperson. The Advisory Board reserves the right to exercise final action on committee recommendations.

ARTICLE III. OFFICERS

The officers of the Advisory Board shall consist of one (1) President, one (1) Vice-President, and one (1) Secretary. These members shall be nominated by the Advisory Board members annually at the first meeting of the newly nominated Advisory Board. The members shall have the following responsibilities:

A. President. The President shall preside at all meetings of the Advisory Board. The President shall call both regular and special meetings of the Advisory Board and establish the agenda for such; shall have the right to vote on all matters before the Advisory Board; shall perform all duties incident to the office and such other duties as shall be prescribed from time to time by the Advisory Board, subject to approval by the City Council; shall appear before the City Council on a periodic basis to give a report on the status of the activities of the District; and shall appear before the City Council, or be represented by his designee, regarding any item being considered by the City Council concerning the District.

B. Vice President. The Vice President shall assist the President, and shall exercise the powers of the President during the President's absence or inability to act; and shall fill a vacancy in the office of the President. The Vice President shall also perform other duties as from time to time may be assigned by the President or the Advisory Board.

C. Secretary. The Secretary shall keep the minutes from all meetings of the Advisory Board; shall contact the City to give and serve all notices; shall have charge of the Advisory Board books, records, and other documents except the District financial records which shall be held at the City of Lubbock; and shall in general perform all duties incident to the office of Secretary subject to the recommendation of the Advisory Board. All Advisory Board and District records shall at all reasonable times be open to public inspection on application to the District. The secretary shall provide copies of all documents, minutes and reports to the City staff liaison.

ARTICLE IV. ADMINISTRATION

Section 1. Meetings.

A. Yearly Budget and Nominations Meeting. The District shall be required to hold one lot owner meeting each year in a public building, and the Advisory Board may choose the location. The City will provide notice of the meeting to all District property owners, and the District will pay for such notification costs. The meeting agenda will include a presentation of the District's plans for the coming year, the District budget, and nominations of Advisory Board members. The Advisory Board may schedule other meetings as required and will notify the city liaison of their time and location. The city liaison will have the meetings posted on the City website; and in addition to this, the Advisory Board may advertise the meetings.

B. Regular Advisory Board Meetings. Notice of Advisory Board meetings shall be posted on the City website and District website homepage if available. Any member of the Advisory Board may have an item placed on the agenda by delivering the same in writing to the Secretary of the Advisory Board no less than four (4) calendar days prior to the date of the Advisory Board meeting. Each agenda of an Advisory Board meeting shall contain an item titled "Citizens Forum" to allow public comment to be made by the general public concerning Advisory Board related matters. However, no official or formal action or vote may be taken on any comment made by citizens during Citizens Forum. The Advisory Board shall hold a minimum of one (1) regular meeting annually and special meetings as needed, within the corporate limits of the city at such place or places as the Advisory Board may from time to time determine.

Section 2. Attendance. Regular attendance at the Advisory Board meetings is required of all members. The Advisory Board will be allowed to review, and at the Advisory board's discretion, recommend removal of any member who fails to attend 50% of the regular meetings of the Advisory Board in a twelve (12) month period.

Section 3. Quorum. A quorum shall be a majority of the Advisory Board, and a quorum shall be present for the conduct of the official business of the District. The act of a majority of members at a meeting at which a quorum is in attendance shall constitute a recommendation of the Advisory Board, unless the recommendation of a greater number is required by these Bylaws, policies procedures of the Advisory Board, City Council resolution/ordinance, or state law.

Section 4. Conflict of Interest. In the event that a member is aware that he has a conflict of interest or a potential conflict of interest with regard to any particular matter of vote coming before the Advisory Board, the member shall bring the same to the attention of the Advisory Board and shall abstain from discussion and voting thereon.

Section 5. Limitation of Advisory Board Power.

The act of a majority of Members of the Advisory Board present in person at a meeting at which a quorum is present at the time of the act will be the act of the Board unless any provision of any of the Resolution requires the vote of a greater number.

Notwithstanding the above, a vote of at least sixty-seven percent (67%) of the Advisory Board shall be required to:

- (a) Recommend the issuance of bond debt on behalf of the District to the City Council; or
- (b) Recommend raising the District assessment above \$0.18 per \$100 valuation.

Moreover, none of these items may be adopted by the City Council, after recommendation by the Board, unless the District lot owners have been given advanced, written notice of a public hearing on the matter before the City Council. This Section 5 may only be amended by a majority vote of District lot owners.

Section 6. Advisory Board Relationship with the Lot Owners of the District.

- A. The Advisory Board shall make available to the lot owners of the District the current Bylaws of the Advisory Board.
- B. Each year the Advisory Board shall make available to the lot owners a current financial statement for the District.
- C. Each year, prior to the presentation of the annual budget and five (5) year plan at the required Public Hearing conducted by the City Council, the Advisory Board shall hold a meeting for the lot owners to present the proposed annual budget and five (5) year plan and to request input from the lot owners of the District.
- D. The Advisory Board shall keep minutes and records of all meetings of the Advisory Board and all such minutes and records shall be available to all lot owners at reasonable times and places. District records shall be retained for at least three years.

Section 7. Advisory Board Relationship with the City. In accordance with state law, the Advisory Board will be responsible for the proper discharge of its duties as assigned herein and in the Policies & Guidelines. Any request for services made to the departments of the City shall be made by the Advisory Board or its designee in writing to the City Manager. The City Manager may approve such request for assistance from the Advisory Board when he finds that such requested services are available within the City and that the Advisory Board has agreed to reimburse the City for the cost of such services provided.

The City shall serve as Financial Manager for the District. City staff shall have the responsibility of the handling, custody, and security of all funds and securities of the District. The City shall see to the entry in the books of the District of full and accurate accounts of all moneys received and paid out on account of the District. The City shall submit a quarterly report to the Advisory Board, in sufficient detail, of all checks or drafts issued on behalf of the District for the previous quarter. A financial report shall be provided to the City Council on their request concerning activities of the district in a format consistent with other financial reports of the City.

ARTICLE V. GENERAL

Section 1. Annual Budget and Five (5) Year Plan. After the District assessment roll becomes available, the Advisory Board, with the assistance of City Staff shall prepare a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year and a five (5) year plan. The fiscal year of the District shall commence on October 1 of each calendar year and end on September 30 of the following calendar year. The budget and five (5) year plan shall contain such classifications and shall be in such form as may be prescribed from time to time by the City Council. The budget and five (5) year plan proposed for adoption shall include budgetary information as required by the City Council for approval and adoption. The budget shall be considered adopted on formal approval by the City Council. Any and all proposed deviations from the Council-approved budget shall be submitted to City Council for consideration and approval.

Section 2. Financial Books, Records, Audits. The City shall keep and properly maintain, in accordance with generally accepted accounting principles, complete financial books, records, accounts, and financial statements pertaining to the District's fund, activities and affairs. The City may cause the District's financial books, records, accounts, and financial statements to be audited at least once each fiscal year in a manner consistent with other City funds.

Section 3. Gifts. The Advisory Board may accept, on behalf of the District, any contribution, gift, or bequest for the general purpose or for any special purposes of the District.

Section 4. Code of Ethics. Each member of the Advisory Board, including its officers, employees and agents, shall abide by and be subject to the City Code of Ethics.

Section 5. Amendments to Bylaws. These Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of the Advisory Board and approval of Lubbock City Council.

These Bylaws have been approved by a majority of the Advisory Board members present at the Board Meeting on _____, 2018.

APPROVED:

Downtown
Public Improvement District
City of Lubbock

APPROVED:

CITY OF LUBBOCK

President, Advisory Board

DANIEL M. POPE, MAYOR

Date: _____

ATTEST:

City Secretary, Rebecca Garza

Date: _____