

November 29, 2010

Dear Mr. Monroe and Mr. Thetford,

This response is to your letters dated October 18, 2010 and October 20, 2010 requesting a meeting and information necessary for you to understand the scope of the Lubbock Downtown Revitalization Project as it affects AT&T. Your letter requested information about the description of the Project; an overall construction plan; date when AT&T will receive plans; date when the City proposes construction of initial phase; and proposed future phase with initial plan dates and construction start dates.

Project Description

The goal to analyze the benefits of the downtown Lubbock revitalization initiative began in May, 26, 2005 when the Mayor of Lubbock appointed the Downtown Redevelopment Commission. As part of their evaluation process, the Commission developed the following Mission Statement:

“Envision and develop a “unique” downtown culture by:

- Revitalizing commercial, professional and residential centers;
- Continuing to pursue new arts and entertainment venues;
- Developing strategies for innovative tourism and convention attractions;
- Exploring creative transportation solutions; and
- Ensuring long-term viability through an oversight organization and long-term financing.

By successfully encompassing these amenities, we believe quality development and community ownership will produce a vibrant and animated downtown experience.”

This was the beginning of a multi-year planning process that led to the development of the Downtown Revitalization Action Plan prepared by EDAW, Master Plan Consultant, and adopted by the City Council on February 14, 2008, the contract with McDougal Companies dated December 4, 2008 to provide master developer and consultant services to implement the Downtown Revitalization Action Plan, and the City Council contracting with SGS Engineering to coordinate with the impacted utilities and to design an underground “duct system” for relocation of overhead utilities in the target area. The CBD TIF Plan adopted the same downtown redevelopment goals; therefore, funding for digging the ditch and constructing the duct system for all utilities was approved by the CBD TIF Board and City Council.

In developing the Downtown Revitalization Action Plan, the EDAW planning team organized interviews with downtown stakeholders, community organizations and conducted two or three very well attended public hearings at the Lubbock Memorial Civic Center. As part of this process, a vision statement “Partnering to build a model community” was crafted by stakeholders, City and the public sector. The public/private process included the development of goals and objectives. One of the goals focused on a need to reduce fragmentation of blocks caused by bi-directional alleys, and increase opportunities for aggregation of half- and whole-block parcels with one of the objectives being to work with utility companies to consolidate and co-locate physical infrastructure located in alleys.

The potential private investment in downtown is projected by EDAW to be in the neighborhood of \$700 million based on a 12 to 15 year period. As the Master Developer, McDougal Companies is projecting \$ _____ in new development for the revitalization of downtown. The economic and fiscal impact, when fully built out, could result in 7,480 new jobs, over \$4 million in additional property taxes, and an excess of \$3 million in additional sales tax.

The City’s intent is to relocate all overhead utility infrastructure underground in the redevelopment target area. In some cases, this will be in the street right-of-way; and other cases, it will be in existing alleys or easements that will not be disturbed. Relocation will be planned to be in phases over a twelve to fifteen year period.

Construction Plan

The Construction Plan is to relocate existing utilities from overhead locations to underground. The actual locations of the overhead to underground conversions will be determined as the redevelopment requires. The general location of the new underground facilities (Duct System) will be behind the curb in the sidewalk area. The Duct System will consist of duct, gas piping, and junction enclosures to accommodate all utilities requirements, including city services, in the downtown area. Design and construction for the Duct System will be the responsibility of the City. See attachment “A”, design and cross section of a typical duct system.

Estimated Date for Phased Design Plans

It is estimated that one to three sets of plans per year will be developed. The initial phase will generally accommodate an east-west corridor along Broadway from Avenue Q to Texas Avenue. Design for the first phase is intended to be completed during the first quarter of 2011. The utility stakeholders is involved as part of the technical team which includes the "duct system" design process. Attachment "B" illustrated the design locations for Phase #1.

Construction Timeline for All Phases

The projected time frame for the design and construction to relocate the overhead utilities underground is ten plus years. Several optimistic factors such as Lubbock's stable economy, the aggressive growth and estimated growth of Texas Tech, and the positive impact of the City's major economic drivers (health community, educational institutions, and the agricultural industry) have provided the enthusiasm and excitement that redevelopment can occur at an accelerated pace. The pace of utility relocation construction projects are based on forecast of new development. In an effort to encourage new development, the City intends to have an area identified as Phase #1 bid in the first quarter of 2011 and construction started in the second quarter of 2011. Other phased construction will be determined based on the location of new development. Lubbock is a very conservative community; therefore, the estimated construction timeline is ten to fifteen years.

In closing, thank you for your interest in desiring information about this very important project for our community and please understand that AT&T will be working with the City on this project. It is the City's responsibility to implement the public projects of the Downtown Revitalization Action Plan. In addition, please understand that it is the intention of the City to construct the "duct system" for relocating the above ground utilities with the participating utilities being responsible for the cost of infrastructure and installation. The City is prepared to meet with representatives of AT&T at a convenient time. Please work through me to identify the representatives for AT&T and the City and schedule the meeting. I apologize for the timing of this response, but I wanted to supply you with as much design and construction information as possible. Thank you for your assistance in making this project a success. Please contact me if you need more information.