

Joint Powers Agreement

Table of Contents

Joint Powers Agreement

Attachment A: The Investment Map and Associated Implementation Sequence Plan.

Attachment B: List of existing supplemental agreements between the Parties, as amended

Attachment C: The ATP and City of Austin Interlocal Grant Agreement for Project Connect Anti-Displacement Programs.

Attachment D: ATP and City of Austin Interlocal Agreement to Transfer Funds to ATP.

COA Contract with Voters

CapMetro Funding and Commitment Resolution

CapMetro and COA ILA Creating a Joint LGC

CapMetro and COA Joint Resolution Authorizing Creation of ATP and Articles/Bylaws

CapMetro and COA Amendment 1 to ILA Creating a Joint LGC

ATP Articles of Incorporation

ATP Adopted Bylaws

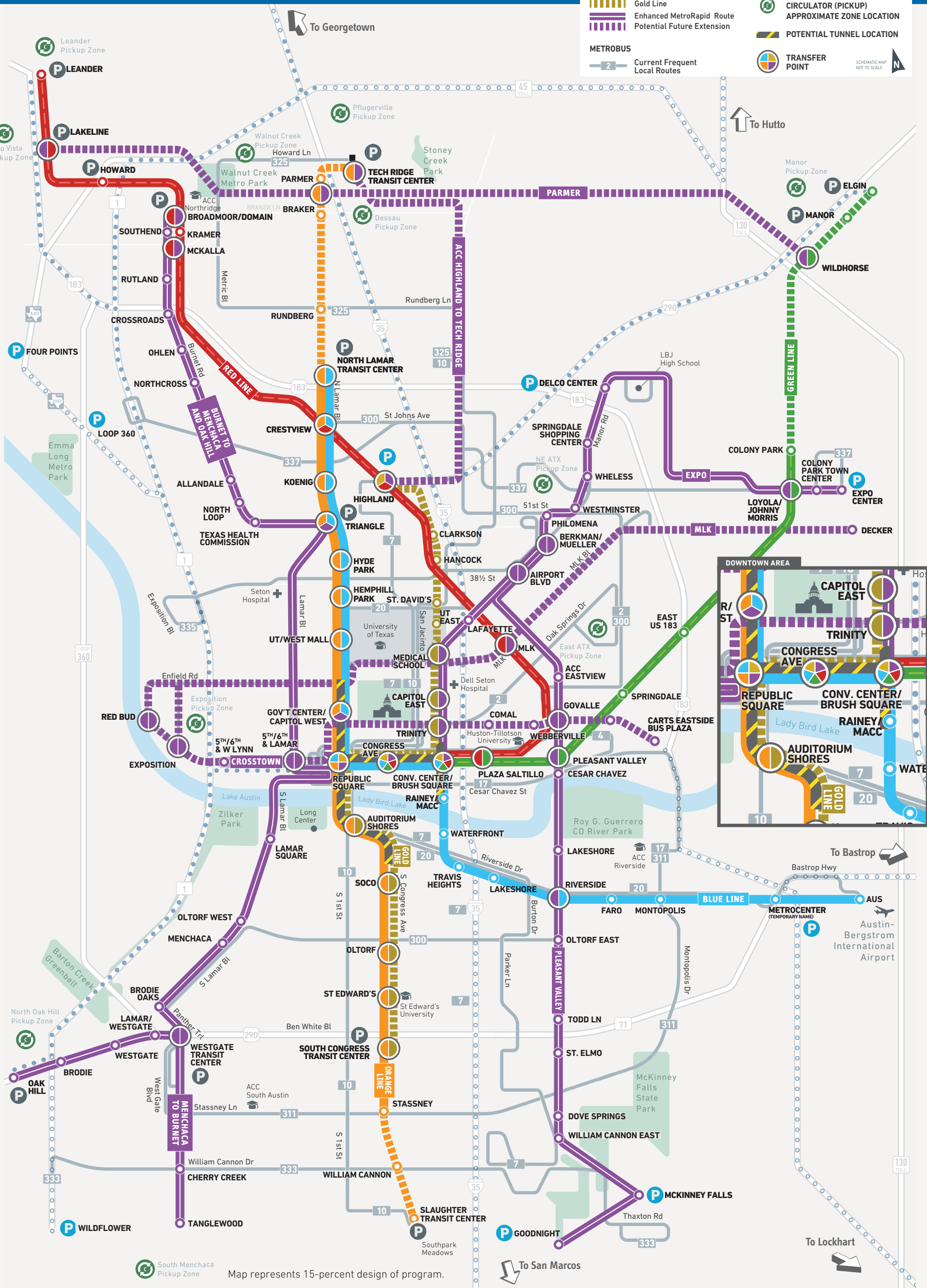
ATP and CapMetro ILA for CapMetro Support Services

TP and COA ILA for COA Support Services

INITIAL INVESTMENT | August 2021

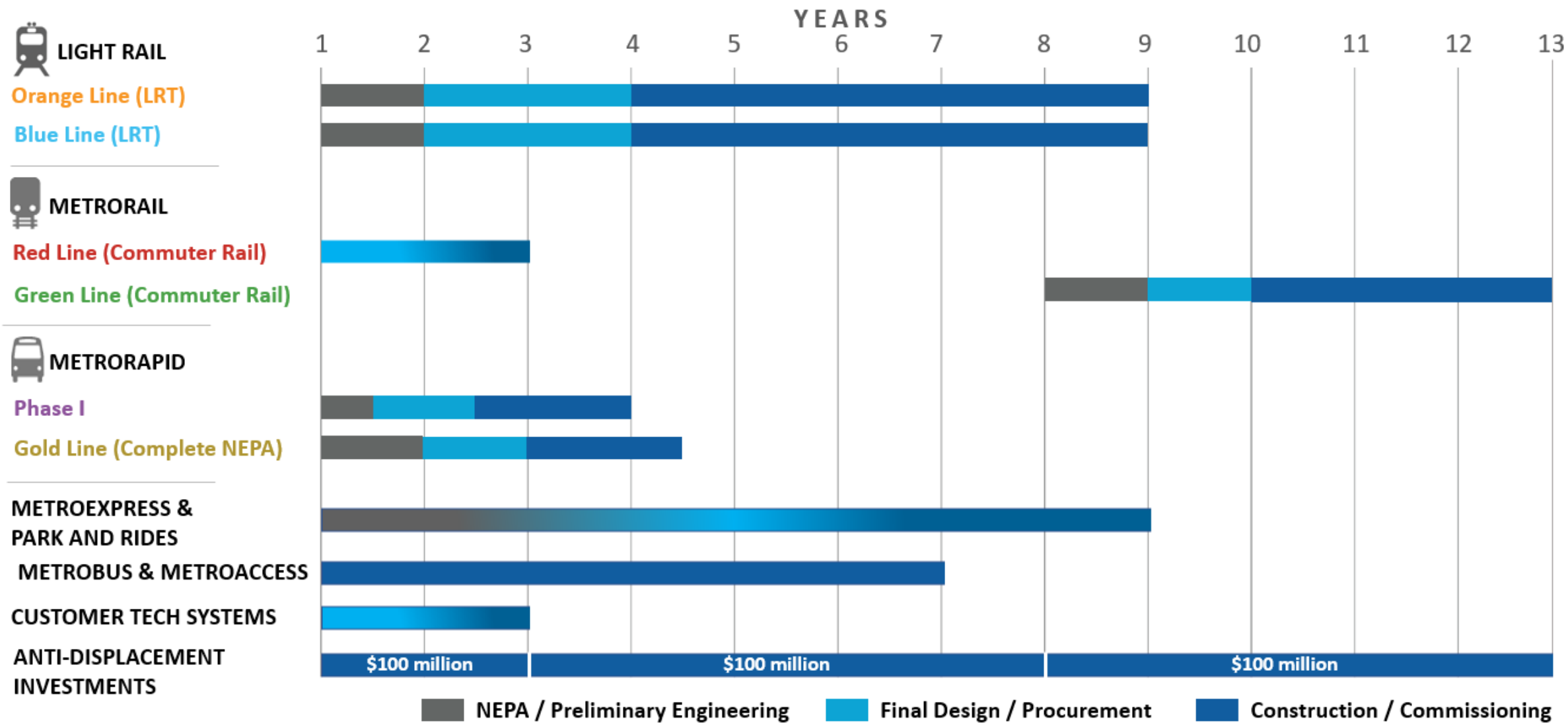
- LIGHT RAIL**
- Orange Line
 - Potential Future Extension
 - Blue Line
- METRORAIL**
- Red Line
 - Green Line
 - Potential Future Extension
- METRORAPID**
- Gold Line
 - Enhanced MetroRapid Route
 - Potential Future Extension
- METROBUS**
- Current Frequent Local Routes

- METROEXPRESS**
- Current MetroExpress
 - Future MetroExpress
- ADDITIONAL AVAILABLE SERVICES**
- MetroAccess
 - MetroBike
 - CURRENT PARK & RIDE
 - PROPOSED PARK & RIDE
 - CIRCULATOR (PICKUP) APPROXIMATE ZONE LOCATION
 - POTENTIAL TUNNEL LOCATION
 - TRANSFER POINT
- SCHEMATIC MAP NOT TO SCALE



PROGRAM SEQUENCE PLAN

Years based on federal NEPA and funding approvals



JOINT POWERS AGREEMENT

ATTACHMENT B – LIST OF SUPPLEMENTAL AGREEMENTS BETWEEN THE PARTIES

(AS AMENDED)

Date	Purpose	Parties
August 2020	Interlocal agreement creating the ATP local government corporation.	Capital Metro and City of Austin
December 2020	Joint resolutions creating the ATP, approving and adopting the corporations Articles of Incorporation and Bylaws, and appointing the initial Board (Articles of Incorporation were subsequently filed with the Attorney General's Office and Bylaws adopted by the ATP Board).	Capital Metro and City of Austin
December 2020	Amendment to the August 2020 Interlocal agreement related to the Project Connect Community Advisory Committee.	Capital Metro and City of Austin
January 2021	Interlocal agreement for Capital Metro to provide certain administrative and corporate support functions to ATP, and for Capital Metro to implement certain projects that are part of the Project Connect program.	Capital Metro and ATP
March 2021	Interlocal agreement to transfer funding from ATP to the City of Austin for the City of Austin's support in the implementation of the Project Connect transit program.	ATP and City of Austin
March 2021	Interlocal agreement to transfer funding from ATP to the City of Austin for transit-supportive anti-displacement programs, as required by the Contract with Voters.	ATP and City of Austin
July 2021	Interlocal agreement establishing procedures to transfer Proposition A revenue from the City to ATP to implement Project Connect, as required by the Contract with Voters	City of Austin and ATP

INTERLOCAL GRANT AGREEMENT BETWEEN
THE CITY OF AUSTIN
AND
AUSTIN TRANSIT PARTNERSHIP
RELATED TO PROJECT CONNECT ANTI-DISPLACEMENT PROGRAM
EXPENDITURES

This interlocal grant agreement (the “**Grant Agreement**”), dated and effective upon the date the Grant Agreement is signed by both Parties, is entered into by and between the Austin Transit Partnership (“**Grantor**” or “**ATP**”), a joint local government corporation under Chapter 431 of the Texas Transportation Code, and the City of Austin (“**Grantee**” or the “**City**”), a home-rule municipality incorporated by the State of Texas, each a “**Party**” and collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, the City Council adopted Resolution No. 20200423-038, expressing its support of an equitable transit system to benefit the whole community, and calling for data-driven policies and funding to “prevent transportation investment-related displacement and ensure people of different incomes can benefit from transportation investments”; and

WHEREAS, on November 3, 2020, voters approved a ballot measure to dedicate funding to ATP for the implementation of Project Connect, a high-capacity transit system and investment in transit-supportive anti-displacement strategies; and

WHEREAS, pursuant to the Resolution No. 20200812-015, known as the City’s “Contract with the Voters,” ATP is to provide a total of \$300,000,000 of the Project Connect Tax Revenue (“**Project Connect Anti-Displacement Funding**”) in accordance with the Implementation Sequence Plan (attached as Exhibit A) to the City through a grant agreement; and

WHEREAS, the City subsequently requested that ATP accelerate distribution of the first \$100,000,000 of the Project Connect Anti-Displacement Funding during the first three years of the Implementation Sequence Plan; and

WHEREAS, the “Contract with the Voters” provides that the City must utilize the \$300,000,000 to (1) acquire real property for transit supportive development that will preserve and/or increase the amount of affordable housing proximate to transit corridors, or (2) financing tools and other anti-displacement strategies related to the implementation of Project Connect (“**Project Connect Anti-Displacement Programs**”); and

WHEREAS, the “Contract with the Voters” and Resolution No. 20210204-062 require the City to develop a “community-informed partnership and process” for the use of these funds; and

WHEREAS, the “Contract with the Voters” provides that the Neighborhood Housing and Community Development, with assistance from other departments such as the Equity Office and Sustainability Office, shall develop proposals based on the community-informed process for approval by City Council; and

WHEREAS, Resolution No. 20200903-044 expresses the intent of City Council to work with impacted neighborhoods in the creation of neighborhood-level anti-displacement strategies and priorities and the identification of Key Performance Indicators related to equity and displacement; and

WHEREAS, the City and the Capital Metropolitan Transportation Authority entered into an interlocal agreement, which provides for the creation of a Community Advisory Committee to assist the community and the City Council in the creation and evaluation of neighborhood-level anti-displacement strategies and priorities and the identification of Key Performance Indicators related to equity and displacement; and

WHEREAS, the City has developed, implemented and administered anti-displacement programs of a similar nature and has the staff, expertise, and corporate experience to execute the Project Connect Anti-Displacement Programs in furtherance of the Project Connect System Plan as ATP focuses on other aspects of Project Connect; and

WHEREAS, in order to meet the schedule laid out in the Implementation Sequence Plan, ATP and the City desire to enter into this Grant Agreement; and

WHEREAS, the City and ATP have authority to enter this interlocal grant agreement through the Texas Constitution, Article 3, Section 64, Texas Transportation Code Chapter 431 (“The Texas Transportation Corporation Act”), and Texas Government Code Chapter 791 (“The Interlocal Cooperation Act”);

NOW, THEREFORE, the Parties agree as follows:

GRANT AGREEMENT

1. Purpose. The purpose of the Grant Agreement is to provide funding for the City to administer and implement the Project Connect Anti-Displacement Programs as described in the Contract with the Voters. This program supports the “Economic Opportunity and Affordability,” “Mobility,” and “Government that Works for All” objectives in the City’s Strategic Directions 2023. This Grant Agreement is entered pursuant to the Texas Constitution, Article 3, Section 64; Texas Transportation Code Chapter 431 (“The Texas Transportation Corporation Act”); and Texas Government Code Chapter 791 (The Interlocal Cooperation Act”).

2. Term of Agreement. The Grant Agreement shall be in effect for each fiscal year (October 1st to September 30th) beginning with the execution of this Grant Agreement and

until ATP has transferred the Project Connect Anti-Displacement Funding to the City in accordance with the Implementation Sequence Plan, or the Grant Agreement is terminated (the “Term”).

3. Designation of Key Personnel. The City’s Housing and Planning Department (“HPD”) shall serve as the City Manager’s designee for purposes of this Grant Agreement. HPD has the technical and community capacity to perform the responsibilities of this Grant Agreement. HPD shall engage other City departments and personnel as needed to ensure success in the implementation of selected strategies. The ATP Chief Financial Officer/Chief Development Officer or their designee shall serve as ATP’s designee for purposes of this Grant Agreement.

4. Responsibilities of the Parties.

(a) Annual Budget. For each fiscal year during the term of the Grant Agreement, the City and ATP Chief Financial Officers, along with the City Director of HPD shall, during the annual budget process, meet, negotiate, and approve in good faith the amount of the annual funding allocation in accordance with the Implementation Sequence Plan to implement and administer the Project Connect Anti-Displacement Programs. The planned schedule of annual funding allocations is listed in Exhibit B. The annual funding allocation must be included as part of the annual proposed budget for each Party, which must also be approved by the City Council of the City of Austin and the Board of Directors of the ATP. The Parties acknowledge and agree that the Parties shall endeavor to commence the annual budget process prior to the commencement of the fiscal year.

(b) Reimbursement of Funds. ATP will provide grant reimbursement to the City based on actual expenditures, which can include costs of staff time to implement the Project Connect Anti-Displacement Programs in a manner consistent with the Contract with the Voters. The Parties will work to create “Grant Reimbursement Procedures,” which will be adopted prior the first request for reimbursement and amended thereafter as necessary, to include the necessary forms and documentation to process grant reimbursement requests. All grant reimbursements shall be paid only out of ATP’s current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Sections 5 and 7 of the Texas Constitution.

(c) Federal Grant Opportunities for Real Property Acquisition. The Parties acknowledge and agree that the Contract with the Voters provides that any real property acquired with the Project Connect Anti-Displacement Funding should, where possible, comply with Federal Transit Agency (“FTA”) requirements, and the City will endeavor to comply with such requirements, including to amend this Grant Agreement as ATP deems necessary.

(d) Real Property Acquisition Technical Approval. If HPD identifies any real property acquisition that is directly adjacent to the alignment of any light rail, bus, or commuter rail investments, prior to initiating the acquisition, HPD shall first notify ATP of such potential acquisition and must receive approval prior to initiating such acquisition from the ATP Chief Program Officer to ensure there are no design or engineering conflicts. ATP shall review any such approval requests in a timely manner.

(e) Real Property Acquisition Assistance. HPD may, to the extent ATP determines such acquisition is compliant with FTA and the Project Connect technical requirements, request that ATP acquire a real property interest on behalf of HPD with the Project Connect Anti-Displacement Funding. ATP shall be under no obligation to acquire such property on behalf of the City.

5. Responsibilities of the City. HPD, as the City Manager's designee, shall complete the tasks as directed by City Council in Resolution Nos. 20200812-015, 20200903-044, and 20210204-062. Additional policy direction from City Council, as long as it is consistent with the Contract with Voters, can be accomplished outside of this Grant Agreement, and will not require amendment(s) to this Grant Agreement.

6. Termination. This Grant Agreement may be terminated in its entirety in accordance with any of the following:

(a) by either Party, in the event ATP fails to appropriate funds in any budget year in this Grant Agreement in an amount sufficient to meet ATP's obligations hereunder, upon the first date such funding is not met pursuant to this Grant Agreement;

(b) by either Party, upon ninety (90) days' written notice to the other Party;
or

(c) by City, immediately upon written notice to ATP should ATP fail to make any payment by the forty-fifth (45th) day following City's provision of the relevant invoice or reimbursement documentation to ATP.

(d) ATP shall pay City for all costs incurred and services rendered prior to termination of the Grant Agreement.

7. Reporting. HPD shall provide an annual progress report on expenditures and outcomes of the use of the funds.

8. Audit Rights. ATP shall have the right, at its cost and expense, to have the books and records of the City related to the Grant Agreement (i) reviewed by ATP from time to time during the Term, and/or (ii) audited by a nationally or regionally recognized independent certified public accountant, under appropriate confidentiality provisions, for the purpose of verifying the accuracy of all fees and cost calculations under this Grant Agreement; provided, that any such audit shall be conducted no more than once per budget year (a "budget year" being defined as October 1 through September 30) and shall be conducted, in each case, upon at least thirty (30) days' advance written notice; provided further, that no review or audit shall be conducted outside of normal business hours or in a manner that interferes unreasonably with the City's business. The results of any such audit by the independent certified public accountant shall be reduced to writing and delivered to each Party. Any underpayment or overbilling determined by ATP pursuant to the review referenced in clause (i) above shall, upon the agreement of the City (or if there is a dispute, then upon resolution of such dispute pursuant to Section 21), promptly be paid by ATP or refunded by the City, as applicable. Any underpayment or overbilling determined by independent certified public accounting firm pursuant to the audit referenced in clause (ii)

above shall, upon the agreement of ATP and the City (or if there is a dispute, then upon resolution of such dispute pursuant to Section 21), promptly be paid by ATP or refunded by the City, as applicable. Parties shall retain all records created or maintained under this Agreement for a period of three years after final payment on this Agreement or until all audit and litigation matters that the Parties have brought to the attention of the other Party are resolved, whichever is longer.

9. Proprietary Materials. If a Party, any of its affiliates or its third-party service providers furnishes or makes available to the other Party (each, a “Disclosing Party”) any Proprietary Materials (as defined below) pursuant to this Grant Agreement, the Disclosing Party shall retain exclusive ownership therein. As used herein, “Proprietary Materials” means all information, data and knowledge marked proprietary and furnished or made available by any Disclosing Party to the other Party as part of the Services, or used in the performance of Services hereunder, and copies thereof, including software, documentation, techniques, tools, templates, processes, procedures, discoveries, inventions and technical data.

10. Confidentiality.

(a) Confidentiality. Except as otherwise permitted herein or as otherwise provided by law, each Party shall, and shall cause its affiliates and their respective officers, directors, employees, accountants, counsel, consultants, advisors and agents to, keep all information marked confidential regarding the business, affairs or plans (“Confidential Information”) of the Disclosing Party provided pursuant to this Grant Agreement strictly confidential. Notwithstanding the foregoing, this Section 10(a) shall not apply to Confidential Information which (1) becomes generally available to the public other than as a result of a disclosure by the Party that received such information or its representatives (“Recipient”), (2) was made available to the Recipient on a non-confidential basis prior to its disclosure to such Person pursuant to this Grant Agreement, (3) becomes available to the Recipient on a non-confidential basis from a source other than the Disclosing Party who did not acquire the Confidential Information from the Disclosing Party or (4) is required to be disclosed by legal process, a court decision, a government agency, or an administrative order; *provided* that the Recipient timely informs the Disclosing Party so that the Disclosing Party may seek a protective order, confidential treatment or other remedy, if possible.

(b) No Rights to Confidential Information. Each Party acknowledges and agrees that it will not acquire any right, title or interest in or to any Confidential Information of the Disclosing Party hereto by reason of this Grant Agreement or the provision or receipt of Services hereunder.

(c) Safeguards. Each Party agrees to establish and maintain administrative, physical and technical safeguards, data security procedures and other protections against the destruction, loss, unauthorized access or alteration of the Disclosing Party’s Confidential Information that are no less rigorous than those otherwise maintained for its own Confidential Information but in no event using less than reasonable care.

(d) Texas Public Information Act. Notwithstanding any terms and conditions in this Grant Agreement to the contrary, this Grant Agreement and related

documents are subject to the “Texas Public Information Act,” Texas Gov’t Code, Chapter 552. The City and ATP are subject to the Texas Public Information Act and must release information required to be released under the Texas Public Information Act and regulations promulgated thereunder.

11. Headings. The headings appearing herein are for convenience and reference only and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Grant Agreement.

12. Amendment and Waiver. This Grant Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party, including in the case of ATP the approval of the ATP Board of Directors. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Grant Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

13. Notices.

(a) Requirements. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Grant Agreement by one Party to another must be in writing and will be given and deemed to have been given immediately if delivered in person to the address set forth in this section for the Party to whom the notice is given, or on the third day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the Party at the address hereinafter specified.

(b) City of Austin Address. The address of City of Austin for all purposes under this Grant Agreement and for all notices:

Rosie Truelove (or her successor)
Director, Housing & Planning
Street-Jones Building
1000 E. 11th St., Suite 200
Austin, TX 78702

Ed Van Eenoo (or his successor)
Chief Financial Officer
301 W. 2nd Street
Austin, Texas 78701

With additional copy to:

Anne L. Morgan (or her successor)
City Attorney
301 W. 2nd Street
Austin, Texas 78701

(c) ATP Address. The address of the ATP for all purposes under this Grant Agreement and for all notices:

Greg Canally (or his successor)
Chief Financial Officer
700 Lavaca Street
Suite 1400
Austin, Texas 78701

With additional copy to:

Casey Burack (or her successor)
General Counsel
700 Lavaca Street
Suite 1400
Austin, TX 78701

(d) Change of Address. Each Party may change the address for notice to it by giving written notice of the change. Any change of address by a Party, including a change in the Party's authorized representative, must be reported to the other Parties within twenty (20) days of the change.

14. Successors and Assigns. Neither this Grant Agreement nor any of the rights or obligations of the Parties hereunder may be assigned by any Party without the prior written consent of the other Parties. Any attempted assignment or delegation in contravention hereof shall be null and void. Subject to the foregoing, this Grant Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

15. No Third Party Beneficiary Rights. This Grant Agreement is not intended to and shall not be construed to give any Person or entity other than the Parties signatory hereto (and successors and assigns permitted under Section 14) any interest or rights

(including, without limitation, any third-party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

16. Force Majeure. ATP will not be financially liable to the City and City shall not be liable for delays or failures to perform under the Grant Agreement where such failure is caused by force majeure (i.e., those causes generally recognized under Texas law as constituting unforeseeable and impossible conditions). Such delays or failures to perform will extend the period of performance until these exigencies have been removed or until the Parties agree in writing to either amend or terminate the Grant Agreement. The affected Party shall notify the other Party within five (5) business days of the occurrence of the force majeure event or delay, whichever occurs later, or otherwise waive the right as a defense, unless notification is impractical under the circumstances, in which case notification shall be done in as timely a manner as possible.

17. No Right of Set-Off. Notwithstanding any other provisions of this Grant Agreement or any other agreement among the Parties, any payment to be made by any Party under this Grant Agreement will be made free of any set-off and will be promptly remitted to the Party entitled to receive payment hereunder. However, notice is hereby given of Article VIII, §1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.

18. Expenses. Except as otherwise expressly provided herein, the Parties shall bear their own respective expenses (including, but not limited to, all compensation and expenses of counsel, financial advisors, consultants and independent accountants) incurred in connection with the preparation and execution of this Grant Agreement and consummation of the transactions contemplated hereby, unless otherwise expressly agreed in writing.

19. Counterparts. This Grant Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be the same agreement. A signed copy of this Grant Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Grant Agreement.

20. Governing Law and Venue. This Grant Agreement is governed by the laws of the State of Texas and all obligations under this Grant Agreement are performable in Travis County, Texas. Any suits relating to this Grant Agreement will be filed in a district court or federal court in Travis County, Texas.

21. Dispute Resolution/Mediation. Disputes and unresolved questions or issues of Parties must initially be presented by submission in writing in accordance with the Notice provisions above with copies to the Chief Financial Officers of each of the City and ATP. If satisfactory resolution cannot be achieved between the Chief Financial Officers within a reasonable time, and should mediation be acceptable to all Parties in resolving a dispute arising under this Grant Agreement, the Parties agree to use the Dispute Resolution Center of Austin, Texas, as the provider of mediators for mediation as described in the Tex. Civ. Prac. and Rem. Code, Section 154.023. Unless all Parties are satisfied with the result

of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation shall remain confidential as described in Tex. Civ. Prac. and Rem. Code, Section 154.073, unless both Parties agree, in writing, to waive the confidentiality.

22. Notice of Claim. Within five (5) business days of receiving notice of any claim, demand, suit, or any action made or brought against any Party, arising out of the activities conducted pursuant to this Grant Agreement, the Party will give written notice to the other Party of such claim, demand, suit or other action. Said notice will include: (a) the name and address of the claimant; (b) the basis of the claim, action or proceeding; (c) the court, if any, where such claim, action, or proceeding was instituted; and (d) the name or names of any person or persons against whom such claim is being made.

23. Severability. If in any jurisdiction any term or provision hereof is determined to be invalid or unenforceable, (a) the remaining terms and provisions hereof shall be unimpaired, (b) any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction, and (c) the invalid or unenforceable term or provision shall, for purposes of such jurisdiction, be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

24. Entire Agreement. This Grant Agreement and the Exhibits hereto, together with the any SOW, shall constitute the entire understanding and agreement among the Parties to it in relation to the subject matter of this Grant Agreement and shall together supersede all previous agreements among the Parties in relation to the same subject matter.

25. Legal Authority. The person or persons signing this Grant Agreement on behalf of each Party warrant that he, she or they have been duly authorized by their respective entities to sign this Grant Agreement on behalf of the entity and to bind the entity validly and legally to all terms, performances, and provisions in this Grant Agreement. Each Party warrants that the Party possesses the legal authority to enter into this Grant Agreement and to perform the services that Party has obligated itself to perform under this Grant Agreement.

Exhibits:

I. Exhibit A – Contract with Voters and Sequencing Plan

II. Exhibit B - Planned Annual Allotment of \$300 Million in Anti-Displacement Funds

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Grant Agreement to be executed and effective as of the date first set forth above.

CITY OF AUSTIN

By: Rodney Gonzales

Name: Rodney Gonzalez

Title: Assistant City Manager

Date: April 8, 2021

Approved as to form:

Brandon W. Carr
Brandon W. Carr, Assistant City Attorney

AUSTIN TRANSIT PARTNERSHIP

By: E-SIGNED by Greg Canally
on 2021-04-05 21:59:55 GMT

Greg Canally
Chief Financial Officer

Date: April 05, 2021

Approved as to form:

E-SIGNED by Casey Burack
on 2021-04-05 17:17:20 GMT
Casey Burack, General Counsel

Exhibit A

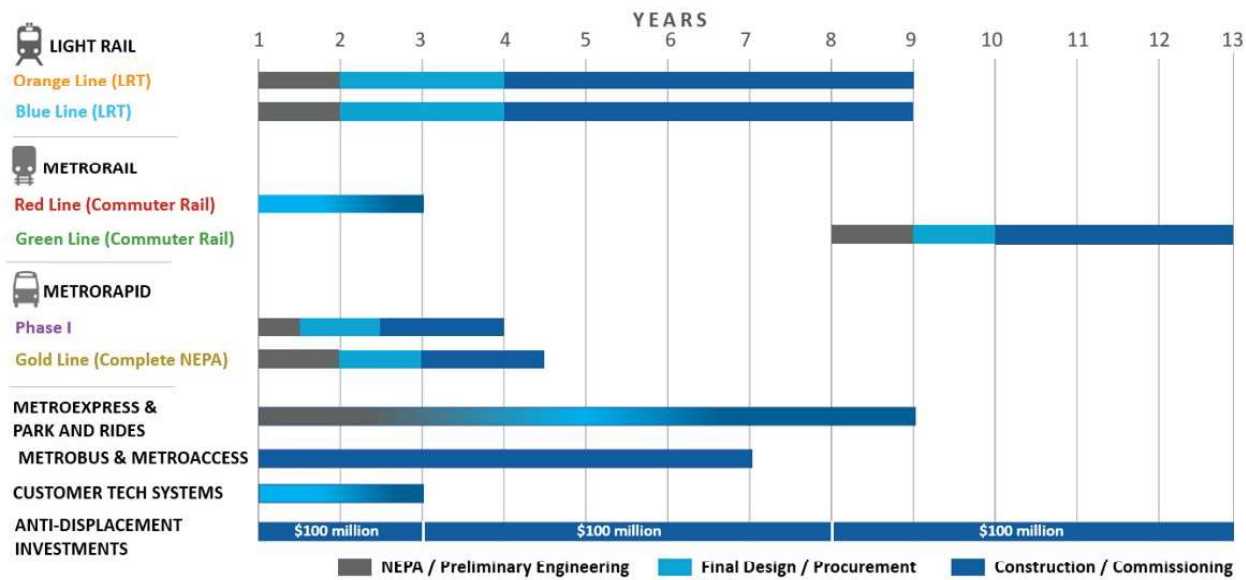


Exhibit B
Planned Annual Allotment of \$300 Million in Anti-Displacement Funds

Implementation Sequencing Plan	FY	Amount
Years 1-3 \$100 million	FY 2020-21	\$23 million
	FY 2021-22	\$42 million
	FY 2022-23	\$35 million
Years 4-8 \$100 million	FY 2023-24	\$20 million
	FY 2024-25	\$20 million
	FY 2025-26	\$20 million
	FY 2026-27	\$20 million
	FY 2027-28	\$20 million
Years 9-13 \$100 million	FY 2028-29	\$20 million
	FY 2029-30	\$20 million
	FY 2030-31	\$20 million
	FY 2031-32	\$20 million
	FY 2032 -33	\$20 million

RESOLUTION NO. 20210729-043

WHEREAS, in Resolution 20200812-015 Council established the contract with the voters in regards to the Austin Transit Partnership and funding for Project Connect and related infrastructure; and,

WHEREAS, Council directed establishment of a process for the manner in which funding would be allocated should voters approve the tax rate increase in November of 2020; and,

WHEREAS, Council directed the City Manager to include certain provisions in a draft Joint Powers Agreement, to be reviewed and approved by City Council; and,

WHEREAS, Council directed the City Manager to include in the Joint Powers Agreement a procedure to transfer the Project Connect Tax Revenue in a proportionate amount on an annual and more frequent basis until the debt is paid off and the funds are no longer required for operations, maintenance, or a state of good repair; and,

WHEREAS, the City Manager and the Austin Transit Partnership have developed the procedure, and are bringing it forward at this time for Council approval in the form of an Interlocal Agreement Between City of Austin and Austin Transit Partnership for Terms of Joint Powers Agreement on Transfer of “November 2020 Proposition A” Property Tax Revenue; and,

WHEREAS, Council has reviewed the procedure and desires the City Manager to implement this process; **NOW, THEREFORE**,

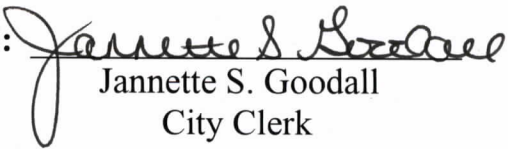
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council gives its approval for the Interlocal Agreement Between City of Austin and Austin Transit Partnership for Terms of Joint Powers Agreement on Transfer of "November 2020 Proposition A" Property Tax Revenue financial process related to transfer of the Project Connect Tax Revenue in a proportionate amount attached to this resolution as Attachment A.

BE IT FURTHER RESOLVED:

The City Manager and the City's Chief Financial Officer are authorized and directed to take any action and to sign, execute, and deliver the Interlocal Agreement Between City of Austin and Austin Transit Partnership for Terms of Joint Powers Agreement on Transfer of "November 2020 Proposition A" Property Tax Revenue and any other documents that are necessary or advisable to comply with the terms of the financial requirements related to the transfer of the proportionate share of the City's maintenance and operations Project Connect Property Tax Revenue. The Joint Powers Agreement will encompass the terms of the financial arrangements between the City and ATP, including but not limited to, financial requirements related to the transfer of tax revenue, payment arrangements for staffing and related costs, and grant agreements related to anti-displacement funding.

ADOPTED: July 29, 2021

ATTEST: 
Jannette S. Goodall
City Clerk

**INTERLOCAL AGREEMENT BETWEEN CITY OF AUSTIN AND THE AUSTIN TRANSIT PARTNERSHIP
FOR TERMS OF JOINT POWERS AGREEMENT ON TRANSFER OF
"NOVEMBER 2020 PROPOSITION A" PROPERTY TAX REVENUE**

The purpose of this Interlocal Agreement Between City of Austin and the Austin Transit Partnership for Terms of Joint Powers Agreement on Transfer of "November 2020 Proposition A" Property Tax Revenue ("Agreement") is to define the process and procedures for the allocation and distribution of November 2020 Proposition A property tax revenue collected by the City of Austin ("City"), to the Austin Transit Partnership ("ATP"). This Agreement is consistent with the direction from City Council in the Contract with the Voters, shall satisfy the requirement of the Contract with Voters to include such process and procedures, and shall be referenced as such when the full Joint Powers Agreement is approved.

Background

On November 3, 2020, voters approved Proposition A ("Prop A") Tax Rate Election, which dedicated \$0.0875 of the approved \$0.5335 City tax year 2020 property tax rate for the current Fiscal Year (FY) 2020-21 for the investment in Project Connect. The FY 2020-21 property tax revenue associated with this \$0.0875 tax rate, and property tax revenue in future years calculated in accordance with a formula defined below, is:

"to be dedicated by the City to an independent board (ATP) to oversee and finance the acquisition, construction, equipping, and operations of the rapid transit system."

In the Contract with the Voters approved by City Council (Resolution 20200812-00315) the City committed that:

"Upon voter approval of the tax rate, beginning in Fiscal Year 2020-21, the City Manager is directed to transfer the Project Connect Tax Revenue to Austin Transit Partnership."

Further, the City Manager was directed:

"to develop procedures to transfer the Project Connect Tax Revenue in a proportionate amount on an annual or more frequent basis, for the current and future years, and include those procedures in a future Joint Powers Agreement ("JPA") between the City and Austin Transit Partnership. The transfer of the Project Connect Tax Revenue will continue until such time as all debt issued and financial obligations incurred by Austin Transit Partnership are paid off and funds are no longer required for operations, maintenance, or state of good repair for assets funded by Austin Transit Partnership."

Property Tax Revenue

Language in the Contract with the Voters that directs the City Manager to develop procedures to transfer the Project Connect Tax Revenue in a proportionate amount was crafted with the purpose and intent of acknowledging that tax rates generally change each year. As background, the City's annual tax rate is set by the City Council based on the interplay between taxable property values (certified by each of the appraisal districts that have property in the City limits: Travis Central Appraisal District, Williamson Central Appraisal District, and Hays Central Appraisal District), the City's revenue needs, and the calculation formula mandated by State law. Currently, State law allows the City to adopt an operations and maintenance property tax rate that would generate up to 3.5% more property tax revenue for operations

and maintenance than in the previous year from properties taxed in both years, net of certain adjustments. A property tax rate increase in excess of this level requires approval by the voters in a citywide election. As taxable property values rise, it exerts downward pressure on the property tax rate. Conversely, if taxable values were to decrease, it would generate upwards pressure on the tax rate. The Project Connect financial model was created and presented, not based on a static property tax rate, but on a proportionate share basis recognizing this dynamic. At the time the model was developed, when the City Council approved the Prop A ballot, and when the City adopted the Fiscal Year 2020-21 tax rate, ATP's proportionate share of the operations and maintenance property tax rate was 20.789% and the allocation formula detailed below is intended to provide ATP with this same proportion of operations and maintenance property tax revenue in future years.

Section 1: Allocation of Property Tax Revenue

A: Revenue Definition

For the purposes of this agreement, Property Tax Revenue shall refer to the revenue collected by the City for maintenance and operations ("M&O"). It shall exclude revenue pertaining to the debt service portion of the total annual property tax rate. With respect to revenue associated with the maintenance and operations property tax rate, it includes current collections, delinquent collections, and penalties and interest incurred or accrued beginning with the 2020 tax year. Delinquent collections, and penalties and interest related to tax years prior to tax year 2020 are excluded from this agreement.

B: Apportionment Formula

The apportionment of the annual property tax revenue collected, beginning in FY2020-21 shall be calculated using the following formula. It is based on the first-year (Tax year 2020 and City fiscal year 2020-21) voter-approved M&O ad valorem rate of \$0.4209 per \$100 of taxable valuation, with \$0.0875 dedicated to Project Connect. All future property tax revenue shall be apportioned using this formula until use of the formula is superseded by subsequent voter action (such as another Tax Rate Election for any purpose) or amendment to this agreement (see 4C for amendment process) or the dissolution of ATP (consistent with the Contract with the Voters).

$$\text{City Share of Maintenance and Operations Property Tax Revenue} = 0.3334/0.4209 = \mathbf{79.211\%}$$

$$\text{Austin Transit Partnership Share of Maintenance and Operations Property Tax Revenue} = 0.0875/0.4209 = \mathbf{20.789\%}$$

In the event of a successful future City Tax Rate Election that increases the City's Maintenance and Operations Property Tax Rate, these calculations shall be amended to adjust the percentage of the ATP share of the City Maintenance and Operations Property Tax Revenue. This percentage shall be calculated by:

- 1) multiplying the current Austin Transit Partnership Share of Maintenance and Operations Property Tax Revenue apportionment percentage by the City Maintenance and Operations Property Tax Rate prior to the successful Tax Rate Election in the tax year in which the election takes place to determine the effective ATP share of the City's Maintenance and Operations Property Tax Rate; and then,

2) dividing this effective ATP share of the City's Maintenance and Operations Property Tax Rate by the total City Maintenance and Operations Tax Rate inclusive of the successful Tax Rate Election to generate the new Austin Transit Partnership Share of Maintenance and Operations Property Tax Revenue percentage.

ATP shall be promptly notified of the newly calculated Austin Transit Partnership Share of Maintenance and Operations Property Tax Revenue percentage.

C: Allowances

The City currently has three approved Tax Increment Reinvestment Zones (TIRZ), the Mueller, Waller Creek, and Seaholm TIRZs, to which 100% of the incremental property tax revenue collected within the TIRZ boundaries is currently allocated, and one Homestead Preservation Zone (HPZ), to which 20% of the incremental property tax revenue collected within the HPZ boundaries is currently allocated. Tax revenue required for each TIRZ and HPZ shall first be deducted from the total tax property tax revenue received by the City, prior to the proportional (based on share of the tax rate) disbursement of the revenue to the General Fund (M&O), Project Connect Fund (M&O) and debt service.

Prior to the amendment of an existing TIRZ, or approval of any future TIRZ or HPZ, the City shall require the consent of ATP only as to whether the ATP share of Prop A property tax revenue can be included in the capture rate of the TIRZ or HPZ. However, the City may create a TIRZ on city owned property without the consent of ATP, including a TIRZ in which city property is the majority (50.1%) of the acres included in the zone.

In addition, the City has four economic incentive agreements (Chapter "380") in which the City has agreed to rebate all or some of the property tax paid back to the partner corporation. The corporation, terms of the agreement, and expiry dates of the agreements are included in the following table:

Corporation	Reimbursement Calculation	Expiry
Samsung	In years 1-10, 100% of tax on new equipment and machinery purchased and real property improvements made after 1/1/2006 for the 300 mm Fab; in years 11-20, 75% of taxes on same.	12/31/2027
Domain	25% of City's incremental property tax, based on 5/1/2003 property valuation of \$235,228 per acre. Baseline value is \$12,504,720.	12/31/2028
Apple	100% of the City's incremental property tax on improvements and on business personal property.	12/31/2026

HDI	100% of the City's incremental property tax on improvements and on business personal property.	12/31/2024
-----	--	------------

In the calculation of the apportionment of property tax revenue, the City shall retain the portion of the property tax rebates related to ATP's share of the property tax paid by these corporations that is required to be reimbursed per the agreement between the City and the corporation. The retained property tax revenue will be paid to the corporations the following fiscal year in accordance with the agreements. The remittance to ATP will be net the pro rata share of the rebate agreements for the remaining term of the agreements.

If the City negotiates a new agreement, whether with these existing firms or new firms/corporations/entities to rebate property taxes for any reason, the City shall not include in any such agreement the portion of the Prop A property tax revenue without ATP's consent.

D: Remittance Calculation

The calculation below shall be based on transactions recorded by the City for the time periods outlined in Section 2A.

Step 1		Total City Property Tax Revenue Collected for tax years 2020 and later
Step 2	(less)	TIRZ and HPZ capture revenue
Step 3	(less)	Chapter 380 Requirements
Step 4	=	Adjusted Total Property Tax Revenue
Step 5	(less)	Share of revenue associated with annual debt service tax rate
Step 6	=	Adjusted Total M&O Property Tax Revenue
Step 7	X	ATP Share
Step 8	=	ATP Property Tax Revenue

Section 2: Payment Process

A: Remittance Schedule

The City shall make payments of annual Property Tax Revenue to ATP through the term of this Agreement according to the following schedule:

Month-End	Time Period	Payment Due
January	October 1 to January 31 for current fiscal year; plus, audit adjustment transactions from prior fiscal year	April 20 th *
June	February 1 to June 30 for the current Fiscal Year	July 20 th
October	July 1 to September 30 for the current Fiscal Year	November 20 th

* The first payment to ATP will be made no later than 30 days after this agreement is signed by both parties and shall be based on the time period(s) per schedule, to accommodate the adoption of this Agreement.

B: Payment Method

The City shall make payments to ATP using electronic funds transfer. ATP shall provide a letter on ATP's letterhead at least 30 days prior to the payment due dates listed above with the appropriate Automated Clearing House (ACH) or wiring instructions (full Routing Number and last four digits of the Account Number) so that this information may be verified against ATP's vendor code in the City's financial system. The ACH or wiring instructions must match the payment address that contains these instructions in the City's financial system. This 30-day window will allow time for updates to ATP's vendor record if necessary.

C: Credits

In the event the calculated payment to ATP results in a net credit to the City, the credit will be applied to the next positive payment balance. ATP is not expected nor required to issue a payment to the City for the credit amount.

D: Interest for Late Payments

Payments remitted 15 days past the due date due to no fault of ATP shall accrue interest, if such late remittance is caused by actions or events within the control of the City. The interest rate shall be equal to the One-Year Treasury Constant Maturity rate on the day the payment is due. Interest shall accrue until the payment is remitted and shall be compounded and calculated by the City. The interest shall be added to the next payment.

E: Remittance Documentation

Concurrent with each payment remitted to ATP, the City shall provide to ATP documentation that details the computations underlying the payment amount. The April 20th payment shall include for the prior fiscal year the final remittance calculation outlined in 1D as well as any credits or interest from late payments applied to the payment. In addition, the Total City Property Tax Revenue Collected from Step 1, 1D shall be shown by revenue type (current collections, delinquent collections, and penalties and interest incurred).

Section 3: Annual Budget

A: Estimation and Projections of Payment

On or before May 1 of each year, commencing May 1, 2022, the City shall provide to ATP a projection of payments consistent with this agreement to be made for the current and following five fiscal years. The City will endeavor to provide ATP updates on projected payments throughout the year.

B: Annual Budget

For the term of this Agreement, as authorized and directed by the voters and council, in the November 2020 election and the Contract with the Voters, the City Manager will provide a budget for council

adoption that provides the appropriate proportionate share of the City's M&O tax rate following the calculations and procedures in this Agreement, specifically Section 2A of this Agreement.

Section 4: Miscellaneous

A: Term

This agreement shall remain in place from date of execution until the earlier of:

- 1) The date all debt issued and financial obligations incurred by Austin Transit Partnership are paid off and funds are no longer required for operations, maintenance, or state of good repair for assets funded by ATP; or
- 2) The dissolution of ATP, in accordance with state law.

B: Audit Requirements

Upon reasonable prior written notice, ATP shall have the right to review all data and work relevant to the Property Tax Revenue calculations and payments to ATP. The City shall also have the right to review data and work relevant to determining if the Property Tax Revenue has been spent by ATP in accordance with the Contract with the Voters.

C: Financial Cooperation

The City and ATP agree to share any necessary financial information, data, and reports to support each entities' annual budgets, Comprehensive Annual Financial Reports, and bond sales. Both entities also agree that staff of each entity shall work to support any such request for this information, data, and reports.

D: Amendment

This agreement may be modified only by a written instrument executed by both the City and ATP.

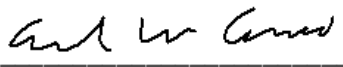
If an amendment is necessary to address changes in applicable law, that amendment will be brought forth in a manner consistent with the applicable law and the contract with the voters.

E: Effective Date of Agreement

The provisions of the agreement will come into full force and effect upon the execution and delivery by the parties.


By signing this agreement, each party represents that the person executing this agreement is duly authorized to do so, and that each party agrees to the terms.

Date: 8/17/2021

By: 

Ed Van Eenoo, Chief Financial Officer
City of Austin

Date: 8/2/21

By: 

Greg Canally, Chief Financial Officer/Chief
Development Officer
Austin Transit Partnership

RESOLUTION NO. 20200812-015

WHEREAS, the Austin Strategic Mobility Plan (“ASMP”) (Ordinance No. 20190411-033) is the transportation element of the Imagine Austin Comprehensive Plan; and

WHEREAS, the ASMP establishes that the policy of the City is to invest in a high-capacity transit system to meet our 50/50 mode share goals, stating that the City “must work with our public transportation partners and enhance services to create an experience that attracts and retains riders” and “unprecedented collaboration between the community, the City, and Capital Metro is critical;” and

WHEREAS, City Council adopted Resolution No. 20190808-081 directing the City Manager to “analyze and report on options for the City of Austin and other related or interested public or private entities to leverage resources to support the creation, operation, and maintenance of a high-capacity transit system;” and

WHEREAS, the City and Capital Metro have engaged with community members and other stakeholders to develop and refine the Project Connect System Plan, (“Project Connect”) a high-capacity transit system, to address the City’s transit needs for safer, faster, and more reliable transportation that will improve access to essential services, such as education, health care, grocery stores, childcare, and jobs, especially in historically underserved and underrepresented communities; and

WHEREAS, City Council adopted Resolution No. 20200610-002, directing the City Manager to amend the ASMP to include the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines, as adopted by Capital Metro; and

WHEREAS, the ASMP also establishes that the policy of the City is to proactively assess displacement impacts of transportation projects, stating “it is important that we recognize this fact during the planning phase of all transportation infrastructure projects and that, before we begin the implementation of these projects, we work with our partners, develop strategies, and utilize tools to support current neighborhood residents and businesses, stopping or limiting their displacement;” and

WHEREAS, City Council adopted Resolution No. 20200423-038 supporting an equitable transit system to benefit the whole community, and calling for data-driven policies and funding to “prevent transportation investment-related displacement and ensure people of different incomes can benefit from transportation investments;” and

WHEREAS, Capital Metro also supports an equitable transit system, as reflected in its Transit Oriented Development Policy and Guidelines; and

WHEREAS, to receive funding through its Capital Investment Grant Program, the Federal Transit Administration (FTA) evaluates on economic development criteria which includes “the extent to which a proposed project is likely to induce additional, transit-supportive development,” specifically including “adopted financing tools and strategies to preserve and increase affordable housing in the project corridor;” and

WHEREAS, City Council adopted Resolution 20200727-002 directing an initial investment in the Project Connect System Plan (Initial Investment Map and associated Implementation Sequence Plan are attached as “Exhibit A” to this resolution) and directing the City Manager to include an additional \$0.0875 per

hundred dollar valuation in the proposed Fiscal Year 2020-2021 property (ad valorem) tax rate; and

WHEREAS, Project Connect is a citywide rapid transit system that comprises a fixed rail and bus rapid transit system, including associated roadway, bikeway, sidewalk, and street lighting improvements; park & ride hubs; on-demand neighborhood circulators; innovative customer technology; and improved services for seniors and persons with disabilities; and

WHEREAS, Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors; and

WHEREAS, the City Council will order an election to be held on November 3, 2020 for the purpose of asking voters to approve a tax rate of \$0.5335 per \$100 value of which \$0.0875 is to be used as a dedicated funding source for the Austin Transit Partnership (such \$0.0875 is hereinafter referred to as the “Project Connect Tax Revenue”) to further the objectives of the development and implementation of Project Connect, including funding for transit-supportive anti-displacement strategies, and for the purpose of approving funding for a fixed rail system; and authorizing Capital Metro to expend its funds to build, operate, and maintain such a system as required by Section 451.071 of Texas Transportation Code; and

WHEREAS, the City Council and Capital Metro Board each approved an interlocal agreement, committing to, upon voter approval of the Project Connect Tax Revenue, create a joint local government corporation with articles of

incorporation and bylaws, to be named Austin Transit Partnership; and

WHEREAS, the purpose of Austin Transit Partnership is to be the principal entity responsible for the implementation of the Project Connect System Plan, including the financing of acquisition, construction, equipping, and operations of Project Connect; and funding the Project Connect associated transit-supportive anti-displacement strategies; and to work with the City and Capital Metro to execute a Joint Powers Agreements to delineate the roles and responsibilities of all three parties; and

WHEREAS, Capital Metro, as a rapid transportation authority serving the Central Texas region by statute, is currently partnering with surrounding communities in the region to provide transit service, and will coordinate and facilitate future regional transportation programs which may be in conjunction with Capital Metro directly or the Austin Transit Partnership; and

WHEREAS, Capital Metro will work jointly with the City to identify and pursue future opportunities to leverage regional, state and federal funding for Project Connect; and

WHEREAS, the City recognizes the commitment of Capital Metro to dedicate the balance of its Capital Expansion Fund and any funding received from grant agreements with the U.S. Department of Transportation to Austin Transit Partnership; **NOW, THEREFORE**,

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

The City Council, by this official action, clarifies and declares its intent and commitment to the voters to create a contract with the voters that specifies and

commits that the proceeds from the Project Connect Tax Revenue collected shall be used to invest in a citywide rapid transit system, known as Project Connect, which includes associated transit-supportive anti-displacement strategies. Further, the City Council by this official action, clarifies that if Project Connect, or the associated Implementation Sequence Plan, require modification, such action may be taken only upon the joint concurrence of City Council and the Capital Metro Board. The following Be It Further Resolved clauses describe how the Project Connect Tax Revenue is to be allocated to the jointly created local government corporation, Austin Transit Partnership, and the clauses direct the City Manager to include certain provisions in a draft Joint Powers Agreement, to be reviewed and approved by City Council, with Austin Transit Partnership and Capital Metro to guide the expenditure of the Project Connect Tax Revenue.

BE IT FURTHER RESOLVED:

Upon voter approval of the tax rate, beginning in Fiscal Year 2020-21, the City Manager is directed to transfer the Project Connect Tax Revenue to Austin Transit Partnership. Further, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership, a procedure to transfer the Project Connect Tax Revenue in a proportionate amount on an annual or more frequent basis. The transfer of the Project Connect Tax Revenue will continue until such time as all debt issued and financial obligations incurred by Austin Transit Partnership are paid off and funds are no longer required for operations, maintenance, or state of good repair for assets funded by Austin Transit Partnership. It is acknowledged that under State law, particularly Chapter 1202 of the Texas Government Code, the issuance of obligations by Austin Transit Partnership is subject to the review and approval of the Attorney General of the State of Texas, and conditions established by the Attorney General of the State of

Texas to receive the approval. To the extent that those conditions, State law, and Federal law, apply to the requirements of this contract with the voters, those conditions and those laws supersede this contract.

Further, if funding from the City's transfer of the Project Connect Tax Revenue is sufficient to fund both the initial investment and additional transit infrastructure components of Project Connect (as shown in Exhibit A), Council contracts with the voters that the Project Connect Tax Revenue may be used to fund those additional components.

Finally, if federal matching funds are not available to complete components of the initial investment, or additional components, Council contracts with the voters that the Project Connect Tax Revenue shall be used to fund as much of the initial investment in Project Connect as possible.

BE IT FURTHER RESOLVED:

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro, a provision to provide a total of \$300,000,000 of the Project Connect Tax Revenue, in accordance with the Implementation Sequence Plan as shown in Exhibit A, to Austin Transit Partnership for the purpose of (1) acquiring real property, and (2) financing tools and other anti-displacement strategies related to the implementation of Project Connect. The following two Be It Resolved clauses provide direction for the expenditure of these funds.

BE IT FURTHER RESOLVED:

Regarding the use of funding for the acquisition of real property related to

the Project Connect anti-displacement strategies, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a provision that the funds may be used to acquire real estate for transit supportive development that will preserve and/or increase the amount of affordable housing proximate to transit corridors. Austin Transit Partnership should prioritize land banking for future affordable housing. The real property acquired for these purposes should be acquired in accordance with the policy objectives approved by the City Council as documented in the Austin Strategic Housing Blueprint or subsequent policy. The real property acquisition should also be compliant with Capital Metro's Transit Oriented Development Policy and Guidelines. The real property acquired should be an FTA-compliant investment, eligible for federal matching funds, when possible.

BE IT FURTHER RESOLVED:

Regarding the use of funding for financing tools and other anti-displacement strategies related to the implementation of Project Connect, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro, a provision that documents a procedure to create neighborhood-level tools and strategies with the community. These tools and strategies may include the construction or development of new affordable housing; preservation, repair, and rehabilitation of existing affordable housing; financial assistance for home ownership; home repair; rental subsidies; right-to-return assistance that grants current tenants of affordable housing the option to lease a unit of comparable affordability and size following completion of rehabilitation of affordable housing; or other strategies that build economic mobility opportunities for residents along the transit corridors and increase transit-supportive economic development and ridership.

The City Manager is directed to include in the Joint Powers Agreement provisions for the roles and responsibilities for the financing tools and other anti-displacement strategies related to the implementation of Project Connect as follows:

The City shall:

- within six-months of voter approval, provide a process for the creation of neighborhood-level strategies with community members and organizations; and
- create an Equity Assessment Tool as outlined in the Response to Resolution No. 20200423-038 specific to Project Connect and the City in order to analyze, on a neighborhood level, both (1) potential, unintended, or undesirable effects of the transit investment that contribute to difficulties for people to remain living in an area, such as gentrification and displacement, and (2) opportunities to make investments to build economic mobility for residents along the transit corridors; and
- create with the community, neighborhood-level prevention and mitigation strategies based on the Equity Assessment Tool, including (1) recommendations that leverage other programs managed by the City, other local governments, and community organizations, to create a connected effort for anti-displacement strategies, and (2) recommendations for funding proposals and implementation of identified strategies; and
- provide the professional services of representatives from City departments, which may include employees from Neighborhood Housing and Community Development, Austin Transportation

Department, Equity Office, Innovation Office, Sustainability Office, or other employees to Austin Transit Partnership to assist with developing proposals, as described below, for approval by City Council and the Capital Metro Board.

- make publicly available a performance dashboard to track progress on strategies identified for implementation for each neighborhood that is frequently updated.
- Capital Metro shall:
 - serve as the FTA Project Sponsor and conduct an environmental justice analysis as required under National Environmental Policy Act (NEPA) for each eligible project and provide any recommendations to Austin Transit Partnership for financing tools and strategies based on the NEPA review.
- Austin Transit Partnership shall:
 - develop proposals on an ongoing basis, based on the recommendations from the City and Capital Metro, and provide a budget for approval by City Council and the Capital Metro Board; and
 - enter into interlocal agreements and/or grant agreements with the City to timely develop and implement anti-displacement strategies.

BE IT FURTHER RESOLVED:

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership take steps to address potential impacts to businesses during construction through development and implementation of a business impact mitigation strategy that includes approaches for establishing robust business outreach and

communications, supporting business access and operations, and creating effective project scheduling and sequencing that minimizes the length of construction impacts.

BE IT FURTHER RESOLVED:

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership develop a comprehensive program that meets the federal Disadvantaged Business Enterprise laws and regulations to ensure that maximum opportunities are available to women, minority, and veteran-owned businesses and small businesses to participate in Project Connect and related projects implemented by Austin Transit Partnership.

BE IT FURTHER RESOLVED:

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership participate in the Better Builder Program® or a similar program with worker protections for all construction workers, including City of Austin hiring goals as allowed by federal law and regulations, completion of OSHA 10-hour training, workers' compensation, on-site monitoring independent of construction companies and their affiliates, and in compliance with all applicable state, federal, and local laws.

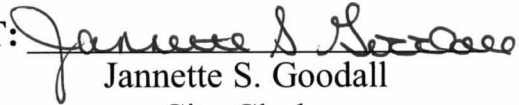
BE IT FURTHER RESOLVED:

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that all contracts awarded by Austin Transit Partnership ensure a living wage as established by the

City of Austin or prevailing wage under the Davis-Bacon Act for all workers under the contract, ensure access to health care and paid sick leave to the extent possible, and that local workers be afforded a hiring preference where allowed by federal law and regulation.

ADOPTED: August 13, 2020

ATTEST:



Jannette S. Goodall
City Clerk



METRO

projectconnect

SYSTEM PLAN INITIAL INVESTMENT

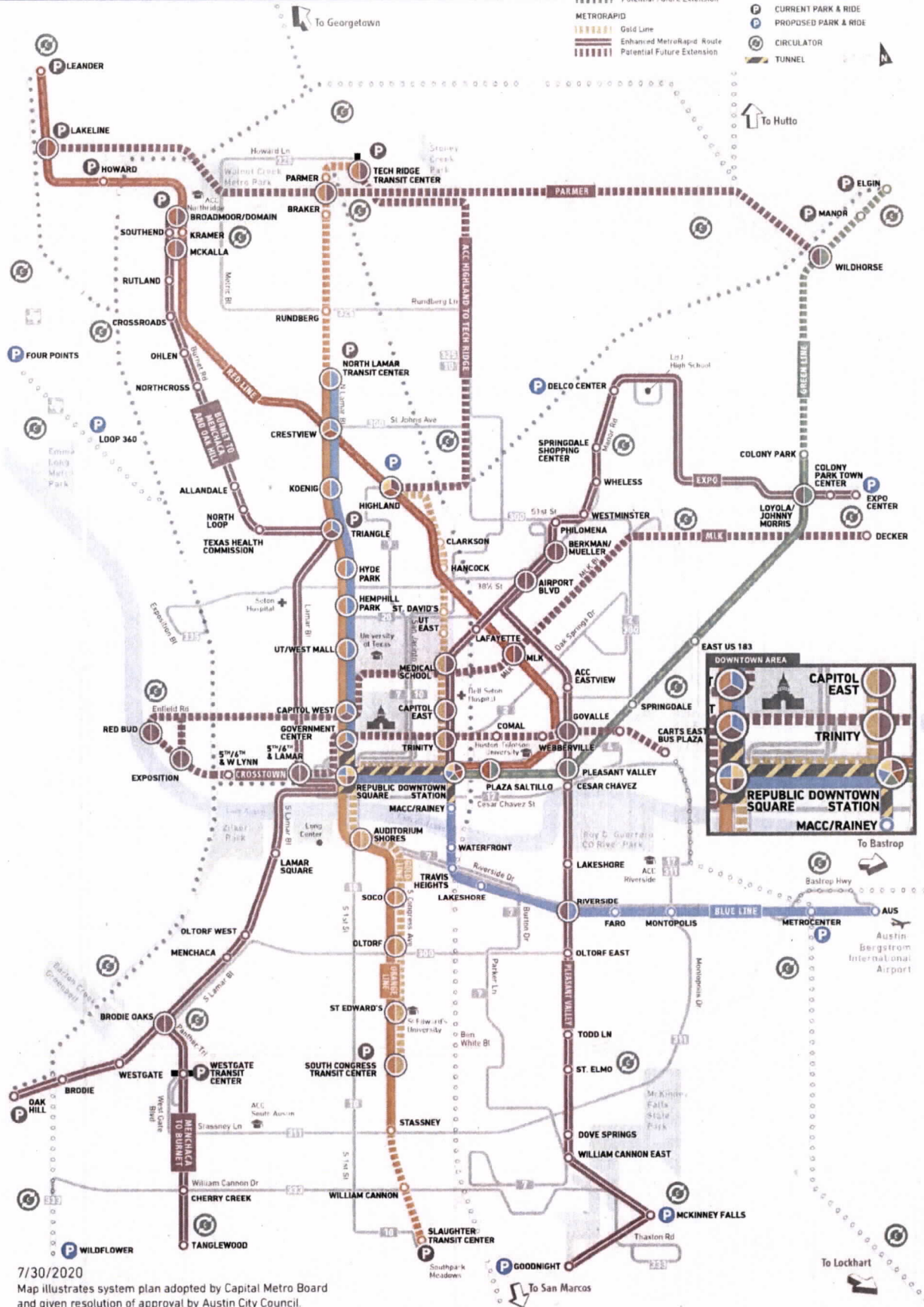
Adopted June 10, 2020

EXHIBIT A

LEGEND

- LIGHT RAIL**
Orange Line
Potential Future Extension
Blue Line
- METRO RAIL**
Red Line
Green Line
Potential Future Extension
- METRO RAPID**
Gold Line
Enhanced MetroRapid Route
Potential Future Extension

- METROBUS**
Current Frequent Local Routes
- METROEXPRESS**
Current MetroExpress
Future MetroExpress
- ADDITIONAL AVAILABLE SERVICES**
MetroAccess
MetroBike
- CURRENT PARK & RIDE**
PROPOSED PARK & RIDE
CIRCULATOR
TUNNEL

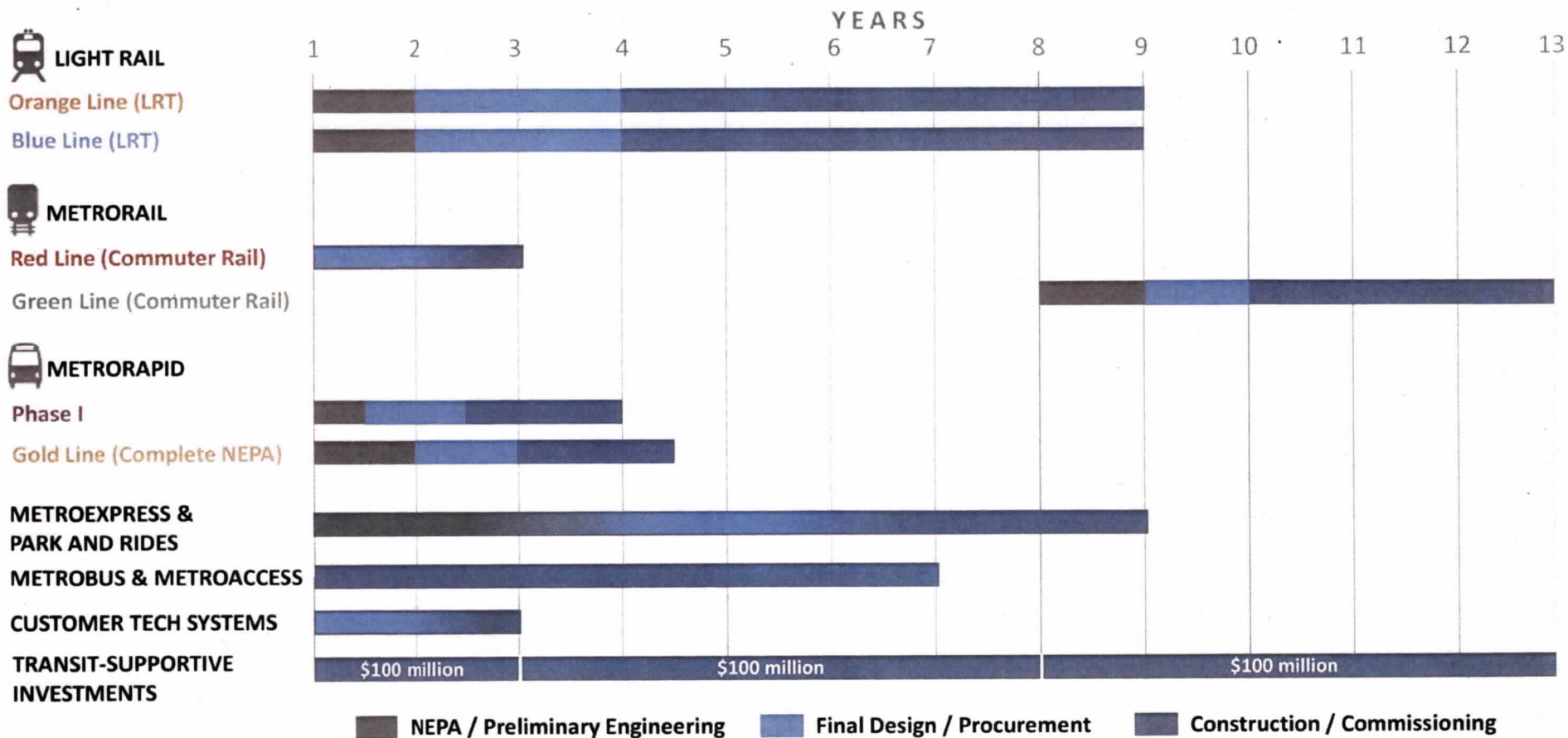


7/30/2020

Map illustrates system plan adopted by Capital Metro Board and given resolution of approval by Austin City Council.

Initial Investment Sequence Plan

Years based on federal NEPA and funding approvals



METRO

projectconnect



**RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS**

STATE OF TEXAS

COUNTY OF TRAVIS

RESOLUTION (ID # AI-2020-1297)

Funding and Commitment Resolution for Project Connect

WHEREAS, Project Connect is a vision for how we move people today and plan for tomorrow, and will create an integrated transit system that eases traffic, brings jobs to our region, improves the environment and better connects people so everyone in our community can thrive; and

WHEREAS, making public transportation a real, viable alternative for more people will make the greatest positive impact for the environment and help achieve the City of Austin's ("City") 50/50 mode share goals established in the Austin Strategic Mobility Plan ("ASMP") stating that the City "must work with our public transportation partners and enhance services to create an experience that attracts and retains riders" and "unprecedented collaboration between the community, the City, and Capital Metro is critical;" and

WHEREAS, City Council adopted Resolution No. 20190808-081 directing the City Manager to "analyze and report on options for the City of Austin and other related or interested public or private entities to leverage resources to support the creation, operation, and maintenance of a high-capacity transit system;" and

WHEREAS, Capital Metro and the City have engaged with community members and other stakeholders to refine the Project Connect System Plan, ("Project Connect") a high capacity transit system, to address the City's transit needs for safer, faster, and more reliable transportation that will improve access to essential services, such as education, health care, grocery stores, childcare, and jobs, especially in historically underserved and underrepresented communities; and

WHEREAS, prevention of displacement of lower income residents from areas served by Project Connect's transportation projects is a guiding principle to Capital Metro through its longstanding Transit Oriented Development Policy and Guidelines that is designed to support equitable growth that acts as a force multiplier for transit's benefits for the entire community; and

WHEREAS, the ASMP adopted by the City also establishes that the policy of the City is to proactively assess displacement impacts of transportation projects, stating, "it is important that we recognize this fact during the planning phase of all transportation infrastructure projects and that, before we begin the implementation of these projects, we work with our partners, develop strategies, and utilize tools to support current neighborhood residents and businesses, stopping or limiting their displacement;" and

WHEREAS, the City of Austin also supports an equitable transit system as the Austin City Council has passed a resolution (Austin City Council Resolution 20200423-038) supporting an equitable transit system to benefit the whole community and calling for data-driven policies and funding to "prevent transportation investment-related displacement and ensure people of different incomes can benefit from transportation investments;" and

WHEREAS, to receive funding through its Capital Investment Grant Program, the Federal Transit Administration (FTA) evaluates on economic development criteria which includes "the extent to which a proposed project is likely to induce additional, transit-supportive development," specifically including "adopted financing tools and strategies to preserve and increase affordable housing in the project corridor;" and

WHEREAS, Capital Metro, as a rapid transportation authority serving the Central Texas region by statute, is currently partnering with surrounding communities in the region to provide transit service, and will coordinate and facilitate future regional transportation programs which may be in conjunction with Capital Metro directly or the Austin Transit Partnership; and

WHEREAS, Capital Metro will work jointly with the City to identify and pursue future opportunities to leverage regional, state and federal funding for Project Connect; and

WHEREAS, the existing local and regional bus network and MetroAccess service are the backbone of the transit system that will provide equitable connections to all members of the community to meet their essential needs and to connect to the high capacity transit network, and the service hours to make that local service successful should be maintained; and

WHEREAS, the Capital Metro Board unanimously adopted the Project Connect System Plan (Capital Metro Board Resolution AI-2020-1273) that includes the Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines on June 10, 2020; and

WHEREAS, the Austin City Council unanimously adopted a resolution of support for the Project Connect System Plan on June 10, 2020 (Austin City Council Resolution 20200610-002) and directed the City Manager to amend the ASMP to include the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines, as adopted by the Capital Metro Board of Directors; and

WHEREAS, Capital Metro appreciates the unanimous June 10, 2020 Austin City Council resolution supporting the Project Connect System Plan and recognizes the critical importance of the partnership between Capital Metro and the City of Austin to securing the local funding commitment required to move into the federal funding process and to realize the vision of Project Connect through City Council Resolution 20200727-002 directing an initial investment in the Project Connect System Plan (Initial Investment Map and associated Implementation Sequence Plan which are attached as “Exhibit A” to this resolution) and directing the City Manager to include an additional \$0.0875 per hundred dollar valuation in the proposed Fiscal Year 2020-2021 property (ad valorem) tax rate; and

WHEREAS, Project Connect is a citywide rapid transit system that comprises a fixed rail and bus rapid transit system, including associated roadway, bikeway, sidewalk, and street lighting improvements; park & ride hubs; on-demand neighborhood circulators; innovative customer technology; and improved services for seniors and persons with disabilities; and

WHEREAS, Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors; and

WHEREAS, Capital Metro appreciates that the City Council will order an election to be held on November 3, 2020 for the purpose of approving a tax rate of \$0.5335 per \$100 value of which \$0.0875 is to be used as a dedicated funding source for the Austin Transit Partnership (referred to by the City as the “Project Connect Tax Revenue”) to further the objectives of the development and implementation of Project Connect, including funding for transit supportive anti-displacement strategies, and for the purpose of approving funding for a fixed rail system; and authorizing Capital Metro to expend its funds to build, operate and maintain such a system as required by Section 451.071 of Texas Transportation Code; and

WHEREAS, the Capital Metro Board and the City Council each approved an interlocal agreement, committing to, upon voter approval of the Project Connect Tax Revenue, create a joint local government corporation with articles of incorporation and bylaws, to be named Austin Transit Partnership; and

WHEREAS, the purpose of Austin Transit Partnership is to be the principal entity responsible for the implementation of the Project Connect System Plan, including the financing of acquisition, construction, equipping, and operations of Project Connect; and funding the Project Connect associated transit-supportive anti-displacement strategies;

and to work with the City and Capital Metro to execute a Joint Powers Agreement to delineate the roles and responsibilities of all three parties; and

WHEREAS, Capital Metro is on sound financial footing and has established a Capital Expansion Fund and will contribute future operations and maintenance funding to Project Connect, and upon a successful election and a local funding commitment will serve as the grantee for funding received from grant agreements with the U.S. Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED that Capital Metro declares its intent and commitment to invest in a citywide rapid transit system, known as Project Connect, which includes associated transit-supportive anti-displacement strategies. Capital Metro clarifies that if Project Connect, or the associated Implementation Sequence Plan, require modification, such action may be taken only upon the joint concurrence of the Capital Metro Board and the City Council. The following Be It Further Resolved clauses describe how Capital Metro will commit funds to the Austin Transit Partnership and for the implementation of Project Connect and direct the President & CEO to include certain provisions in a draft Joint Powers Agreement, to be reviewed and approved by the Capital Metro Board of Directors, the Austin Transit Partnership and the City of Austin to guide the expenditure of funds.

BE IT FURTHER RESOLVED that upon voter approval of the tax rate, Capital Metro dedicates the balance of the Capital Expansion Fund to the Austin Transit Partnership for implementation of the Project Connect System Plan or shall budget for use of the Capital Expansion Fund in the Fiscal Year 2021 budget to fund initial corporate functions, actions required for projects as defined in the Project Connect System Plan, and other Capital Metro responsibilities for implementation of Project Connect.

Further, if sufficient funding is available to fund both the initial investment and additional transit infrastructure components of Project Connect (as shown in Exhibit A), Capital Metro agrees that funding may be used to fund these additional transit infrastructure components.

Finally, if federal matching funds are not available to complete components of the initial investment, or additional components, the funding committed by Capital Metro shall be used to fund as much of the initial investment in Project Connect as possible.

BE IT FURTHER RESOLVED that Capital Metro will transfer funds received from any grant agreements with the U.S. Department of Transportation related to Project Connect to the Austin Transit Partnership for projects being implemented by the Austin Transit Partnership in accordance with any federal requirements and as further delineated in a Joint Powers Agreement.

BE IT FURTHER RESOLVED that for ongoing implementation of projects identified in the Project Connect System Plan and operations and maintenance of the service and system, Capital Metro will commit all estimated revenues identified in the Estimated

Long Term Contribution in Exhibit B and as further delineated in a Joint Powers Agreement.

BE IT FURTHER RESOLVED that the Capital Metro President & CEO is directed to continue funding the design, construction, implementation, and ongoing operation and maintenance of the Project Connect system in future fiscal years.

BE IT FURTHER RESOLVED that the President & CEO is directed to include in the Joint Powers Agreement with Austin Transit Partnership and the City of Austin, a provision to provide a total of \$300,000,000 of the Project Connect Tax Revenue, in accordance with the Implementation Sequence Plan as shown in Exhibit A, to Austin Transit Partnership for the purpose of (1) acquiring real property, and (2) financing tools and other anti-displacement strategies related to the implementation of Project Connect. The following two Be It Resolved clauses provide guidance for expenditure of these funds.

BE IT FUTHER RESOLVED regarding the use of funding for the acquisition of real property related to the Project Connect anti-displacement strategies, the President & CEO is directed to include in the Joint Powers Agreement with Austin Transit Partnership and the City a provision that the funds may be used to acquire real estate for transit supportive development that will preserve or increase the amount of affordable housing proximate to transit corridors. Austin Transit Partnership should prioritize land banking for future affordable housing. The real property acquired for these purposes should be acquired in accordance with the policy objectives approved by the City Council as documented in the Austin Strategic Housing Blueprint or subsequent policy. The real property acquisition should also be compliant with Capital Metro's Transit Oriented Development Policy and Guidelines. The real property acquired should be an FTA-compliant investment, eligible for federal matching funds, when possible.

BE IT FURTHER RESOLVED regarding the use of funding for other financing tools and strategies for anti-displacement related to the implementation of Project Connect, the President & CEO is directed to include in the Joint Powers Agreement with Austin Transit Partnership and the City, a provision that documents a procedure to create neighborhood-level tools and strategies with the community. These tools and strategies may include the construction or development of new affordable housing; preservation, repair, and rehabilitation of existing affordable housing; financial assistance for home ownership; home repair; rental subsidies; right-to-return assistance that grants current tenants of affordable housing the option to lease a unit of comparable affordability and size following completion of rehabilitation of affordable housing; or other strategies that build economic mobility opportunities for residents along the transit corridors and increase transit-supportive economic development and ridership.

The President & CEO is directed to include in the Joint Powers Agreement provisions for the roles and responsibilities for the financing tools and other anti-displacement strategies related to the implementation of Project Connect as follows:

The City shall:

- within six-months of voter approval, provide a process for the creation of neighborhood-level strategies with community members and organizations; and
- create an Equity Assessment Tool as outlined in the Response to City Council Resolution No. 20200423-038 specific to Project Connect and the City in order to analyze, on a neighborhood level, both (1) potential unintended, or undesirable effects of the transit investment that contribute to difficulties for people to remain living in an area, such as gentrification and displacement, and (2) opportunities to make investments to build economic mobility for residents along the transit corridors; and
- create with the community, neighborhood-level prevention and mitigation strategies based on the Equity Assessment Tool, including (1) recommendations that leverage other programs managed by the City, other local governments, and community organizations, to create a connected efforts for anti-displacement strategies, and (2) recommendations for funding proposals and implementation of identified strategies; and
- provide the professional services of representatives from City departments, which may include employees from Neighborhood Housing and Community Development, Austin Transportation Department, Equity Office, Innovation Office, Sustainability Office, or other employees to Austin Transit Partnership to assist with developing proposals, as described below, for approval by City Council and the Capital Metro Board; and
- make publicly available a performance dashboard to track progress on strategies identified for implementation for each neighborhood that is frequently updated.

Capital Metro shall:

- serve as the FTA Project Sponsor and conduct an environmental justice analysis as required as required under National Environmental Policy Act (NEPA) for each eligible project and provide any recommendations to Austin Transit Partnership for financing tools and strategies based on the NEPA review.

Austin Transit Partnership shall:

- develop proposals on an ongoing basis, based on the recommendations from the City and Capital Metro, and provide a budget for approval by City Council and the Capital Metro Board; and
- enter into interlocal agreements and/or grant agreements with the City of Austin to timely develop and implement these anti-displacement strategies.

BE IT FURTHER RESOLVED, that the President & CEO is directed to include in the Joint Powers Agreement with the Austin Transit Partnership and the City of Austin a requirement that Austin Transit Partnership take steps to address potential impacts to businesses during construction through development and implementation of a business impact mitigation strategy that includes approaches for establishing robust business

outreach and communications, supporting business access and operations, and creating effective project scheduling and sequencing that minimizes the length of construction impacts.

BE IT FURTHER RESOLVED, that the President & CEO is directed to include in the Joint Powers Agreement with Austin Transit Partnership and the City of Austin a requirement that Austin Transit Partnership develop a comprehensive program that meets the federal Disadvantaged Business Enterprise laws and regulations to ensure that maximum opportunities are available to women, minority and veteran-owned businesses and small businesses to participate in Project Connect and related projects implemented by the Austin Transit Partnership.

BE IT FURTHER RESOLVED, that the President & CEO is directed to include in the Joint Powers Agreement with the Austin Transit Partnership and the City of Austin a requirement that Austin Transit Partnership participate in the Better Builder Program® or a similar program with worker protections for all construction workers, including City of Austin hiring goals as allowed by federal law and regulations, completion of OSHA 10-hour training, workers' compensation, on-site monitoring independent of construction companies and their affiliates, and in compliance with all applicable state, federal, and local laws.

BE IT FURTHER RESOLVED that the President & CEO is directed to include in the Joint Powers Agreement with the Austin Transit Partnership and the City of Austin a requirement that all contracts awarded by the Austin Transit Partnership ensure a living wage as established by the City of Austin or a prevailing wage under the Davis-Bacon Act for all workers under the contract, ensure access to health care and paid sick leave to the extent possible, and that local workers be afforded a hiring preference where allowed by federal law and regulation.

BE IT FURTHER RESOLVED that the service provided by Project Connect is intended to be additive to existing local and regional bus and MetroAccess service and Capital Metro will not reduce service hours to support Project Connect.

E-SIGNED by Eric Stratton
on 2021-01-30 00:41:53 GMT

Secretary of the Board
Eric Stratton

January 30, 2021
Date: _____

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF AUSTIN AND
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
FOR CREATION OF A LOCAL GOVERNMENT CORPORATION**

This Interlocal Agreement ("**Agreement**") is entered into between the City of Austin, a Texas (the "**City**"), and Capital Metropolitan Transportation Authority ("**Capital Metro**"), a transportation authority and political subdivision for the State of Texas organized under Chapter 451 of the Texas Transportation Code, each a "**Party**" and collectively referred to within this Agreement as the "**Parties**".

RECITALS

The City and Capital Metro have determined that Austin is unable to meet growing demands for safe, reliable and efficient transportation, and that the lack of a complete transit system results in increased traffic congestion, increased travel time, and limits access to jobs, schools, educational opportunities, hospitals, and healthcare for people in our community;

The City Council and the Capital Metro Board have recognized the benefits of a high capacity transit system and transit-oriented development and determined that implementation of the Project Connect System Plan ("**Project Connect**") will create an integrated transit system that eases traffic, creates jobs, improves the environment, and better connects people in our community;

The City Council and the Capital Metro Board have recognized that though the Project Connect System Plan will benefit all persons visiting, living, and working in Austin, as well as our local businesses, it is the residents, homeowners, renters, and businesses within the City's taxing jurisdiction that will bear the costs of implementing Project Connect, except for parts contributed through Federal transit programs and other non-tax related funding sources;

To address these growing demands Capital Metro adopted Project Connect by Capital Metro Resolution AI-2020-1273 on June 10, 2020 and the City formally supported Project Connect by City Resolution 20200610-02 on June 10, 2020;

The City and Capital Metro have further determined that Project Connect, which includes \$300 million for transit-supportive anti-displacement strategies related to the implementation of Project Connect, should be funded through a funding and investment strategy approved by the City on July 27, 2020 (Resolution No. 20200727-002), Capital Metro funding sources, and federal grant revenue;

The City and Capital Metro have further determined, with community and stakeholder input, that the funds dedicated for the implementation of Project Connect should be held, and the associated projects should be implemented, by a Joint Local Government Corporation ("**Joint LGC**") with the authority to finance, design, build, implement, and contract with Capital Metro to operate and maintain assets funded by the Joint LGC; and

The City and Capital Metro have further determined that the Joint LGC should be authorized to implement Project Connect in a manner independent of the City or Capital Metro; and

The City and Capital Metro have properly authorized their agreement in accordance with Tex. Gov't Code Sec. 791.011(d)(1) and desire to memorialize their agreement regarding

the creation of a Joint LGC, Articles of Incorporation [Exhibit A], Bylaws [Exhibit B] and their independent responsibilities and obligations to the Joint LGC in order to finance, design, build, implement and contract with Capital Metro to operate and maintain assets funded by the Joint LGC. The Parties are authorized to enter into this Agreement through the Texas Constitution, Article 3, Section 64, "The Texas Transportation Corporation Act," Tex. Transp. Code, Chapter 431, and "The Interlocal Cooperation Act," Tex. Gov't. Code, Chapter 791.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the sufficiency of which is acknowledged, the Parties agree to the terms and conditions stated in this Agreement as follows:

SECTION 1. DEFINITIONS

1.1 Terms Defined. In this Agreement, in addition to the terms defined in the preamble to this Agreement, in the above recitals, and elsewhere in this Agreement, the following terms will have these meanings:

- 1.1.1 "Agreement" means this Interlocal Agreement between the City and Capital Metro together with all exhibits and other attachments thereto, as the same may be amended or restated from time to time.
- 1.1.2 "Board" means the Joint LGC Board of Directors.
- 1.1.3 "Capital Metro Board" means the Capital Metro Board of Directors.
- 1.1.4 "City Council" means the City Council of the City of Austin, Texas.
- 1.1.5. "Community Experts" shall mean three (3) individuals, each of whom must reside in the City, one of whom shall have expertise in finance, one of whom shall have expertise in engineering & construction, and one of whom shall have expertise in community planning or sustainability. More specifically, the Community Experts shall, respectively, meet the following criteria:

At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements below.

Finance	<ul style="list-style-type: none"> • At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and • Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none"> • At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and • Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.
Community Planning or Sustainability	<ul style="list-style-type: none"> • At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, or environmental planning; and

	<ul style="list-style-type: none"> • Experience with community engagement with preferably three (3) to five (5) years of specific experience.
--	--

- 1.1.6 "Initial Community Expert Members" shall mean and include the three (3) Community Experts nominated to be initial members of the Board through the nomination process described in Section 3.8.2 below.
- 1.1.7 "Fiscal Year" means that twelve-month time period between any October 1 and the next following September 30.
- 1.1.8 "Initial Joint LGC Board Members" means the five (5) individuals nominated to be the initial members of the Board through the nomination process described in Section 3.8 below, each of whom must reside in either the City of Austin or Capital Metro's service area, as more specifically delineated herein.
- 1.1.9 "Nominating Committee" means and consists of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee.
- 1.1.10 "Successful Election" means the passage of the City's planned November 2020 tax rate election providing for an \$0.0875 per \$100 valuation tax increase to fund Project Connect.
- 1.1.11 "Written Application" means a written application for the incorporation of the Joint LGC to act on behalf of the City and Capital Metro that includes the proposed articles of incorporation in substantially the form attached hereto as **Exhibit A** (with the position, name, street address, and term expiration of each nominated Initial Joint LGC Board Member filled in), and which is filed by at least three residents of each of the City and Capital Metro who are citizens of Texas and at least 18 years of age.

SECTION 2. GENERAL TERMS

- 2.1 **Purpose and Scope.** The purpose of this Agreement is to set forth the terms and conditions for the formation and creation of the Joint LGC and the individual roles and responsibilities of the Parties, including contributions to the operation and management of the Joint LGC.
- 2.2 **Agreement Term.** The term of this Agreement begins on September 1, 2020 (the "Effective Date") and will continue until the sooner of: (i) a Joint Powers Agreement is executed in accordance with Section 5; (ii) the date the results of the November 2020 election establishes there was not a Successful Election; or (iii) through June 30, 2021, if the Agreement is not renewed, or the last day of the Renewal Term, if the Agreement is renewed. This Agreement may be renewed for one (1) six-month term (the "Renewal Term") by agreement of the Parties.
- 2.3 **Entire Agreement.** All oral agreements between the Parties to this Agreement relating to the Joint LGC that were made prior to the execution of this Agreement, including the applicable terms of the Agreement, have been reduced to writing and are contained in this Agreement.

- 2.4 **Current Revenues.** The Parties acknowledge that (i) any payment(s) made by the Parties pursuant to this Agreement; and (ii) any funding for the Joint LGC will be from current revenues available to each Party, including any available revenues from other sources and potential federal grant revenues.
- 2.5 **Agreement Communications.** The Parties agree that, unless otherwise designated specifically in any provision, all communication, requests, questions, or other inquiries related to this Agreement must initially be presented by and through the President & CEO of Capital Metro and the City Manager for the City.
- 2.6 **Amendments.** Either Party may propose an Amendment to this Agreement. Requests for alterations, additions or deletions of the terms of this Agreement will be submitted to the President & CEO of Capital Metro for consideration and possible action by the Capital Metro Board and to the City Manager for consideration and possible action by City Council. An Amendment to this Agreement is effective when approved by all Parties.

SECTION 3. CREATION OF THE JOINT LGC; CITY AND CAPITAL METRO INITIAL ROLES AND RESPONSIBILITIES

- 3.1 Upon a Successful Election, and if a Written Application is filed with both the City Council and the Capital Metro Board, the City Council and the Capital Metro Board will each, respectively, take action to adopt a resolution (i) determining that the formation of the Joint LGC is wise, expedient, necessary, or advisable, and (ii) approving the form of the proposed articles of incorporation accompanying the Written Application.
- 3.2 If the City Council and the Capital Metro Board each adopt such a resolution, the articles of incorporation may be filed as provided by law.
- 3.3 Upon a Successful Election, the City and Capital Metro will also: (i) take all other necessary actions to create the Joint LGC; (ii) take all necessary actions to jointly appoint the initial directors of the Joint LGC's Board by January 1, 2021; and (iii) take all necessary actions to fulfill the commitments contained in the City Contract with the Voters (Res. No. _____) and the Capital Metro Funding and Community Commitment for Implementation of Project Connect Resolution (Res. No. _____) to appropriately fund the Joint LGC.
- 3.4 Upon creation of the Joint LGC, both Parties will support implementation of Project Connect as needed until such time as a Joint Powers Agreement, fully delineating the roles and responsibilities of all parties, is executed.
- 3.5 After the creation of the Joint LGC, the Parties will negotiate and execute, by June 30, 2021, a Joint Powers Agreement, as more fully described in Section 5 below.
- 3.6 **City Responsibilities.** The City will call and facilitate the tax rate election in accordance with Tex. Tax Code, Sec. 26.07.
- 3.7 **Capital Metro Responsibilities.** Capital Metro will seek and apply for all available federal funding sources and serve as the Federal Transit Administration ("FTA") Project Sponsor in the federal environmental review process and grantee in the federal grant process for all appropriate and eligible projects within Project Connect. Capital Metro will advance projects in the federal process in the Project Connect System Plan (Initial Investment Map and associated Implementation Sequence Plan

are attached as **Exhibit C**) or as modified from time to time jointly by Capital Metro and the City. Capital Metro will complete the federally required National Environmental Policy Act ("NEPA") Preliminary Engineering process to obtain an FTA Record of Decision for the Locally Preferred Alternatives approved in Project Connect for the Orange, Blue and Gold Lines and MetroRapid.

- 3.8 Initial Joint LGC Board Member Selection.** Capital Metro and the City will initiate a nomination process for the five (5) Initial Joint LGC Board Members in a timely manner. The position, name, street address, and term expiration of each nominated Initial Joint LGC Board Member shall be inserted into the proposed articles of incorporation attached hereto as **Exhibit A** prior to or at the time the Written Application is filed.

3.8.1 City and Capital Metro Board Appointees. By January 1, 2021, the City and Capital Metro will each nominate a member of their respective governing bodies to serve as Initial Joint LGC Board Members as follows:

3.8.1.1 City Council Director. The City will nominate one (1) Initial Joint LGC Board Member who must be a member of the City Council. The City Council will define its process for nominating the City Council Director.

3.8.1.2 Capital Metro Director. Capital Metro will nominate one (1) Initial Joint LGC Board Member who must be a member of the Capital Metro Board and reside within the Capital Metro service area. The Capital Metro Board will define its process for nominating the Capital Metro Director.

3.8.2 Initial Community Expert Members. Upon a Successful Election, the Nominating Committee shall begin a process for seeking Initial Community Expert Members. The Initial Community Expert Members shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Nominating Committee. After review of the submitted applications, the Nominating Committee shall, by January 1, 2021, recommend a slate of three applicants based on their qualifications. It is the intent of the Capital Metro and City that the Nominating Committee will nominate individuals that represent our diverse and inclusive community. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint the Initial Community Expert Members as nominated by the Nominating Committee.

SECTION 4. LOCAL GOVERNMENT CORPORATION INITIAL ROLES AND RESPONSIBILITIES

- 4.1 Overall Objectives.** The Parties intend that the Joint LGC must take actions as appropriate to implement Project Connect as adopted by the Capital Metro Board of Directors by Resolution AI-2020-1273 on June 10, 2020 and as it may be modified from time to time. The Parties will contribute funding as described in Section 6 below to accomplish the objectives herein. The Joint LGC will be authorized to accept funds that result from a Successful Election, from the City and Capital Metro, or from other available sources, and will not be prohibited from raising and utilizing funds from other legal sources.

- 4.2 Authority to Act.** It is the intent of the Parties that the Joint LGC shall have all powers allowed by law and as defined in its Articles of Incorporation necessary to carry out the Overall Objectives, as will be more fully defined in the Joint Powers Agreement, except that it is intended if Project Connect, or the associated Implementation Sequence Plan

require modification, such action may only be taken upon the approval of the governing bodies of the City and Capital Metro.

- 4.3 **Adoption of Bylaws.** Upon creation of the Joint LGC, the Parties will present proposed Bylaws, in substantially the form attached hereto as **Exhibit B**, to the Board. Upon approval of the proposed Bylaws by the Board, the Parties will present such Bylaws to the City Council and the Capital Metro Board for their respective approval by resolution.
- 4.4 **Expected Performance.** The Parties intend that the Board will ensure all appropriate staff and resources are provided to implement the overall objectives herein.
- 4.5 **Budget of the LGC.** The Parties will require the Board to develop an annual budget that must be approved by the Board annually.
- 4.6 **Audits.** The Parties will require the Board to engage or obtain independent auditing services that will produce annual reports for presentation to an annual joint meeting of the Capital Metro Board of Directors and City Council on the financial status of the Joint LGC and implementation of approved projects and other Joint LGC matters as more fully delineated in the Joint Powers Agreement.
- 4.7 **Community Advisory Committee ("Committee").** The Parties will require the Board to form a Community Advisory Committee, to assist Capital Metro and the City in engaging the community and advising on anti-displacement and equity matters related to Project Connect. The Joint Powers Agreement will further delineate membership, roles and responsibilities of the Committee. The recommendations made by the Committee related to displacement mitigation measures or social equity issues that impact vulnerable populations must be considered at a public meeting of the Board.

SECTION 5. JOINT POWERS AGREEMENT

The Parties intend that the City, Capital Metro and the Board will meet in a timely manner following appointment of the Initial Joint LGC Board Members to negotiate an agreement delineating the full roles and responsibilities of all three (3) parties with the intent to finalize and execute a Joint Powers Agreement by no later than June 30, 2021, at the first annual joint meeting of the Capital Metro Board and City Council. The Joint Powers Agreement will delineate roles and responsibilities of all three parties in a manner that confirms and establishes the LGC as the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC. The roles and responsibilities shall include, but not be limited to: establishment of corporate functions, responsibility and costs; financial policies; funding allocations and procedures for use of funds for transit-supportive anti-displacement strategies related to the implementation of Project Connect; term and conditions of appointment of the Capital Metro President & CEO as a succeeding Executive Director of the Joint LGC; utility and right of way agreements; design review and permitting standards; development of a Disadvantaged Business Enterprise program consistent with federal laws and regulations; development of worker safety and wage requirements; and a community engagement process, as contemplated in section 4.7 above.

SECTION 6. FINANCIAL TERMS

- 6.1 **Payment.** The Parties intend that, for and in consideration of the actions to be taken and the services rendered by the Joint LGC pursuant to this Agreement, that the City and Capital Metro will pay to the Joint LGC funds as enumerated more fully in the Joint Powers Agreement, the City Contract with the Voters (Res. No. _____) and

the Capital Metro Funding and Community Commitment for Implementation of Project Connect Resolution (Resolution No. _____).

- 6.2 Funding for the LGC.** All costs for operation of the Joint LGC, including but not limited to, all costs for the completion of projects, will be funded jointly by the City and Capital Metro from a variety of federal and local funding sources.

In the event of a significant disruption to expected revenue for the Joint LGC, the City and Capital Metro may jointly agree to require the Joint LGC to amend its annual budget or revise planned projects or sequencing, provided that it continues to operate in a manner that enables the LGC to honor financial commitments it has made with respect to debt or other obligations issued by the LGC.

In the event additional funds are available for the projects being implemented by the Joint LGC from any source, the City and Capital Metro agree to continue to contribute funding as agreed to in the Joint Powers Agreement to advance Project Connect elements or to provide additional transit operating service on the transit network located within the City.

SECTION 7. TERMINATION

- 7.1 Automatic Termination.** This Agreement will automatically terminate as provided under Section 22, should a Successful Election not occur, or upon execution by all Parties of a succeeding Joint Powers Agreement among the City, Capital Metro and the Joint LGC for the purposes outlined in this Agreement.
- 7.2 Other Reasons for Termination.** Any Party to this Agreement may terminate this Agreement if such Party is unable to comply with changes required by federal or state laws or regulations that relate directly to the purpose of this Agreement or the succeeding Joint Powers Agreement.
- 7.3 Notice of Termination.** Any Party to this Agreement may terminate this Agreement for the reasons described in this section by providing the other Party with thirty (30) days' written notice as described in Section 8.1, below.

SECTION 8. MISCELLANEOUS PROVISIONS

8.1 Notices.

8.1.1 Requirements. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Agreement by one Party to another must be in writing and will be given and deemed to have been given immediately if delivered in person to the address set forth in this section for the Party to whom the notice is given, or on the third day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the Party at the address hereinafter specified.

8.1.2 Capital Metro Address. The address of Capital Metro for all purposes under this Agreement and for all notices:

Randy Clarke (or his successor)
President & CEO
2910 E. 5th Street

Austin, Texas 78702

With additional copy to:

Kerri Butcher (or her successor)
Chief Counsel
2910 E. 5th Street
Austin, Texas 78702

- 8.1.3 City Address.** The address of the City for all purposes under this Agreement and for all notices:

Spencer Cronk (or his successor)
City Manager
P.O. Box 1088
Austin, Texas 78767

- 8.1.4 Change of Address.** Each Party may change the address for notice to it by giving written notice of the change. Any change of address by a Party, including a change in the Party's authorized representative, must be reported to the other Parties within twenty (20) days of the change.

- 8.2 Dispute Resolution/Mediation.** Initial disputes and unresolved questions or issues of Parties must initially be presented by submission in writing in accordance with the Notice provisions above. If satisfactory resolution cannot be achieved between the representatives of the Parties within a reasonable time, and should mediation be acceptable to all Parties in resolving a dispute arising under this Agreement, the Parties agree to use the Dispute Resolution Center of Austin, Texas, as the provider of mediators for mediation as described in the TEX. CIV. PRAC. AND REM. CODE, Section 154.023. Unless all Parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation shall remain confidential as described in TEX. CIV. PRAC. AND REM. CODE, Section 154.073, unless both Parties agree, in writing, to waive the confidentiality.

- 8.3 Law and Venue.** This Agreement is governed by the laws of the State of Texas and all obligations under this agreement are performable in Travis County, Texas.

- 8.4 Force Majeure.** No Party will be financially liable to the other Party for delays or failures to perform under the Agreement where such failure is caused by force majeure (i.e. those causes generally recognized under Texas law as constituting unforeseeable and impossible conditions). Such delays or failures to perform will extend the period of performance until these exigencies have been removed or until the Parties agree in writing to either amend or terminate the Agreement. The Party seeking to avail itself of this clause shall notify the other Party within five (5) business days of the occurrence of the force majeure event or otherwise waive the right as a defense, unless notification is impractical under the circumstances, in which case notification shall be done in as timely a manner as possible.

- 8.5 Liability.** To the extent allowed by Texas law, the Parties agree that each Party is responsible for its own proportionate share of any liability for the negligent or grossly negligent acts or omissions of its employees, agents, contractors or subcontractors arising out of, connected with, or as a consequence of its

performance under this Agreement. Neither Party shall be liable to the other for any indirect, special, incidental, punitive or consequential damages (including, but not limited to loss of business, revenue, profits, or other economic advantage) however it arises, whether in an action of contract, negligence or gross negligence, tort or other action, arising out of or in connection with this Agreement, even if advised of the possibility thereof.

- 8.6 **Notice of Claim.** Within five (5) business days of receiving notice of any claim, demand, suit, or any action made or brought against any Party, arising out of the activities conducted pursuant to this Agreement, the Party will give written notice to the other Party of such claim, demand, suit or other action. Said notice will include: (a) the name and address of the claimant; (b) the basis of the claim, action or proceeding; (c) the court, if any, where such claim, action, or proceeding was instituted; and (d) the name or names of any person or persons against whom such claim is being made.
- 8.7 **Third Party Beneficiary.** This Agreement sets out the agreements and obligations between the Parties only, and no provision in this Agreement creates any rights in any person or entity that is not a Party to this Agreement. The rights to performance in this Agreement are only enforceable by the City and Capital Metro.
- 8.8 **Legal Authority.** The person or persons signing this Agreement on behalf of each Party warrant that he, she or they have been duly authorized by their respective entities to sign this Agreement on behalf of the entity and to bind the entity validly and legally to all terms, performances, and provisions in this Agreement. Each Party warrants that the Party possesses the legal authority to enter into this Agreement and to perform the services that Party has obligated itself to perform under this Agreement.
- 8.9 **Invalid Provision.** Any clause, sentence, provision, paragraph, or article of this agreement held by a court of competent jurisdiction to be invalid, illegal, or ineffective shall not impair, invalidate, or nullify the remainder of this Agreement, but the effect thereof shall be confined to the clause, sentence, provision, paragraph or article so held to be invalid, illegal or ineffective.


Exhibit A - Articles of Incorporation

Exhibit B - Bylaws

Exhibit C – Initial Investment Map and associated Implementation Sequence Plan

In witness whereof, the Parties have caused duly authorized representatives to execute this Agreement on the dates set forth below to be effective as of the Effective Date (as defined above).

**CAPITAL METROPOLITAN
TRANSPORTATION AUTHORITY**

By: 
Signature

Name: RANDI CLARKE
Printed Name

Title: CEO

Date: 10/7/2020

Approved as to Form:

CMTA Legal Department

CITY OF AUSTIN

By: 
Signature

Name: Spencer Cronk
Printed Name

Title: City Manager

Date: 9/18/2020

Approved as to Form:
Ashley Glotzer/s/
Assistant City Attorney

Exhibit A

ARTICLES OF INCORPORATION OF AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

The undersigned natural persons, each of whom is at least eighteen (18) years of age or more, is a resident of the City of Austin, Texas (the "City") and of the service area of the Capital Metropolitan Transportation Authority ("Capital Metro"), and is a citizen of the State of Texas, acting as incorporators of a corporation under the provisions of Subchapter D, Chapter 431, Texas Transportation Code ("Chapter 431"), Chapter 394, Texas Local Government Code. ("Chapter 394"), and Chapter 22, Business Organizations Code ("Chapter 22"), do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I. NAME

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

ARTICLE II. PUBLIC NON-PROFIT

The Corporation is a public non-profit corporation.

ARTICLE III. DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE IV. PURPOSES, ACTIVITIES

The Corporation shall be incorporated to aid and to act on behalf of the City and Capital Metro to accomplish their governmental purpose; namely to implement the Project Connect System Plan ("Project Connect") as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-

profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets constructed by the Corporation;

2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property;
3. Procure professional and other services necessary for the design, construction, financing, and permitting of Project Connect;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the implementation of Project Connect as stated above; and
8. Engage in other lawful activities to accomplish the implementation of Project Connect as stated above.

The Corporation is formed pursuant to the provisions of Chapter 431 as it now or may hereafter be amended and in the manner specified by Chapter 394, which authorize the Corporation to assist and act on behalf of the City and Capital Metro to accomplish any governmental purpose of the City and Capital Metro and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under Chapter 431, including, without limitation, the powers granted under Chapter 22.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations under Chapter 22 and which are necessary or useful to enable the Corporation to perform the purposes for which it is created.

The Corporation is created as a local government corporation pursuant to Chapter 431 and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.* Texas Civil Practice and Remedies Code.

ARTICLE V. NO MEMBERS

The Corporation shall have no members and shall have no stock.

ARTICLE VI. BOARD

All powers of the Corporation shall be vested in a Board of Directors ("Board") consisting of five persons, each of whom must reside in either the City of Austin or Capital Metro's service area, one of whom shall be a member of the City Council of the City of Austin ("City Council") (the "City Council Director"), one of whom shall reside in Capital Metro's service area and be a member of the Capital Metro Board of Directors ("Capital Metro Board") (the "Capital Metro Director"), and three of whom shall be community expert members, all of whom must reside in the City, as follows: one member shall have expertise in finance, one member shall have expertise in engineering & construction, and one member shall have expertise in community planning or sustainability ("Community Expert Directors"). More specifically, the Community Expert Directors, respectively, shall meet the following criteria:

Finance	<ul style="list-style-type: none">• At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and• Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none">• At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and• Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.
Community Planning or Sustainability	<ul style="list-style-type: none">• At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, and/or environmental planning; and• Experience with community engagement with preferably three (3) to five (5) years of specific experience.

The five (5) initial Directors are identified in Article IX below.

Succeeding Community Expert Directors shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Corporation, which will provide the applications that meet the criteria to the Nominating Committee (as defined below). The Nominating Committee will consist of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee (the "Nominating Committee"). At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements below. After review of the applications provided by the Corporation, the Nominating Committee shall recommend a slate of three applicants based on their qualifications, while also considering Austin's diversity, and an applicant's ability to consider wholly Project Connect's benefits and potential impacts particularly on vulnerable communities aimed to be served by transit. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint succeeding Community Expert Directors as nominated by the Nominating Committee.

The City Council shall appoint each Director who succeeds the initial City Council Director, and the Capital Metro Board shall appoint each Director who succeeds the initial Capital Metro

Director. Each Director who succeeds the initial City Council Director must be a member of the City Council or a resident of the City of Austin, and each Director who succeeds the initial Capital Metro Director must be a resident of the Capital Metro Service area.

The initial City Council Director and initial Capital Metro Director and each subsequent City Council Director and Capital Metro Director shall serve for a term of two years. Each initial Community Expert Director, and each subsequent Community Expert Director, shall serve for a term of four years or until his or her successor is appointed and has qualified. Initial Directors and succeeding Directors may be reappointed.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and the Capital Metro Board finding that the Director has committed one or more of the acts or omissions described in section 7.001(c) of the Business Organizations Code and described in Article XI, below.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and Capital Metro Board finding that the Director is derelict in his or her duties by either: (i) failing to attend four consecutive scheduled meetings, including any combination of annual meetings, regular meetings, or special meetings; or (ii) failing to attend one-third or more of scheduled meetings during any fiscal year of the Corporation, including any combination of annual meetings, regular meetings, or special meetings, unless the Director can show good cause for the absences.

The failure of the Board to proceed with a directed dissolution of the Corporation in accordance with this Article XIV of these Articles of Incorporation shall be deemed a cause for the removal from office of any or all of the Directors.

In the event of a vacancy or vacancies in the Board, whether caused by removal, resignation, death, mental or physical incapacitation, or any other reason (other than due to the expiration of a Director's term), the City Council and the Capital Metro Board shall jointly appoint a Director or Directors to fill the vacancy or vacancies. The term of a Director appointed to fill an unexpired term shall expire on the expiration date of the term of the Director who he or she was appointed to replace.

The Board shall select a chair and a vice chair by a majority vote of Board members.

A change in the number of Directors can be made only by an amendment to these Articles of Incorporation.

The City Manager or his or her designee from the City Manager's Office is a non-voting ex-officio Director of the Corporation. Capital Metro shall not have an ex-officio Director of the Corporation. The initial Executive Director of the Joint LGC will be the Capital Metro President & CEO.

ARTICLE VII. REGISTERED OFFICE, AGENT

The street address of the initial registered office of the Corporation is 700 Lavaca St. Austin, Texas 78701, which is within the city limits of the City and the service area of Capital Metro, and the name of its initial registered agent at such address is Kerri Butcher, Capital

Metro Chief Counsel, an individual who is a resident of Texas.

ARTICLE VIII. INCORPORATORS

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within both the City and Capital Metro's service area, are:

NAME	STREET ADDRESS

ARTICLE IX. INITIAL BOARD

The names and street addresses of the initial Directors, each of whom resides either within the City or Capital Metro's service area, are:

POSITION	NAME	STREET ADDRESS	TERM EXPIRES
1			
2			
3			
4			
5			

ARTICLE X. ADOPTION OF APPROVING RESOLUTION

Resolutions approving the form of these Articles of Incorporation have been adopted by the City Council on _____, and by the Capital Metro Board on _____.

ARTICLE XI. LIMITED LIABILITY

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty of the person to the Corporation or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the Director's duties, or (iv) for acts or omissions for which the liability of a Director is expressly provided by an applicable statute. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII. INDEMNIFICATION

The Corporation shall have the power to indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such director or officer in connection with any claim asserted against such director or officer for such director's or officer's acts or omissions as a director or officer, except in relation to matters as to which such director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such director or officer on such director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such director or officer (including attorneys' fees) in satisfaction of any judgment or settlement of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such director or officer in connection therewith in an amount the court considers reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this Article XII only if the court finds that the person seeking indemnification was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XIII. TAX MATTERS; DISSOLUTION

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of these Articles of Incorporation or the laws of the State of Texas, the Corporation: (i) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered

to or for the Corporation in effecting one or more of its purposes); (ii) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (iii) shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; and (iv) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt, other obligations, and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City and Capital Metro as agreed to by the City Council and the Capital Metro Board.

The City and Capital Metro shall, at all times, have an unrestricted right to receive any income earned by the Corporation, exclusive of amounts needed to cover reasonable expenses, debt or obligations and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation. Any income of the Corporation received by the City and Capital Metro shall be deposited into such accounts or funds as determined by the City Council and the Capital Metro Board. No part of the Corporation's income shall inure to the benefit or any private interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all bonds issued by and all obligations incurred by the Corporation have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, the net earnings of the Corporation and funds and properties of the Corporation shall be disbursed to the City and Capital Metro for deposit into such accounts or funds as the City Council and the Capital Metro Board shall direct.

ARTICLE XIV. PRIVATE FOUNDATION

If the Corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, the Corporation (a) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code; (b) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and (e) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE XV. DIRECTED DISSOLUTION

The City Council and Capital Metro Board may at any time consider and approve resolutions directing the Board to proceed with the dissolution of the Corporation, at which time the Board shall proceed with the dissolution of the Corporation in accordance with applicable state law. The failure of the Board to proceed with the dissolution of the Corporation in accordance with this Article shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI of these Articles of

Incorporation.

ARTICLE XVI. PUBLIC INSTRUMENTALITY

The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in these Articles of Incorporation, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article III, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the City or Capital Metro or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the City or Capital Metro or their agents or employees, and neither these Articles of Incorporation nor any action by the Board, the City Council, or the Capital Metro Board shall create a joint enterprise.

ARTICLE XVII. AMENDMENT

These Articles of Incorporation may be amended in either of the following manners: (1) the Board may file with the City Council and the Capital Metro Board an application in writing requesting permission to amend the Articles of Incorporation, specifying in the application the amendment proposed to be made, and the City Council and the Capital Metro Board, after considering the application and each finding and determining that it is wise, expedient, necessary, or advisable that the proposed amendment be made, may authorize by resolution that the proposed amendment be made and approve the form of the amendment, and then the Board may amend the Articles of Incorporation by adopting the amendment by resolution at a meeting of the Board and filing the amendment with the Office of the Texas Secretary of State, or (2) the City Council and the Capital Metro Board may jointly, at any time, alter or change the structure, organization, programs, activities, or duration of the Corporation, subject to any limitations on the impairment of contracts entered into by the Corporation, by adopting an amendment to the Articles of Incorporation of the Corporation at a meeting of the City Council and of the Capital Metro Board and filing the amendment with the Office of the Texas Secretary of State.

ARTICLE XVIII. EFFECTIVE DATE; AUTHORIZATION TO FILE

These Articles of Incorporation shall be effective when fully executed and filed by the Office of the Texas Secretary of State. The undersigned affirm that the person designated as initial registered agent herein has consented, either in electronic or written form, to the appointment. Each of the undersigned executes this instrument subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that he and she is authorized to execute this instrument.

ARTICLE XIX. OTHER MATTERS PERTAINING TO INTERNAL AFFAIRS

All other matters pertaining to the internal affairs of the Corporation and not addressed in these Articles of Incorporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles of Incorporation or the laws of the State of Texas.

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____, 202__.

[Insert Typed Name]
City of Austin
301 West 2nd Street
Austin, Texas 78701

[Insert Typed Name]
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

[Insert Typed Name]
City of Austin
301 West 2nd Street
Austin, Texas 78701

[Insert Typed Name]
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

[Insert Typed Name]
City of Austin
301 West 2nd Street
Austin, Texas 78701

[Insert Typed Name]
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

This instrument was acknowledged before me on this ____ day of _____, 202__, by each of the foregoing signatories, each being duly sworn on his or her oath that he or she is an individual residing in the City of Austin, Texas and within Capital Metropolitan Transportation Authority's service area.

Given under my hand and seal of office this ____ day of _____, 202__.

Notary Public, State of Texas

Exhibit B

BYLAWS OF THE AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

ARTICLE 1 Name, Offices, and Purposes

1.1 Name.

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

1.2 Offices.

The Corporation may have, in addition to its registered office, offices at such places as the Board of Directors may from time to time determine or as the activities of the Corporation may require.

1.3 Purposes.

The Corporation shall be incorporated to aid and to act on behalf of the City of Austin ("City") and Capital Metropolitan Transportation Authority ("Capital Metro") to accomplish their governmental purpose; namely to implement the Project Connect System Plan ("Project Connect") as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets constructed by the Corporation;

2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property;
3. Procure professional and other services necessary for the design, construction, financing, and permitting of the Plan;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the governmental purpose stated above; and
8. Engage in other lawful activities to accomplish the governmental purpose stated above.

ARTICLE 2

Board of Directors

2.1 Management.

Subject to the Articles of Incorporation and these Bylaws, management of the affairs of the Corporation shall be vested in the directors, who together constitute the Board of Directors (the "Board").

2.2 Qualifications, Appointment and Removal.

The qualifications of the directors, as well as the procedures for their appointment and removal, shall be prescribed by the Articles of Incorporation.

2.3 Annual Meetings.

The Board shall meet at least annually at a time and place in the City designated by resolution of the Board.

2.4 Regular Meetings.

The Board may provide for regular meetings by resolution stating the time and place of such meetings.

2.5 Special Meetings; Emergency Meetings.

Special and emergency meetings of the Board shall be held whenever called by the Chair of the Board or by a majority of the directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, electronic transmission (e.g., facsimile transmission or electronic mail), or mail at least three (3) days before the meeting to each director. Notice of each emergency meeting shall also be given in the manner required under Chapter 551, Texas Government Code (the "Open Meetings Act"). For purposes of these Bylaws, an "emergency meeting" is a meeting of the Board to consider a circumstance that, in the absence of immediate action by the Board, may have a material, adverse impact upon the Corporation. The person(s) calling the special or emergency meeting shall provide the Secretary of the Corporation with a statement of the reason(s) for the meeting, which statement shall be included in the notice of the meeting.

2.6 Notice of Meetings of the Board.

The Board shall meet in accordance with and file notice of each meeting of the Board in the same manner as required of the City Council of the City and Capital Metro's Board of Directors ("Capital Metro's Board") under the Open Meetings Act. Notice of each meeting shall be posted by the Secretary of the Board at the same location. Additional notice of each meeting may be posted at one or more other locations.

2.7 Manner of Conducting Meetings.

All directors necessary to provide a quorum of the Board must be physically present at a meeting to conduct business, unless otherwise provided by law.

At the meetings of the Board, matters pertaining to the purposes of the Corporation shall be considered in such order as the Board may determine.

At all meetings of the Board, the Chair shall preside, and in the absence of the Chair, the Vice Chair shall preside. In the absence of the Chair and the Vice Chair, an acting presiding officer shall be chosen by the Board from among the directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

2.8 Quorum.

A majority of the Board shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. Ex-officio directors shall not count for the purposes of determining the presence of a quorum. If at any meeting of the Board there is less than a quorum present, business of the Board shall not be conducted. The act of a majority of the directors shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

2.9 Compensation.

Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, however, that nothing contained herein shall be construed to preclude a Director from receiving reimbursement of actual expenses incurred in connection with the business affairs of the Corporation, and no such reimbursement of expenses shall be made

unless approved by the Board.

2.10 Disclosure of Conflicts of Interest.

Each Director shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code ("Chapter 171"), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

2.11 Duties.

Directors shall discharge their duties with ordinary care and in a manner each director reasonably believes to be in the Corporation's best interests. In this context, "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging their duties, directors may rely in good faith on information, opinions, reports, or analyses, including financial data, prepared or presented by persons reasonably appearing to be qualified in such matters. A director is not relying in good faith if he or she has knowledge that renders such reliance unwarranted or unreasonable. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to property held or administered by the Corporation, including property subject to restrictions imposed by a donor or other transferor of the property.

ARTICLE 3

Officers

3.1 Titles and Term of Office.

The officers of the Corporation shall be the Chair, the Vice Chair, a Secretary, a Treasurer, an Executive Director, and such other officers as the Board may from time to time elect or appoint as described in section 3.7 below. One person may hold the position of one or more offices for the Corporation except that neither the Chair nor the Executive Director may also hold the office of Secretary. Capital Metro's President and CEO is hereby appointed to serve as the initial Executive Director. The term of office for each officer shall be two years commencing with the date of the annual meeting of the Board at which each such officer is elected. Officers may be re-elected or re-appointed.

3.2 Chair.

The initial and each succeeding Chair of the Board (the "Chair") shall be elected as provided by the Articles of Incorporation. The term of office for the initial Chair shall be two years commencing with the date of the first annual meeting of the Board, which shall be the Corporation's organization meeting for purposes of section 22.104 of the Business Organizations Code.

The Chair shall preside at all meetings of the Board. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, the Chair may, upon authorization by resolution of the Board, sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts, and other instruments of

any kind in the name of the Corporation.

3.3 Vice Chair.

The initial and each succeeding Vice Chair of the Board (the "Vice Chair") shall be elected as provided by the Articles of Incorporation, and shall be a member of the Board. The term of office for the initial Vice Chair shall be two years commencing with the date of the first annual meeting of the Board.

The Vice Chair shall perform the duties and exercise the powers of the Chair upon the Chair's death, absence, disability, or resignation, or upon the Chair's inability to perform the duties of his or her office. Any action taken by the Vice Chair in the performance of the duties of the Chair shall be conclusive evidence of the absence or inability to act of the Chair at the time such action was taken.

3.4 Executive Director.

The Executive Director of the Corporation shall be the chief executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. The Executive Director may sign, with the Secretary, the Chair, or any other proper officer of the Corporation authorized by the Board, all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts and other instruments of any kind in the name of the Corporation which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, or by statute, to some other officer or agent of the Corporation. In general, the Executive Director shall perform all duties prescribed by the Board from time to time. The Executive Director shall not be a member of the Board.

3.5 Secretary.

The Board shall elect the Secretary of the Corporation (the "Secretary") to keep the minutes of the meetings of the Board in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the Corporation records, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board or the Chair. The Secretary of the Corporation shall serve at the discretion of the Board, and may be removed as Secretary by the Board at any time, with or without cause. The Secretary need not be a member of the Board.

3.6 Treasurer.

The Board shall elect the Treasurer of the Corporation (the "Treasurer"), who shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the Corporation for any source whatsoever, deposit all such monies in the name of the Corporation in such banks as shall be selected in accordance with the provisions of these Bylaws, and in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chair or by the Board. The Treasurer of the Corporation shall serve at the discretion of the Board, and may be removed as Treasurer by the Board at any time, with or

without cause. The Treasurer need not be a member of the Board.

3.7 Other Officers.

The Board may appoint other officers of the Corporation and other authorized representatives of the Corporation, who shall have the powers and duties as may be delegated by the Board. Such additional officers and authorized representatives shall serve at the discretion of the Board, and may be removed by the Board at any time, with or without cause.

3.8 Compensation.

Officers may be entitled to receive such salary or compensation for personal services which are necessary and reasonable in carrying out the Corporation's purposes as the Board may from time to time determine, provided that in no event shall the salary or compensation be excessive. Board members, even if officers, are not entitled to compensation except as otherwise provided in Article II, Section 2.9. However, nothing contained herein shall be construed to preclude an Officer from receiving reimbursement of actual expenses incurred in connection with the business affairs of the Corporation, but no such reimbursement of expenses shall be made unless approved by the Board.

3.9 Disclosure of Conflicts of Interest.

Each Officer shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code ("Chapter 171"), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

ARTICLE 4

Contracts; Financial Matters; Seal

4.1 Fiscal Year.

The fiscal year of the Corporation shall commence on October 1 and end on September 30 each year.

4.2 Contracts.

The Board may authorize any officer or officers or agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

4.3 Deposits.

All funds of the Corporation shall be deposited to the credit of the Corporation in a state or national bank or other federally insured depository institution selected by the Board, subject to and in accordance with the requirements of Chapter 105, Texas Local Government Code and, as applicable, the Public Funds Investment Act, Chapter 2256, Texas Government Code.

4.4 Payment of Funds.

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary or Treasurer and countersigned by the Executive Director, or the Chair in the absence of the Executive Director.

4.5 Audits.

The Board shall cause to be maintained a proper and complete system of records and accounts of all transactions, business, and affairs of the corporation. Within a reasonable time after the end of each fiscal year, the Board shall cause the preparation of a financial statement for the Corporation, which shall be audited by an independent certified public accountant or firm of independent certified public accountants retained by the Board for such purpose.

4.6 Books and Records.

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board. All books and records may be inspected by representatives of the City and Capital Metro at any reasonable time.

4.7 Seal.

The Board may but is not required to adopt a corporate seal in such form and to be used in such manner as may be approved by the Board.

ARTICLE 5 General Provisions

5.1 Supremacy of Articles of Incorporation.

These Bylaws are subject to and governed by the Articles of Incorporation.

5.2 Amendment.

A proposal to alter, amend, or repeal these Bylaws may be made by the affirmative vote of a majority of the full Board at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by both the City Council of the City and Capital Metro's Board to be effective.

5.3 Effective Date.

These Bylaws shall be effective when: (i) adopted by an affirmative vote of a majority of the directors at a meeting of the Board, provided that notice of the proposed adoption shall have been received by each director at least five business days before the said meeting; and (ii) approved by resolution adopted by both the City Council of the City and Capital Metro's Board.

RESOLUTION NO. 20201218-002

WHEREAS, Chapter 431 of the Texas Transportation Code, known as the Texas Transportation Corporation Act, (the “Act”), and Chapter 394 of the Texas Local Government Code (“Chapter 394”) authorize the creation of a joint local government corporation to aid and act on behalf of local governments to accomplish a governmental purpose of the local governments; and

WHEREAS, Chapter 394 requires, as a condition to the creation of a joint local government corporation, that three residents of each sponsoring local government who are citizens of the state and at least 18 years of age submit a written application for the incorporation of the joint local government corporation with the Articles of Incorporation; and

WHEREAS, the City Council of the City of Austin, Texas (the “City Council”) and the Board Members of the Capital Metropolitan Transportation Authority (the “Capital Metro Board”) have determined that Austin is unable to meet growing demands for safe, reliable, and efficient transportation, and that the lack of a complete transit system results in increased traffic congestion, increased travel time, and limits access to jobs, schools, and hospitals for people in our community; and

WHEREAS, the City Council and the Capital Metro Board have recognized the benefits of a high capacity transit system and determined that implementation of the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines will create an integrated transit system that eases traffic, creates jobs, improves the environment, acquires land for transit-oriented development, and better connects people in our community; and

WHEREAS, the voters of the City of Austin also recognized the benefits of a high capacity transit system by approving a ballot measure at the November 3, 2020 special election to provide dedicated funding to an independent board to oversee the implementation of the Project Connect System Plan, including investment in transit-supportive anti-displacement strategies; and

WHEREAS, as reflected in an approved interlocal agreement by both parties, the City of Austin (“City”) and the Capital Metropolitan Transportation Authority (“Capital Metro”) desire to jointly create a local government corporation to be named the Austin Transit Partnership Local Government Corporation (“ATP”) to aid the City and Capital Metro and act on their behalf to accomplish the governmental purpose of implementing the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines; and

WHEREAS, the City has received an application that meets the requirements of the Act and Chapter 394, requesting the creation of ATP, and desires to grant the application, approve the proposed Articles of Incorporation of ATP, approve its Bylaws, confirm the appointment of the joint corporation’s initial members of the Board of Directors (“ATP Board”), and take such other actions as the City deems appropriate; **NOW, THEREFORE**,

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

- I. The recitals of facts contained in the preamble of this Resolution are found and declared to be true and correct and are adopted as part of this Resolution for all purposes.
- II. The City Council determines it to be wise, expedient, necessary, and

advisable that a local government corporation, to be named the Austin Transit Partnership Local Government Corporation, be created to aid and act on behalf of the City and Capital Metro to accomplish a governmental purpose by implementing the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines (to be included in the Austin Strategic Mobility Plan, the transportation element of the Imagine Austin Comprehensive Plan, as directed in Resolution No. 20200610-002).

- III. The City Council authorizes the creation and incorporation of the Austin Transit Partnership Local Government Corporation under the Act and Chapter 394.
- IV. The City Council approves the Articles of Incorporation attached as **Exhibit A** and authorizes the incorporators of ATP to file the Articles of Incorporation with the Secretary of State of the State of Texas in the manner provided by law.
- V. The City Council confirms the appointment of the persons listed in the Articles of Incorporation to serve as the initial members of the ATP Board to begin completing the duties of ATP as agreed to in the interlocal agreement approved by both parties.
- VI. The City Council approves the Bylaws of ATP on that are attached as **Exhibit B**.
- VII. The City Council directs and declares that the Articles of Incorporation and the Bylaws of the ATP may be amended from time to time by the ATP Board as long as both the City Council and Capital Metro Board

approve of such amendments, and they are in accordance with the Act, Chapter 394 and other applicable law.

VIII. The City Council directs that ATP comply with the Open Meetings Act, Chapter 551, Texas Government Code, and the Public Information Act, Chapter 552, Texas Government Code as required by the Act.

IX. The City Council authorizes and directs the City Manager and all other City officials and employees to perform all such acts as may be necessary or desirable in order to carry out the terms and provisions of this Resolution.

ADOPTED: December 18, 2020

ATTEST:

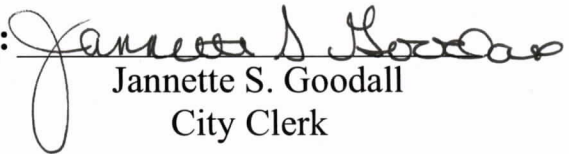

Jannette S. Goodall
City Clerk

Exhibit A

ARTICLES OF INCORPORATION OF AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

The undersigned natural persons, each of whom is at least eighteen (18) years of age or more, is a resident of the City of Austin, Texas (the "City") and of the service area of the Capital Metropolitan Transportation Authority ("Capital Metro"), and is a citizen of the State of Texas, acting as incorporators of a corporation under the provisions of Subchapter D, Chapter 431, Texas Transportation Code ("Chapter 431"), Chapter 394, Texas Local Government Code. ("Chapter 394"), and Chapter 22, Business Organizations Code ("Chapter 22"), do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I. NAME

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

ARTICLE II. PUBLIC NON-PROFIT

The Corporation is a public non-profit corporation.

ARTICLE III. DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE IV. PURPOSES, ACTIVITIES

The Corporation shall be incorporated to aid and to act on behalf of the City and Capital Metro to accomplish their governmental purpose; namely to implement the Project Connect System Plan ("Project Connect") as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets

constructed by the Corporation;

2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property;
3. Procure professional and other services necessary for the design, construction, financing, and permitting of Project Connect;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the implementation of Project Connect as stated above; and
8. Engage in other lawful activities to accomplish the implementation of Project Connect as stated above.

The Corporation is formed pursuant to the provisions of Chapter 431 as it now or may hereafter be amended and in the manner specified by Chapter 394, which authorize the Corporation to assist and act on behalf of the City and Capital Metro to accomplish any governmental purpose of the City and Capital Metro and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under Chapter 431, including, without limitation, the powers granted under Chapter 22.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations under Chapter 22 and which are necessary or useful to enable the Corporation to perform the purposes for which it is created.

The Corporation is created as a local government corporation pursuant to Chapter 431 and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.* Texas Civil Practice and Remedies Code.

ARTICLE V. NO MEMBERS

The Corporation shall have no members and shall have no stock.

ARTICLE VI. BOARD

All powers of the Corporation shall be vested in a Board of Directors ("Board") consisting of five persons, each of whom must reside in either the City of Austin or Capital Metro's service area, one of whom shall be a member of the City Council of the City of Austin ("City Council") (the "City Council Director"), one of whom shall reside in Capital Metro's service area and be a member of the Capital

Metro Board of Directors (“Capital Metro Board”) (the “Capital Metro Director”), and three of whom shall be community expert members, all of whom must reside in the City, as follows: one member shall have expertise in finance, one member shall have expertise in engineering & construction, and one member shall have expertise in community planning or sustainability (“Community Expert Directors”). More specifically, the Community Expert Directors, respectively, shall meet the following criteria:

Finance	<ul style="list-style-type: none"> • At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and • Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none"> • At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and • Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.
Community Planning or Sustainability	<ul style="list-style-type: none"> • At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, and/or environmental planning; and • Experience with community engagement with preferably three (3) to five (5) years of specific experience.

The five (5) initial Directors are identified in Article IX below.

Succeeding Community Expert Directors shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Corporation, which will provide the applications that meet the criteria to the Nominating Committee (as defined below). The Nominating Committee will consist of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee (the “Nominating Committee”). At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements above. After review of the applications provided by the Corporation, the Nominating Committee shall recommend a slate of three applicants based on their qualifications, while also considering Austin’s diversity, and an applicant’s ability to consider wholly Project Connect’s benefits and potential impacts particularly on vulnerable communities aimed to be served by transit. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint succeeding Community Expert Directors as nominated by the Nominating Committee.

The City Council shall appoint each Director who succeeds the initial City Council Director, and the Capital Metro Board shall appoint each Director who succeeds the initial Capital Metro Director. Each Director who succeeds the initial City Council Director must be a member of the City Council or a resident of the City of Austin, and each Director who succeeds the initial Capital Metro Director must be a resident of the Capital Metro Service area.

The initial City Council Director and initial Capital Metro Director and each subsequent City Council Director and Capital Metro Director shall serve for a term of two years. Each initial Community Expert Director, and each subsequent Community Expert Director, shall serve for a term of four years or until his or her successor is appointed and has qualified. Initial Directors and succeeding Directors may be reappointed.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and the Capital Metro Board finding that the Director has committed one or more of the acts or omissions described in section 7.001(c) of the Business Organizations Code and described in Article XI, below.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and Capital Metro Board finding that the Director is derelict in his or her duties by either: (i) failing to attend four consecutive scheduled meetings, including any combination of annual meetings, regular meetings, or special meetings; or (ii) failing to attend one-third or more of scheduled meetings during any fiscal year of the Corporation, including any combination of annual meetings, regular meetings, or special meetings, unless the Director can show good cause for the absences.

The failure of the Board to proceed with a directed dissolution of the Corporation in accordance with this Article XIV of these Articles of Incorporation shall be deemed a cause for the removal from office of any or all of the Directors.

In the event of a vacancy or vacancies in the Board, whether caused by removal, resignation, death, mental or physical incapacitation, or any other reason (other than due to the expiration of a Director's term), the City Council and the Capital Metro Board shall jointly appoint a Director or Directors to fill the vacancy or vacancies. The term of a Director appointed to fill an unexpired term shall expire on the expiration date of the term of the Director who he or she was appointed to replace.

The Board shall select a chair and a vice chair by a majority vote of Board members.

A change in the number of Directors can be made only by an amendment to these Articles of Incorporation.

The City Manager or his or her designee from the City Manager's Office is a non-voting ex-officio Director of the Corporation. Capital Metro shall not have an ex-officio Director of the Corporation. The initial Executive Director of the Joint LGC will be the Capital Metro President & CEO.

ARTICLE VII. REGISTERED OFFICE, AGENT

The street address of the initial registered office of the Corporation is 700 Lavaca St. Austin, Texas 78701, which is within the city limits of the City and the service area of Capital Metro, and the name of its initial registered agent at such address is Kerri Butcher, Capital Metro Chief Counsel, an individual who is a resident of Texas.

ARTICLE VIII. INCORPORATORS

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within both the City and Capital Metro's service area, are:

NAME	STREET ADDRESS
Annick Beaudet	301 W. 2nd Street Austin, Texas 78701
Eric Bustos	2910 E. 5th Street Austin, Texas 78702

Cheyenne Krause	301 W. 2nd Street Austin, Texas 78701
Anna Martin	301 W. 2nd Street Austin, Texas 78701
Jackie Nirenberg	2910 E. 5th Street Austin, Texas 78702
Sam Sargent	2910 E. 5th Street Austin, Texas 78702

ARTICLE IX. INITIAL BOARD

The names and street addresses of the initial Directors, each of whom resides either within the City or Capital Metro's service area, are:

POSITION	NAME	STREET ADDRESS
1. City Council Member	Steve Adler	301 W. 2nd Street Austin, Texas 78701
2. Capital Metro Board Member	Eric Stratton	2910 E. 5th Street Austin, Texas 78702
3. Community Expert (Finance)	Antony ("Tony") Elkins	1507 Richcreek Road Austin, Texas 78757
4. Community Expert (Engineering & Construction)	Veronica Castro de Barrera	4229 Mattie Street Austin, Texas 78723
5. Community Expert (Community Planning or Sustainability)	Collette Pierce Burnette	801 W. 5th Street #1903 Austin, Texas 78703

ARTICLE X. ADOPTION OF APPROVING RESOLUTION

Resolutions approving the form of these Articles of Incorporation have been adopted by the City Council on December 18, 2020, and by the Capital Metro Board on December 18, 2020.

ARTICLE XI. LIMITED LIABILITY

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty of the person to the Corporation or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the Director's duties, or (iv) for acts or omissions for which the liability of a Director is expressly provided by an

applicable statute. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII. INDEMNIFICATION

The Corporation shall have the power to indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such director or officer in connection with any claim asserted against such director or officer for such director's or officer's acts or omissions as a director or officer, except in relation to matters as to which such director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such director or officer on such director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such director or officer (including attorneys' fees) in satisfaction of any judgment or settlement of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such director or officer in connection therewith in an amount the court considers reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this Article XII only if the court finds that the person seeking indemnification was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XIII. TAX MATTERS; DISSOLUTION

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of these Articles of Incorporation or the laws of the State of Texas, the Corporation: (i) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes); (ii) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (iii) shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; and (iv) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt, other obligations, and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City and Capital Metro as agreed to by the City Council and the Capital Metro Board.

The City and Capital Metro shall, at all times, have an unrestricted right to receive any income earned by the Corporation, exclusive of amounts needed to cover reasonable expenses, debt or obligations and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation. Any income of the Corporation received by the City and Capital Metro shall be deposited into such accounts or funds as determined by the City Council and the Capital Metro Board. No part of the Corporation's income shall inure to the benefit

or any private interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all bonds issued by and all obligations incurred by the Corporation have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, the net earnings of the Corporation and funds and properties of the Corporation shall be disbursed to the City and Capital Metro for deposit into such accounts or funds as the City Council and the Capital Metro Board shall direct.

ARTICLE XIV. PRIVATE FOUNDATION

If the Corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, the Corporation (a) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code; (b) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and (e) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE XV. DIRECTED DISSOLUTION

The City Council and Capital Metro Board may at any time consider and approve resolutions directing the Board to proceed with the dissolution of the Corporation, at which time the Board shall proceed with the dissolution of the Corporation in accordance with applicable state law. The failure of the Board to proceed with the dissolution of the Corporation in accordance with this Article shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI of these Articles of Incorporation.

ARTICLE XVI. PUBLIC INSTRUMENTALITY

The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in these Articles of Incorporation, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article III, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the City or Capital Metro or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the City or Capital Metro or their agents or employees, and neither these Articles of Incorporation nor any action by the Board, the City Council, or the Capital Metro Board shall create a joint enterprise.

ARTICLE XVII. AMENDMENT

These Articles of Incorporation may be amended in either of the following manners: (1) the Board may file with the City Council and the Capital Metro Board an application in writing requesting permission to amend the Articles of Incorporation, specifying in the application the amendment proposed to be made, and the City Council and the Capital Metro Board, after considering the application and each finding and determining that it is wise, expedient, necessary, or advisable that the proposed amendment be made, may authorize by resolution that the proposed amendment be made and approve the form of the amendment, and then the Board may amend the Articles of Incorporation by adopting the amendment by resolution at a meeting of the Board and filing the amendment with the Office of the Texas Secretary of State, or (2) the City Council and the Capital Metro Board may jointly, at any time, alter or change the structure, organization, programs, activities, or duration of the Corporation, subject to any limitations on the impairment of contracts entered into by the Corporation, by adopting an amendment to the Articles of Incorporation of the Corporation at a meeting of the City Council and of the Capital Metro Board and filing the amendment with the Office of the Texas Secretary of State.

ARTICLE XVIII. EFFECTIVE DATE; AUTHORIZATION TO FILE

These Articles of Incorporation shall be effective when fully executed and filed by the Office of the Texas Secretary of State. The undersigned affirm that the person designated as initial registered agent herein has consented, either in electronic or written form, to the appointment. Each of the undersigned executes this instrument subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that he and she is authorized to execute this instrument.

ARTICLE XIX. OTHER MATTERS PERTAINING TO INTERNAL AFFAIRS

All other matters pertaining to the internal affairs of the Corporation and not addressed in these Articles of Incorporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles of Incorporation or the laws of the State of Texas.

IN WITNESS WHEREOF, we have hereunto set our hands this 18th day of December 2020.

Annick Beaudet
City of Austin
301 West 2nd Street
Austin, Texas 78701

Eric Bustos
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

Cheyenne Krause
City of Austin
301 West 2nd Street
Austin, Texas 78701

Jackie Nirenberg
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

Anna Martin
City of Austin
301 West 2nd Street
Austin, Texas 78701

Sam Sargent
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

This instrument was acknowledged before me on this 18th day of December 2020, by each of the foregoing signatories, each being duly sworn on his or her oath that he or she is an individual residing in the City of Austin, Texas and within Capital Metropolitan Transportation Authority's service area.

Given under my hand and seal of office this 18th day of December 2020.

Notary Public, State of Texas

Exhibit B

BYLAWS OF THE AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

ARTICLE 1 Name, Offices, and Purposes

1.1 Name.

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the “Corporation”).

1.2 Offices.

The Corporation may have, in addition to its registered office, offices at such places as the Board of Directors may from time to time determine or as the activities of the Corporation may require.

1.3 Purposes.

The Corporation shall be incorporated to aid and to act on behalf of the City of Austin (“City”) and Capital Metropolitan Transportation Authority (“Capital Metro”) to accomplish their governmental purpose; namely to implement the Project Connect System Plan (“Project Connect”) as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets constructed by the Corporation;

2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property;
3. Procure professional and other services necessary for the design, construction, financing, and permitting of the Plan;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the governmental purpose stated above; and
8. Engage in other lawful activities to accomplish the governmental purpose stated above.

ARTICLE 2

Board of Directors

2.1 Management.

Subject to the Articles of Incorporation and these Bylaws, management of the affairs of the Corporation shall be vested in the directors, who together constitute the Board of Directors (the “Board”).

2.2 Qualifications, Appointment and Removal.

The qualifications of the directors, as well as the procedures for their appointment and removal, shall be prescribed by the Articles of Incorporation.

2.3 Annual Meetings.

The Board shall meet at least annually at a time and place in the City designated by resolution of the Board.

2.4 Regular Meetings.

The Board may provide for regular meetings by resolution stating the time and place of such meetings.

2.5 Special Meetings; Emergency Meetings.

Special and emergency meetings of the Board shall be held whenever called by the Chair of the Board or by a majority of the directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, electronic transmission (e.g., facsimile transmission or electronic mail), or mail at least three (3) days before the meeting to each director. Notice of each emergency meeting shall also be given in the manner required under Chapter 551, Texas Government Code (the “Open Meetings Act”). For purposes of these Bylaws, an “emergency meeting” is a meeting of the Board to consider a circumstance that, in the absence of immediate action by the Board, may have a material, adverse impact upon the Corporation. The person(s) calling the special or emergency meeting shall provide the Secretary of the Corporation with a statement of the reason(s) for the meeting, which statement shall be included in the notice of the meeting.

2.6 Notice of Meetings of the Board.

The Board shall meet in accordance with and file notice of each meeting of the Board in the same manner as required of the City Council of the City and Capital Metro’s Board of Directors (“Capital Metro’s Board”) under the Open Meetings Act. Notice of each meeting shall be posted by the Secretary of the Board at the same location. Additional notice of each meeting may be posted at one or more other locations.

2.7 Manner of Conducting Meetings.

All directors necessary to provide a quorum of the Board must be physically present at a meeting to conduct business, unless otherwise provided by law.

At the meetings of the Board, matters pertaining to the purposes of the Corporation shall be considered in such order as the Board may determine.

At all meetings of the Board, the Chair shall preside, and in the absence of the Chair, the Vice Chair shall preside. In the absence of the Chair and the Vice Chair, an acting presiding officer shall be chosen by the Board from among the directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

2.8 Quorum.

A majority of the Board shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. Ex-officio directors shall not count for the purposes of determining the presence of a quorum. If at any meeting of the Board there is less than a quorum present, business of the Board shall not be conducted. The act of a majority of the directors shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

2.9 Compensation.

Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, however, that nothing contained herein shall be construed to preclude a Director from receiving reimbursement of actual expenses incurred in connection with the business

affairs of the Corporation, and no such reimbursement of expenses shall be made unless approved by the Board.

2.10 Disclosure of Conflicts of Interest.

Each Director shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code (“Chapter 171”), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

2.11 Duties.

Directors shall discharge their duties with ordinary care and in a manner each director reasonably believes to be in the Corporation’s best interests. In this context, “ordinary care” means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging their duties, directors may rely in good faith on information, opinions, reports, or analyses, including financial data, prepared or presented by persons reasonably appearing to be qualified in such matters. A director is not relying in good faith if he or she has knowledge that renders such reliance unwarranted or unreasonable. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to property held or administered by the Corporation, including property subject to restrictions imposed by a donor or other transferor of the property.

ARTICLE 3 Officers

3.1 Titles and Term of Office.

The officers of the Corporation shall be the Chair, the Vice Chair, a Secretary, a Treasurer, an Executive Director, and such other officers as the Board may from time to time elect or appoint as described in section 3.7 below. One person may hold the position of one or more offices for the Corporation except that neither the Chair nor the Executive Director may also hold the office of Secretary. Capital Metro’s President and CEO is hereby appointed to serve as the initial Executive Director. The term of office for each officer shall be two years commencing with the date of the annual meeting of the Board at which each such officer is elected. Officers may be re-elected or re-appointed.

3.2 Chair.

The initial and each succeeding Chair of the Board (the “Chair”) shall be elected as provided by the Articles of Incorporation. The term of office for the initial Chair shall be two years commencing with the date of the first annual meeting of the Board, which shall be the Corporation’s organization meeting for purposes of section 22.104 of the Business Organizations Code.

The Chair shall preside at all meetings of the Board. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, the Chair may, upon authorization by resolution of the Board, sign and execute all bonds, notes, deeds,

conveyances, franchises, assignments, mortgages, contracts, and other instruments of any kind in the name of the Corporation.

3.3 Vice Chair.

The initial and each succeeding Vice Chair of the Board (the “Vice Chair”) shall be elected as provided by the Articles of Incorporation, and shall be a member of the Board. The term of office for the initial Vice Chair shall be two years commencing with the date of the first annual meeting of the Board.

The Vice Chair shall perform the duties and exercise the powers of the Chair upon the Chair’s death, absence, disability, or resignation, or upon the Chair’s inability to perform the duties of his or her office. Any action taken by the Vice Chair in the performance of the duties of the Chair shall be conclusive evidence of the absence or inability to act of the Chair at the time such action was taken.

3.4 Executive Director.

The Executive Director of the Corporation shall be the chief executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. The Executive Director may sign, with the Secretary, the Chair, or any other proper officer of the Corporation authorized by the Board, all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts and other instruments of any kind in the name of the Corporation which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, or by statute, to some other officer or agent of the Corporation. In general, the Executive Director shall perform all duties prescribed by the Board from time to time. The Executive Director shall not be a member of the Board.

3.5 Secretary.

The Board shall elect the Secretary of the Corporation (the “Secretary”) to keep the minutes of the meetings of the Board in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the Corporation records, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board or the Chair. The Secretary of the Corporation shall serve at the discretion of the Board, and may be removed as Secretary by the Board at any time, with or without cause. The Secretary need not be a member of the Board.

3.6 Treasurer.

The Board shall elect the Treasurer of the Corporation (the “Treasurer”), who shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the Corporation for any source whatsoever, deposit all such monies in the name of the Corporation in such banks as shall be selected in accordance with the provisions of these Bylaws, and in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned

by the Chair or by the Board. The Treasurer of the Corporation shall serve at the discretion of the Board, and may be removed as Treasurer by the Board at any time, with or without cause. The Treasurer need not be a member of the Board.

3.7 Other Officers.

The Board may appoint other officers of the Corporation and other authorized representatives of the Corporation, who shall have the powers and duties as may be delegated by the Board. Such additional officers and authorized representatives shall serve at the discretion of the Board, and may be removed by the Board at any time, with or without cause.

3.8 Compensation.

Officers may be entitled to receive such salary or compensation for personal services which are necessary and reasonable in carrying out the Corporation's purposes as the Board may from time to time determine, provided that in no event shall the salary or compensation be excessive. Board members, even if officers, are not entitled to compensation except as otherwise provided in Article II, Section 2.9. However, nothing contained herein shall be construed to preclude an Officer from receiving reimbursement of actual expenses incurred in connection with the business affairs of the Corporation, but no such reimbursement of expenses shall be made unless approved by the Board.

3.9 Disclosure of Conflicts of Interest.

Each Officer shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code ("Chapter 171"), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

ARTICLE 4 Contracts; Financial Matters; Seal

4.1 Fiscal Year.

The fiscal year of the Corporation shall commence on October 1 and end on September 30 each year.

4.2 Contracts.

The Board may authorize any officer or officers or agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

4.3 Deposits.

All funds of the Corporation shall be deposited to the credit of the Corporation in a state or national bank or other federally insured depository institution selected by the Board, subject to and in accordance with the requirements of Chapter 105, Texas Local Government Code

and, as applicable, the Public Funds Investment Act, Chapter 2256, Texas Government Code.

4.4 Payment of Funds.

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary or Treasurer and countersigned by the Executive Director, or the Chair in the absence of the Executive Director.

4.5 Audits.

The Board shall cause to be maintained a proper and complete system of records and accounts of all transactions, business, and affairs of the corporation. Within a reasonable time after the end of each fiscal year, the Board shall cause the preparation of a financial statement for the Corporation, which shall be audited by an independent certified public accountant or firm of independent certified public accountants retained by the Board for such purpose.

4.6 Books and Records.

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board. All books and records may be inspected by representatives of the City and Capital Metro at any reasonable time.

4.7 Seal.

The Board may but is not required to adopt a corporate seal in such form and to be used in such manner as may be approved by the Board.

ARTICLE 5 General Provisions

5.1 Supremacy of Articles of Incorporation.

These Bylaws are subject to and governed by the Articles of Incorporation.

5.2 Amendment.

A proposal to alter, amend, or repeal these Bylaws may be made by the affirmative vote of a majority of the full Board at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by both the City Council of the City and Capital Metro's Board to be effective.

5.3 Effective Date.

These Bylaws shall be effective when: (i) adopted by an affirmative vote of a majority of the

directors at a meeting of the Board, provided that notice of the proposed adoption shall have been received by each director at least five business days before the said meeting; and (ii) approved by resolution adopted by both the City Council of the City and Capital Metro's Board.

**AMENDMENT TO
INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF AUSTIN AND
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
FOR CREATION OF A LOCAL GOVERNMENT CORPORATION**

This amendment to the interlocal cooperation agreement (the "Agreement") between the City of Austin and Capital Metropolitan Transportation Authority is entered into by the following parties: the City of Austin, a Texas municipal corporation ("City") and Capital Metropolitan Transportation Authority, a corporate and political subdivision of Texas ("Capital Metro").

RECITALS

In August 2020, the parties entered into the Agreement, wherein the parties agreed, upon passage of a tax rate ballot measure, to create a Joint Local Government Corporation to implement a high-capacity transit system, known as the Project Connect System Plan, which will ease traffic, create jobs, improve the environment, and better connect people in our community.

In December 2020, the parties each received applications meeting the requirements of Chapter 431 of the Transportation Code and Chapter 394 of the Local Government, and each party determined it to be wise, expedient, necessary and advisable that a Joint Local Government Corporation, named the Austin Transit Partnership, to be created, and authorized the creation and incorporation of the Austin Transit Partnership.

The purpose of this amendment is to provide for the membership, nominating process, and roles and responsibilities of a Community Advisory Committee to assist in the implementation of the Project Connect System Plan.

AMENDMENT

The parties wish to revise Section 4.7 of the Agreement to read as follows:

- 4.7 Community Advisory Committee ("Committee").** The Joint LGC shall have a Community Advisory Committee to assist the Board, City Council, and Capital Metro Board in engaging the community and advising on anti-displacement and equity matters related to Project Connect as well as to assist the community and the City Council in the creation and evaluation of neighborhood-level anti-displacement strategies and priorities and the identification of Key Performance Indicators related to equity and displacement and triggers thereof. The recommendations made by the Committee related to displacement mitigation measures or social equity issues that impact historically underserved populations must be considered at a public meeting of the Board, City Council, or the Capital Metro Board, as appropriate in accordance with the recommendations made. As provided in the City Contract with the Voters (Res. No. 20200812-015), the City shall "create with the community, neighborhood-level prevention and mitigation strategies" and shall make "recommendations for funding proposals and implementation of identified strategies." Further, the Joint LGC shall provide funding and "enter into interlocal agreements and/or grant agreements with the City to timely develop and implement anti-displacement strategies."

The City and Capital Metro shall jointly appoint the initial members of Community Advisory Committee by February 28, 2021.

The Advisory Committee shall consist of eleven (11) members:

- The Capital Metro **Access Advisory Committee** and **Customer Satisfaction Advisory Committee** shall each appoint one (1) member to the committee.

- The City of Austin **Urban Transportation Commission, Community Development Commission**, and the **Mayor's Committee for People with Disabilities** shall each appoint one (1) member to the committee.
- Six (6) members from the community shall be selected through a nomination process and jointly appointed by the City and Capital Metro.

The Community Member applicants:

- shall be residents of either the City of Austin or Capital Metro's service area; and
- shall have interests and experience that will assist the Committee in developing recommendations on community engagement and equity matters related to Project Connect; and
- shall not be a person who is registered or required to register as a lobbyist under City Code Chapter 4-8 or who is employed by a person registered or required to register under City Code Chapter 4-8; and
- shall not be an employee of the City, Capital Metro, or the Joint LGC.
- shall not have a contract for real property, goods or services with the City, Capital Metro, or the Joint LGC, or be employed by such a contractor.

The City and Capital Metro shall initiate a widely publicized nomination process for the Community Members in a manner that is accessible and easy to navigate, and that promotes a large, diverse, and qualified applicant pool, reducing barriers to the application process and committee membership, including but not limited to language access, digital access, or providing information to interested community members. This nomination process shall be articulated on a public facing web page and shall allow for community engagement. To the fullest extent possible, the City shall work with community organizations/groups to ensure that historically marginalized communities most impacted by mass-transit are able to engage with the Community Advisory Committee selection process.

A qualified member of the community shall submit an application to the Nominating Committee. The Nominating Committee will consist of the Chairs, or a Committee Member designee of the Chair, of the City Council Housing and Planning Committee, City Council Mobility Committee, City Council Audit and Finance Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee. After review of the submitted applications, the Nominating Committee shall recommend a slate of six applicants based on their qualifications. The City Council and the Capital Metro Board of Directors shall, upon their joint approval of the slate, jointly appoint the Community Advisory Committee Members as nominated by the Nominating Committee.

The slate of candidates selected by the Nominating Committee shall provide for geographic representation as it relates to the proposed transit plans as well as a diversity of viewpoints. Members shall be selected based on their experience as users of/directly impacted by public transportation and connection to community/neighborhood/labor organizations. The Advisory Committee should be representative of Austin's diverse community with nominations for membership inclusive of women, families with small children, Black people, indigenous people, people of color, people from immigrant and/or undocumented populations, members of the LGBTQI community, students, and workers' rights advocates, among others. A variety of interests and experience should also be considered, including community organizing, household affordability, environment and conservation, green planning and design, housing and transportation, urban planning and architecture, health and human services, accessibility, small, local and minority owned business, mobility justice, and/or other relevant topics as they relate to transit.

Members of the Committee shall serve for a term of two years.

In the event of a vacancy or vacancies in the Committee, the remaining members may nominate an individual or individuals to be considered by the Nominating Committee as part of the Nominating Committee's process to fill the vacancy. The vacancy will be filled in the same manner and with similar requirements as the initial committee members, with approval required by the City Council and Capital

Metro. The term of a member appointed to fill an unexpired term shall expire on the expiration date of the term of the member who he or she was appointed to replace.

The Committee shall adopt bylaws, to be approved by the Board, which must include ethics standards for members. The bylaws must also include a process for members of the Committee have access to or be given reimbursement for transportation, meals, and shall pursue options for providing childcare as necessary to participate in Committee activities.

The Committee is subject to the Open Meetings Act, codified in Chapter 551 of the Government Code.

The Joint Powers Agreement to be established for the Austin Transit Partnership and approved by the City of Austin and Capital Metro Board of Directors will further delineate membership roles and responsibilities of the Committee. The Board, the City of Austin, Capital Metro Board of Directors, and the Community Advisory Committee shall, to the fullest extent possible, engage the community to further delineate the roles and responsibilities of the Committee.

EFFECTIVE DATE

When it is approved by both the City Council and Capital Metro Board, this amendment is effective upon passage.

CAPITAL METROPOLITAN
TRANSPORTATION AUTHORITY

By: _____
Signature

Name: Randy Clarke
Printed Name

Title: President & CEO

Date: 5/14/21

Approved as to Form:

Ashley Shultz
CMTA Legal Department

CITY OF AUSTIN

By: _____
Signature

Name: SPENCER CROOK
Printed Name

Title: CITY MANAGER

Date: 4/30/2021

Approved as to Form:

Kent Smith
COA Law Department KENT SMITH

**ARTICLES OF INCORPORATION OF
AUSTIN TRANSIT PARTNERSHIP
LOCAL GOVERNMENT CORPORATION**

The undersigned natural persons, each of whom is at least eighteen (18) years of age or more, is a resident of the City of Austin, Texas (the "City") and of the service area of the Capital Metropolitan Transportation Authority ("Capital Metro"), and is a citizen of the State of Texas, acting as incorporators of a corporation under the provisions of Subchapter D, Chapter 431, Texas Transportation Code ("Chapter 431"), Chapter 394, Texas Local Government Code. ("Chapter 394"), and Chapter 22, Business Organizations Code ("Chapter 22"), do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I. NAME

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the "Corporation").

ARTICLE II. PUBLIC NON-PROFIT

The Corporation is a public non-profit corporation.

ARTICLE III. DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE IV. PURPOSES, ACTIVITIES

The Corporation shall be incorporated to aid and to act on behalf of the City and Capital Metro to accomplish their governmental purpose; namely to implement the Project Connect System Plan ("Project Connect") as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets constructed by the Corporation;
2. Acquire and hold title to real and personal property and interests in real and personal

property, and sell real and personal property;

3. Procure professional and other services necessary for the design, construction, financing, and permitting of Project Connect;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the implementation of Project Connect as stated above; and
8. Engage in other lawful activities to accomplish the implementation of Project Connect as stated above.

The Corporation is formed pursuant to the provisions of Chapter 431 as it now or may hereafter be amended and in the manner specified by Chapter 394, which authorize the Corporation to assist and act on behalf of the City and Capital Metro to accomplish any governmental purpose of the City and Capital Metro and to engage in activities in the furtherance of the purposes for its creation.

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under Chapter 431, including, without limitation, the powers granted under Chapter 22.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations under Chapter 22 and which are necessary or useful to enable the Corporation to perform the purposes for which it is created.

The Corporation is created as a local government corporation pursuant to Chapter 431 and shall be a governmental unit within the meaning of Subdivision (3), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Corporation are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 *et seq.* Texas Civil Practice and Remedies Code.

ARTICLE V. NO MEMBERS

The Corporation shall have no members and shall have no stock.

ARTICLE VI. BOARD

All powers of the Corporation shall be vested in a Board of Directors ("Board") consisting of five persons, each of whom must reside in either the City of Austin or Capital Metro's service area, one of whom shall be a member of the City Council of the City of Austin ("City Council") (the "City Council Director"), one of whom shall reside in Capital Metro's service area and be a member of the Capital Metro Board of Directors ("Capital Metro Board") (the "Capital Metro Director"), and three of whom shall be community expert members, all of whom must reside in the City, as follows: one member shall

have expertise in finance, one member shall have expertise in engineering & construction, and one member shall have expertise in community planning or sustainability (“Community Expert Directors”). More specifically, the Community Expert Directors, respectively, shall meet the following criteria:

Finance	<ul style="list-style-type: none"> • At least 10 years of experience in finance, financial management, banking, or investing with a focus on large capital projects; and • Experience with budgets over \$250M and/or comparable academic financial policy experience.
Engineering & Construction	<ul style="list-style-type: none"> • At least 10 years of experience in engineering or construction of large capital projects in any sector (transit, energy, industrial, commercial); and • Experience with multiple projects over \$100M (price/value/cost) or \$250M cumulative.
Community Planning or Sustainability	<ul style="list-style-type: none"> • At least 10 years of experience in urban planning, community planning, equitable Transit Oriented Development (eTOD), sustainability, and/or environmental planning; and • Experience with community engagement with preferably three (3) to five (5) years of specific experience.

The five (5) initial Directors are identified in Article IX below.

Succeeding Community Expert Directors shall be selected through a nomination and appointment process wherein qualified members of the community shall submit an application to the Corporation, which will provide the applications that meet the criteria to the Nominating Committee (as defined below). The Nominating Committee will consist of the chairs of the City Council Audit & Finance Committee, City Council Mobility Committee, Capital Metro Finance, Audit and Administration Committee, and Capital Metro Operations, Planning and Safety Committee (the “Nominating Committee”). At the discretion of the Nominating Committee, City Council and Capital Metro Board, alternate forms of experience or qualifications may be substituted to meet the experience requirements above. After review of the applications provided by the Corporation, the Nominating Committee shall recommend a slate of three applicants based on their qualifications, while also considering Austin’s diversity, and an applicant’s ability to consider wholly Project Connect’s benefits and potential impacts particularly on vulnerable communities aimed to be served by transit. The City Council and the Capital Metro Board shall, upon their joint approval of the slate, jointly appoint succeeding Community Expert Directors as nominated by the Nominating Committee.

The City Council shall appoint each Director who succeeds the initial City Council Director, and the Capital Metro Board shall appoint each Director who succeeds the initial Capital Metro Director. Each Director who succeeds the initial City Council Director must be a member of the City Council or a resident of the City of Austin, and each Director who succeeds the initial Capital Metro Director must be a resident of the Capital Metro Service area.

The initial City Council Director and initial Capital Metro Director and each subsequent City Council Director and Capital Metro Director shall serve for a term of two years. Each initial Community Expert Director, and each subsequent Community Expert Director, shall serve for a term of four years or until his or her successor is appointed and has qualified. Initial Directors and succeeding Directors may be reappointed.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and the Capital Metro Board finding that the Director has committed one or more of the

acts or omissions described in section 7.001(c) of the Business Organizations Code and described in Article XI, below.

A Director may be removed from the Board by a resolution approved by a majority vote of the City Council and Capital Metro Board finding that the Director is derelict in his or her duties by either: (i) failing to attend four consecutive scheduled meetings, including any combination of annual meetings, regular meetings, or special meetings; or (ii) failing to attend one-third or more of scheduled meetings during any fiscal year of the Corporation, including any combination of annual meetings, regular meetings, or special meetings, unless the Director can show good cause for the absences.

The failure of the Board to proceed with a directed dissolution of the Corporation in accordance with this Article XIV of these Articles of Incorporation shall be deemed a cause for the removal from office of any or all of the Directors.

In the event of a vacancy or vacancies in the Board, whether caused by removal, resignation, death, mental or physical incapacitation, or any other reason (other than due to the expiration of a Director's term), the City Council and the Capital Metro Board shall jointly appoint a Director or Directors to fill the vacancy or vacancies. The term of a Director appointed to fill an unexpired term shall expire on the expiration date of the term of the Director who he or she was appointed to replace.

The Board shall select a chair and a vice chair by a majority vote of Board members.

A change in the number of Directors can be made only by an amendment to these Articles of Incorporation.

The City Manager or his or her designee from the City Manager's Office is a non-voting ex-officio Director of the Corporation. Capital Metro shall not have an ex-officio Director of the Corporation. The initial Executive Director of the Joint LGC will be the Capital Metro President & CEO.

ARTICLE VII. REGISTERED OFFICE, AGENT

The street address of the initial registered office of the Corporation is 700 Lavaca St. Austin, Texas 78701, which is within the city limits of the City and the service area of Capital Metro, and the name of its initial registered agent at such address is Kerri Butcher, Capital Metro Chief Counsel, an individual who is a resident of Texas.

ARTICLE VIII. INCORPORATORS

The names and street addresses of the incorporators, each of whom is more than 18 years of age and resides within both the City and Capital Metro's service area, are:

NAME	STREET ADDRESS
Annick Beaudet	301 W. 2nd Street Austin, Texas 78701
Eric Bustos	2910 E. 5th Street Austin, Texas 78702

Cheyenne Krause	301 W. 2nd Street Austin, Texas 78701
Anna Martin	301 W. 2nd Street Austin, Texas 78701
Jackie Nirenberg	2910 E. 5th Street Austin, Texas 78702
Sam Sargent	2910 E. 5th Street Austin, Texas 78702

ARTICLE IX. INITIAL BOARD

The names and street addresses of the initial Directors, each of whom resides either within the City or Capital Metro's service area, are:

POSITION	NAME	STREET ADDRESS
1. City Council Member	Steve Adler	301 W. 2nd Street Austin, Texas 78701
2. Capital Metro Board Member	Eric Stratton	2910 E. 5th Street Austin, Texas 78702
3. Community Expert (Finance)	Antony ("Tony") Elkins	1507 Richcreek Road Austin, Texas 78757
4. Community Expert (Engineering & Construction)	Veronica Castro de Barrera	4229 Mattie Street Austin, Texas 78723
5. Community Expert (Community Planning or Sustainability)	Collette Pierce Burnette	801 W. 5th Street #1903 Austin, Texas 78703

ARTICLE X. ADOPTION OF APPROVING RESOLUTION

Resolutions approving the form of these Articles of Incorporation have been adopted by the City Council on December 18, 2020, and by the Capital Metro Board on December 18, 2020.

ARTICLE XI. LIMITED LIABILITY

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty of the person to the Corporation or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the Director's duties, or (iv) for acts or omissions for which the liability of a Director is expressly provided by an

applicable statute. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII. INDEMNIFICATION

The Corporation shall have the power to indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such director or officer in connection with any claim asserted against such director or officer for such director's or officer's acts or omissions as a director or officer, except in relation to matters as to which such director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such director or officer on such director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such director or officer (including attorneys' fees) in satisfaction of any judgment or settlement of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such director or officer in connection therewith in an amount the court considers reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this Article XII only if the court finds that the person seeking indemnification was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE XIII. TAX MATTERS; DISSOLUTION

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of these Articles of Incorporation or the laws of the State of Texas, the Corporation: (i) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes); (ii) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (iii) shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; and (iv) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt, other obligations, and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City and Capital Metro as agreed to by the City Council and the Capital Metro Board.

The City and Capital Metro shall, at all times, have an unrestricted right to receive any income earned by the Corporation, exclusive of amounts needed to cover reasonable expenses, debt or obligations and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation. Any income of the Corporation received by the City and Capital Metro shall be deposited into such accounts or funds as determined by the City Council and the Capital Metro Board. No part of the Corporation's income shall inure to the benefit

or any private interests.

If the Board determines by resolution that the purposes for which the Corporation was formed have been substantially met and all bonds issued by and all obligations incurred by the Corporation have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Corporation dissolved in accordance with the requirements of Section 394.026 of the Texas Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, the net earnings of the Corporation and funds and properties of the Corporation shall be disbursed to the City and Capital Metro for deposit into such accounts or funds as the City Council and the Capital Metro Board shall direct.

ARTICLE XIV. PRIVATE FOUNDATION

If the Corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, the Corporation (a) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code; (b) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and (e) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE XV. DIRECTED DISSOLUTION

The City Council and Capital Metro Board may at any time consider and approve resolutions directing the Board to proceed with the dissolution of the Corporation, at which time the Board shall proceed with the dissolution of the Corporation in accordance with applicable state law. The failure of the Board to proceed with the dissolution of the Corporation in accordance with this Article shall be deemed a cause for the removal from office of any or all of the Directors as permitted by Article VI of these Articles of Incorporation.

ARTICLE XVI. PUBLIC INSTRUMENTALITY

The Corporation is a constituted authority and a public or governmental instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code. Although the Corporation is authorized to act on behalf of one or more governmental entities as provided in these Articles of Incorporation, the Corporation is not a political subdivision or political authority of the State of Texas within the meaning of the Constitution and laws of the State of Texas, including, without limitation, Article III, Section 52 of the Texas Constitution, and no agreement, bond, debt, or obligation of the Corporation shall be deemed to be the agreement, bond, debt, or obligation, or the lending of credit, or a grant of public money or thing of value, of or by the City or Capital Metro or any other political subdivision or authority or agency of the State of Texas, or a pledge of the faith and credit of any of them. No action of the Corporation shall be an action of the City or Capital Metro or their agents or employees, and neither these Articles of Incorporation nor any action by the Board, the City Council, or the Capital Metro Board shall create a joint enterprise.

ARTICLE XVII. AMENDMENT

These Articles of Incorporation may be amended in either of the following manners: (1) the Board may file with the City Council and the Capital Metro Board an application in writing requesting permission to amend the Articles of Incorporation, specifying in the application the amendment proposed to be made, and the City Council and the Capital Metro Board, after considering the application and each finding and determining that it is wise, expedient, necessary, or advisable that the proposed amendment be made, may authorize by resolution that the proposed amendment be made and approve the form of the amendment, and then the Board may amend the Articles of Incorporation by adopting the amendment by resolution at a meeting of the Board and filing the amendment with the Office of the Texas Secretary of State, or (2) the City Council and the Capital Metro Board may jointly, at any time, alter or change the structure, organization, programs, activities, or duration of the Corporation, subject to any limitations on the impairment of contracts entered into by the Corporation, by adopting an amendment to the Articles of Incorporation of the Corporation at a meeting of the City Council and of the Capital Metro Board and filing the amendment with the Office of the Texas Secretary of State.

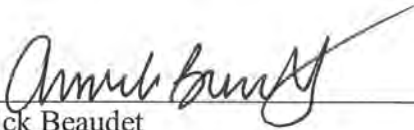
ARTICLE XVIII. EFFECTIVE DATE; AUTHORIZATION TO FILE

These Articles of Incorporation shall be effective when fully executed and filed by the Office of the Texas Secretary of State. The undersigned affirm that the person designated as initial registered agent herein has consented, either in electronic or written form, to the appointment. Each of the undersigned executes this instrument subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that he and she is authorized to execute this instrument.

ARTICLE XIX. OTHER MATTERS PERTAINING TO INTERNAL AFFAIRS

All other matters pertaining to the internal affairs of the Corporation and not addressed in these Articles of Incorporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with these Articles of Incorporation or the laws of the State of Texas.

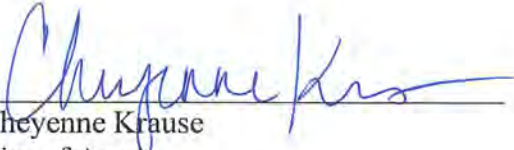
IN WITNESS WHEREOF, we have hereunto set our hands this 18th day of December 2020.



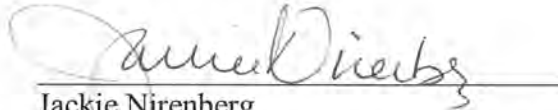
Annick Beaudet
City of Austin
301 West 2nd Street
Austin, Texas 78701



Eric Bustos
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702



Cheyenne Krause
City of Austin
301 West 2nd Street
Austin, Texas 78701



Jackie Nirenberg
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702



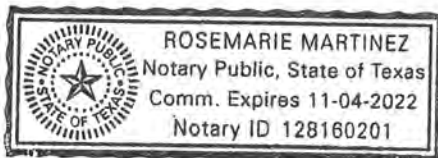
Anna Martin
City of Austin
301 West 2nd Street
Austin, Texas 78701



Sam Sargent
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, Texas 78702

This instrument was acknowledged before me on this 18th day of December 2020, by each of the foregoing signatories, each being duly sworn on his or her oath that he or she is an individual residing in the City of Austin, Texas and within Capital Metropolitan Transportation Authority's service area.

Given under my hand and seal of office this 18th day of December 2020.



Notary Public, State of Texas

Exhibit B

BYLAWS OF THE AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

ARTICLE 1 Name, Offices, and Purposes

1.1 Name.

The name of the corporation is the Austin Transit Partnership Local Government Corporation (the “Corporation”).

1.2 Offices.

The Corporation may have, in addition to its registered office, offices at such places as the Board of Directors may from time to time determine or as the activities of the Corporation may require.

1.3 Purposes.

The Corporation shall be incorporated to aid and to act on behalf of the City of Austin (“City”) and Capital Metropolitan Transportation Authority (“Capital Metro”) to accomplish their governmental purpose; namely to implement the Project Connect System Plan (“Project Connect”) as it is more particularly described in Capital Metro Resolution No. AI-2020-1273 and City Resolution 20200610-02, and as each resolutions may from time to time be amended or supplemented. The Corporation is to be the principal entity responsible for financing, designing, building, implementing, and contracting with Capital Metro to operate and maintain assets funded by the Joint LGC in a manner independent of the City and Capital Metro. The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus rapid transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks and street lighting. Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. The Corporation shall implement Project Connect in accordance with the Initial Investment Map and associated Implementation Sequence Plan, as modified from time to time jointly by Capital Metro and the City. To accomplish said purpose, in the exercise of its powers, the Corporation shall be authorized to:

1. Contract with persons, governmental entities, and with for-profit and non-profit entities, and employ individuals, for the purposes of implementing Project Connect, conducting the administrative operations of the Corporation, and to enter into interlocal agreements with Capital Metro for the operation and maintenance of assets constructed by the Corporation;

2. Acquire and hold title to real and personal property and interests in real and personal property, and sell real and personal property;
3. Procure professional and other services necessary for the design, construction, financing, and permitting of the Plan;
4. Accept funds and property appropriated by the City and Capital Metro and by other entities;
5. Apply for grants of funds, services, and things of value and to accept awards of such grants;
6. Accept donations of funds, services and things of value;
7. Issue bonds, notes, and other debt obligations as necessary for the accomplishment of the governmental purpose stated above; and
8. Engage in other lawful activities to accomplish the governmental purpose stated above.

ARTICLE 2

Board of Directors

2.1 Management.

Subject to the Articles of Incorporation and these Bylaws, management of the affairs of the Corporation shall be vested in the directors, who together constitute the Board of Directors (the “Board”).

2.2 Qualifications, Appointment and Removal.

The qualifications of the directors, as well as the procedures for their appointment and removal, shall be prescribed by the Articles of Incorporation.

2.3 Annual Meetings.

The Board shall meet at least annually at a time and place in the City designated by resolution of the Board.

2.4 Regular Meetings.

The Board may provide for regular meetings by resolution stating the time and place of such meetings.

2.5 Special Meetings; Emergency Meetings.

Special and emergency meetings of the Board shall be held whenever called by the Chair of the Board or by a majority of the directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, electronic transmission (e.g., facsimile transmission or electronic mail), or mail at least three (3) days before the meeting to each director. Notice of each emergency meeting shall also be given in the manner required under Chapter 551, Texas Government Code (the “Open Meetings Act”). For purposes of these Bylaws, an “emergency meeting” is a meeting of the Board to consider a circumstance that, in the absence of immediate action by the Board, may have a material, adverse impact upon the Corporation. The person(s) calling the special or emergency meeting shall provide the Secretary of the Corporation with a statement of the reason(s) for the meeting, which statement shall be included in the notice of the meeting.

2.6 Notice of Meetings of the Board.

The Board shall meet in accordance with and file notice of each meeting of the Board in the same manner as required of the City Council of the City and Capital Metro’s Board of Directors (“Capital Metro’s Board”) under the Open Meetings Act. Notice of each meeting shall be posted by the Secretary of the Board at the same location. Additional notice of each meeting may be posted at one or more other locations.

2.7 Manner of Conducting Meetings.

All directors necessary to provide a quorum of the Board must be physically present at a meeting to conduct business, unless otherwise provided by law.

At the meetings of the Board, matters pertaining to the purposes of the Corporation shall be considered in such order as the Board may determine.

At all meetings of the Board, the Chair shall preside, and in the absence of the Chair, the Vice Chair shall preside. In the absence of the Chair and the Vice Chair, an acting presiding officer shall be chosen by the Board from among the directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

2.8 Quorum.

A majority of the Board shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. Ex-officio directors shall not count for the purposes of determining the presence of a quorum. If at any meeting of the Board there is less than a quorum present, business of the Board shall not be conducted. The act of a majority of the directors shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

2.9 Compensation.

Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, however, that nothing contained herein shall be construed to preclude a Director from receiving reimbursement of actual expenses incurred in connection with the business affairs of the Corporation, and no such reimbursement of expenses shall be made

unless approved by the Board.

2.10 Disclosure of Conflicts of Interest.

Each Director shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code (“Chapter 171”), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

2.11 Duties.

Directors shall discharge their duties with ordinary care and in a manner each director reasonably believes to be in the Corporation’s best interests. In this context, “ordinary care” means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging their duties, directors may rely in good faith on information, opinions, reports, or analyses, including financial data, prepared or presented by persons reasonably appearing to be qualified in such matters. A director is not relying in good faith if he or she has knowledge that renders such reliance unwarranted or unreasonable. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to property held or administered by the Corporation, including property subject to restrictions imposed by a donor or other transferor of the property.

ARTICLE 3

Officers

3.1 Titles and Term of Office.

The officers of the Corporation shall be the Chair, the Vice Chair, a Secretary, a Treasurer, an Executive Director, and such other officers as the Board may from time to time elect or appoint as described in section 3.7 below. One person may hold the position of one or more offices for the Corporation except that neither the Chair nor the Executive Director may also hold the office of Secretary. Capital Metro’s President and CEO is hereby appointed to serve as the initial Executive Director. The term of office for each officer shall be two years commencing with the date of the annual meeting of the Board at which each such officer is elected. Officers may be re-elected or re-appointed.

3.2 Chair.

The initial and each succeeding Chair of the Board (the “Chair”) shall be elected as provided by the Articles of Incorporation. The term of office for the initial Chair shall be two years commencing with the date of the first annual meeting of the Board, which shall be the Corporation’s organization meeting for purposes of section 22.104 of the Business Organizations Code.

The Chair shall preside at all meetings of the Board. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Articles of Incorporation, the Chair may, upon authorization by resolution of the Board, sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts, and other instruments of

any kind in the name of the Corporation.

3.3 Vice Chair.

The initial and each succeeding Vice Chair of the Board (the “Vice Chair”) shall be elected as provided by the Articles of Incorporation, and shall be a member of the Board. The term of office for the initial Vice Chair shall be two years commencing with the date of the first annual meeting of the Board.

The Vice Chair shall perform the duties and exercise the powers of the Chair upon the Chair’s death, absence, disability, or resignation, or upon the Chair’s inability to perform the duties of his or her office. Any action taken by the Vice Chair in the performance of the duties of the Chair shall be conclusive evidence of the absence or inability to act of the Chair at the time such action was taken.

3.4 Executive Director.

The Executive Director of the Corporation shall be the chief executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. The Executive Director may sign, with the Secretary, the Chair, or any other proper officer of the Corporation authorized by the Board, all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, contracts and other instruments of any kind in the name of the Corporation which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, or by statute, to some other officer or agent of the Corporation. In general, the Executive Director shall perform all duties prescribed by the Board from time to time. The Executive Director shall not be a member of the Board.

3.5 Secretary.

The Board shall elect the Secretary of the Corporation (the “Secretary”) to keep the minutes of the meetings of the Board in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the Corporation records, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board or the Chair. The Secretary of the Corporation shall serve at the discretion of the Board, and may be removed as Secretary by the Board at any time, with or without cause. The Secretary need not be a member of the Board.

3.6 Treasurer.

The Board shall elect the Treasurer of the Corporation (the “Treasurer”), who shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the Corporation for any source whatsoever, deposit all such monies in the name of the Corporation in such banks as shall be selected in accordance with the provisions of these Bylaws, and in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chair or by the Board. The Treasurer of the Corporation shall serve at the discretion of the Board, and may be removed as Treasurer by the Board at any time, with or

without cause. The Treasurer need not be a member of the Board.

3.7 Other Officers.

The Board may appoint other officers of the Corporation and other authorized representatives of the Corporation, who shall have the powers and duties as may be delegated by the Board. Such additional officers and authorized representatives shall serve at the discretion of the Board, and may be removed by the Board at any time, with or without cause.

3.8 Compensation.

Officers may be entitled to receive such salary or compensation for personal services which are necessary and reasonable in carrying out the Corporation's purposes as the Board may from time to time determine, provided that in no event shall the salary or compensation be excessive. Board members, even if officers, are not entitled to compensation except as otherwise provided in Article II, Section 2.9. However, nothing contained herein shall be construed to preclude an Officer from receiving reimbursement of actual expenses incurred in connection with the business affairs of the Corporation, but no such reimbursement of expenses shall be made unless approved by the Board.

3.9 Disclosure of Conflicts of Interest.

Each Officer shall comply with: (i) Section 22.230 of the Business Organizations Code; and (ii) applicable provisions of Chapter 171 of the Local Government Code ("Chapter 171"), including disclosure of a substantial interest, as defined by Chapter 171, in a business entity or in real property.

ARTICLE 4

Contracts; Financial Matters; Seal

4.1 Fiscal Year.

The fiscal year of the Corporation shall commence on October 1 and end on September 30 each year.

4.2 Contracts.

The Board may authorize any officer or officers or agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

4.3 Deposits.

All funds of the Corporation shall be deposited to the credit of the Corporation in a state or national bank or other federally insured depository institution selected by the Board, subject to and in accordance with the requirements of Chapter 105, Texas Local Government Code and, as applicable, the Public Funds Investment Act, Chapter 2256, Texas Government Code.

4.4 Payment of Funds.

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary or Treasurer and countersigned by the Executive Director, or the Chair in the absence of the Executive Director.

4.5 Audits.

The Board shall cause to be maintained a proper and complete system of records and accounts of all transactions, business, and affairs of the corporation. Within a reasonable time after the end of each fiscal year, the Board shall cause the preparation of a financial statement for the Corporation, which shall be audited by an independent certified public accountant or firm of independent certified public accountants retained by the Board for such purpose.

4.6 Books and Records.

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board. All books and records may be inspected by representatives of the City and Capital Metro at any reasonable time.

4.7 Seal.

The Board may but is not required to adopt a corporate seal in such form and to be used in such manner as may be approved by the Board.

ARTICLE 5 General Provisions

5.1 Supremacy of Articles of Incorporation.

These Bylaws are subject to and governed by the Articles of Incorporation.

5.2 Amendment.

A proposal to alter, amend, or repeal these Bylaws may be made by the affirmative vote of a majority of the full Board at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by both the City Council of the City and Capital Metro's Board to be effective.

5.3 Effective Date.

These Bylaws shall be effective when: (i) adopted by an affirmative vote of a majority of the directors at a meeting of the Board, provided that notice of the proposed adoption shall have been received by each director at least five business days before the said meeting; and (ii) approved by resolution adopted by both the City Council of the City and Capital Metro's Board.

**INTERLOCAL AGREEMENT BETWEEN CAPITAL METROPOLITAN
TRANSPORTATION AUTHORITY AND AUSTIN TRANSIT PARTNERSHIP
FOR SUPPORT SERVICES AND PROJECT IMPLEMENTATION**

This Interlocal Agreement, ATP-Capital Metro Partnership Agreement No. 1, (this **Agreement**), dated as of February 3, 2021, is entered into by and between Capital Metropolitan Authority, a transportation authority and political subdivision for the State of Texas organized under Chapter 451 of the Texas Transportation Code (“**Capital Metro**”), and the Austin Transit Partnership, a joint local government corporation under Chapter 431 of the Texas Transportation Code (“**ATP**”), each a “**Party**” and collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, pursuant to the Interlocal Cooperation Agreement, dated August 7, 2020 (the “**ILA**”) between the City of Austin, Texas (the “**City**”) and Capital Metro, the City and Capital Metro have created ATP as a joint local government corporation with the authority to finance, design, build and implement a high-capacity transit system and transit-oriented development known as the Project Connect System (“**Project Connect**”); and

WHEREAS, ILA requires Capital Metro to provide support functions in connection with the operation, implementation and maintenance of the assets funded by ATP and further to perform certain projects described on Exhibit A hereto (which Exhibit A may be periodically updated, supplemented or amended upon the agreement of the Parties); and

WHEREAS, in connection with the ILA the Capital Metro Board of Directors adopted a resolution on August 7, 2020, committing future funding for implementation of Project Connect in accordance with the Project Connect System Plan program (the “**Program**”), including but not limited to funding for corporate functions and projects in the Program (AI-2020-1297); and

WHEREAS, in order to meet the schedule laid out in the Program, Capital Metro and ATP desire to move forward at this time to identify certain roles and responsibilities for the Parties (i) with respect to the support functions and (ii) on these certain projects described on Exhibit A to this Agreement in furtherance of the Program; and

WHEREAS, Capital Metro has developed, implemented and administered projects of a similar nature and has the staff expertise and organizational experience to execute these projects in furtherance of the Program as ATP focuses on other aspects of Project Connect and the Program; and

WHEREAS, the City and the Parties intend that Capital Metro will operate and maintain the transit infrastructure funded by ATP and, in this connection, provide certain support functions and other services to ATP as set out in this Agreement and to execute the projects described on Exhibit A hereto, which Agreement the Parties are authorized to enter into through the Texas Constitution, Article 3, Section 64, “The Texas Transportation Corporation Act,” Tex. Transp. Code, Chapter 431, and “The Interlocal Cooperation Act,” Tex. Gov’t Code, Chapter 791; and

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

SERVICES

1. Services.

(a) General. Capital Metro shall provide ATP with the corporate functions and project-related services as described on Exhibit A to this Agreement (collectively, the “**Services**”). The Parties acknowledge and agree that Exhibit A to this Agreement may be periodically updated, supplemented, or amended (annually or otherwise) pursuant to Section 8 or Section 1(b) or in accordance with the terms and conditions of such Exhibit A.

(b) Annual Budget Process.

(i) Initial Term. As of the date of this Agreement and as shown on Exhibit A to this Agreement, the Capital Metro Chief Financial Officer and the incoming ATP Chief Financial Officer have negotiated in good faith projects and associated costs as part of the budget applicable through September 30, 2021 of the “Initial Term” (as defined in Section 5) and deemed to be a part of this Agreement, which budget may be periodically updated, supplemented or amended during such budget by the Capital Metro and ATP Chief Financial Officers (subject, if required by Section 8, to approval by the respective Boards of Directors of Capital Metro and ATP). Thereafter, for each of the respective budget years ending September 30, 2022 and September 30, 2023, the Capital Metro and ATP Chief Financial Officers shall during the respective annual budget process meet, negotiate in good faith and approve an annual budget consistent with Exhibit A to this Agreement, including the projects and associated costs; procedures for ensuring completion of projects within the scope of the budget; and procedures for validating and approving invoices for services performed as part of the budget. Such budgets may be periodically updated, supplemented or amended during such budget year by the Capital Metro and ATP Chief Financial Officers (subject, if required by Section 8, to approval by the respective Boards of Directors of Capital Metro and ATP).

(ii) Option Term. If there is an “Option Term” (as defined in Section 5), the Capital Metro and ATP Chief Financial Officers shall during the annual budget process meet, negotiate in good faith and approve a budget (which budget must also be approved by the respective Boards of Directors of Capital Metro and ATP) including the projects and associated costs; procedures for ensuring the completion of projects within the scope of the budget; and processes for validating and approving invoices for services performed as part of the budget for such Option Term. Such budget for the Option Term may (subject to Section 8) be periodically updated, supplemented or amended during such budget by the Capital Metro and ATP Chief Financial Officers (subject, if required by Section 8, to approval by the respective Boards of Directors of Capital Metro and ATP).

(iii) Clarification. For the purpose of clarification, the Parties acknowledge and agree (A) Exhibit A hereto may at any particular time include estimates for multiple projects and, furthermore, one or more of such estimates may cover more than one budget

year and such estimates may take the form of a “not-to-exceed” estimate; and (B) the expenditures may, upon the approval of the Capital Metro and ATP Chief Financial Officers, be re-allocated among the various projects so long as the expenditures for the year or for over the years, as applicable, do not exceed the “not-to-exceed” estimate(s) for the pertinent projects.

(c) Third-Party Providers. Capital Metro shall have the right in its sole discretion to cause one or more of its affiliates to perform all or any portion of its respective Services. In addition, Capital Metro shall have the right in its sole discretion to hire third-party providers or subcontractors (each a “**Third-Party Provider**” and collectively the “**Third Party Providers**”) to provide all or part of any Service hereunder subject to the then-current budget.

2. Standard of Service.

(a) Capital Metro represents, warrants and covenants that the Services shall be provided in good faith, in accordance with applicable laws and in a professional and work person-like manner. Capital Metro shall not be responsible for any inability to provide a Service or any delay in doing so to the extent that such inability or delay is the result of the failure of ATP to provide, or any delay in providing, the information necessary for Capital Metro to provide such Service.

(b) EXCEPT FOR THE WARRANTIES AND UNDERTAKINGS EXPLICITLY SET FORTH HEREIN, IN EXHIBIT A HERETO (I) THERE ARE NO WARRANTIES BY CAPITAL METRO WITH RESPECT TO THE SERVICES AND (II) ALL WARRANTIES, STIPULATIONS AND UNDERTAKINGS AND ALL TERMS AND CONDITIONS (INCLUDING ANY IMPLIED BY STATUTE OR OTHERWISE) WITH RESPECT TO THE SERVICES (WHETHER AS TO MERCHANTABILITY, QUALITY, DESCRIPTION, SATISFACTORY QUALITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE WHERE MADE KNOWN OR NOT, CARE, SKILL OR OTHERWISE) ARE HEREBY EXCLUDED AND WAIVED.

3. Funding; Fees; Payment.

(a) Funding. As evidenced in Exhibit A to this Agreement, the Capital Metro Chief Financial Officer and the incoming ATP Chief Financial Officer have, based upon the Project Connect Integrated Financial Model developed as the basis for the funding of the Initial Investment of the Locally Preferred Alternative, agreed upon the funding that Capital Metro shall provide to ATP as part of the budget for the Initial Term to support the overall funding and financing of Project Connect and the Program. Such Capital Metro funding contemplated by such Exhibit A may, upon compliance with Section 8, be periodically updated, supplemented or amended during the Initial Term by the Capital Metro and ATP Chief Financial Officers. If there is an Option Term, the funding that Capital Metro shall provide to ATP to support the overall funding and financing of Project Connect and the Program shall be as set out in the budget for such Option Term.

(b) Fees. In consideration for the performance of the Services by Capital Metro, ATP shall pay to Capital Metro compensation (the “**Services Fees**”) as provided for in the then current budget (as such budget was approved as provided by Section 1(b)), payable pursuant to the

monthly invoices referenced in Section 3(c). The Parties acknowledge and agree that Exhibit A to this Agreement may be periodically updated, supplemented, or amended (annually or otherwise) pursuant to Section 8 or Section 1(b). The Parties further acknowledge and agree, notwithstanding anything else in this Agreement to the contrary, that ATP's obligation with respect to the Services Fees is subject to, and governed by, Article 11, Sections 5 and 7 of the Texas Constitution and must be paid only out of ATP's current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Sections 5 and 7 of the Texas Constitution.

(c) Payment. The Capital Metro and ATP Chief Financial Officers shall determine, for each budget year, the schedule for the payment of the Service Fees by ATP to Capital Metro pursuant to Section 3(b) and for the funding by Capital Metro to ATP pursuant to Section 3(a). Capital Metro shall, in accordance with such schedule, provide the contemplated Section 3(a) funding to ATP and further shall, also in accordance with such schedule, provide ATP with a monthly invoice specifying the Services Fees for the immediately preceding month in accordance with such schedule. ATP shall remit payment for the amount reflected on such invoice in accordance with Chapter 2251 of the Texas Gov't Code (the "**Prompt Payment Act**"). ATP presently intends to continue this Agreement each budget year through the Agreement's term, to pay all payments due, and to fully and promptly perform all of its obligations under this Agreement. All Services Fees shall be paid only out of ATP's current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Sections 5 and 7 of the Texas Constitution.

4. **Texas Public Information Act**. Notwithstanding any terms and conditions in this Agreement to the contrary, this Agreement is subject to the "Texas Public Information Act," Texas Gov't Code, Chapter 552. Capital Metro and ATP are subject to the Texas Public Information Act and must release information required to be released under the Texas Public Information Act and regulations promulgated thereunder.

5. **Term; Termination**.

(a) Term. The term of this Agreement shall commence on the date of this Agreement and shall continue until September 30, 2023 ("**Initial Term**") and thereafter may, upon the prior approval of the respective Boards of Directors of Capital Metro and ATP, be renewed for one (1) additional term of one year from October 1, 2023 year through September 30, 2024 (the "**Option Term**"), subject to and conditioned upon prior to the expiration of the Initial Term (i) the approval by the respective Boards of Directors of Capital Metro and ATP of the budget for the Option Term and (ii) ATP's appropriation of funds for the Option Term in an amount sufficient to meet ATP's obligations pursuant to such budget.

(b) Termination of Agreement. This Agreement may be terminated in its entirety only upon the written agreement of the Parties, which agreement must include provisions for fulfillment or reimbursement of actual costs of termination of existing commitments of Capital Metro.

6. **Limitation of Liability**. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE AGGREGATE LIABILITY OF CAPITAL METRO TO ATP FOR ANY CLAIMS

ARISING UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF SERVICE FEES ACTUALLY PAID TO CAPITAL METRO.

7. **Headings**. The headings appearing herein are for convenience and reference only and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

8. **Amendment**. Except as provided in the last sentence of this Section 8, this Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party and approved by the Board of Directors of each of Capital Metro and ATP. Exhibit A to this Agreement or any budget may be updated, supplemented or amended, without the approval of the Board of Directors of each of Capital Metro and ATP, upon the written approval of their respective Chief Financial Officers so long as such update, supplement or amendment is not projected to increase the overall fees from ATP to Capital Metro for the Initial Term or for the Option Term, as the case may be; updates, supplements or amendments that are projected to increase the overall fees from ATP to Capital Metro for the Initial Term or for the Option Term will require approval of the Board of Directors of each of Capital Metro and ATP.

9. **Notices**.

(a) **Requirements**. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Agreement by one Party to another must be in writing and delivered in person or by email to the applicable address set forth in, or provided pursuant to, this Section 9 for the Party to whom the notice is given.

(b) **Capital Metro Address**. The address of Capital Metro for all purposes under this Agreement and for all notices:

Reinet Marneweck (or her successor)
Chief Financial Officer
2910 E. 5th Street
Austin, Texas 78702
Email: Reinet.Marneweck@capmetro.org

With additional copy to:

Kerri Butcher (or her successor)
Chief Counsel
2910 E. 5th Street
Austin, Texas 78702
Email: Kerri.Butcher@capmetro.org

(c) **ATP Address**. The address of the ATP for all purposes under this Agreement and for all notices:

Greg Canally (or his successor)
Chief Financial Officer
700 Lavaca Street

Suite 1400
Austin, Texas 78701
Email: Greg.Canally@austintransitpartnership.org

With additional copy to:

Casey Burack (or her successor)
General Counsel and Chief Administrative Officer
700 Lavaca Street
Suite 1400
Austin, Texas 78701
Email: Casey.Burack@austintransitpartnership.org

(d) Change of Address. Each Party may change the address for notice to it by giving written notice of the change. Any change of address by a Party, including a change in the Party's authorized representative, must be reported to the other Parties within twenty (20) days of the change.

10. Relationship of the Parties.

(a) Independent Contractor. Nothing herein contained shall be deemed to create any partnership or agency relationship among the Parties, or confer upon any of the Parties hereto any express, implied or apparent authority to incur any obligation or liability on behalf of the other. No Party shall bind the other Parties to any obligation without the express written consent of the other Parties.

(b) Capital Metro' Employees. All employees of Capital Metro, including those Capital Metro employees explicitly seconded to ATP, shall be deemed for purposes of all compensation and employee benefits to be employees of Capital Metro and not employees of ATP or its Affiliates. In performing the Services, such employees shall be under the direction, control and supervision of Capital Metro and not ATP. Capital Metro shall have the sole right to exercise all authority with respect to the employment (including termination of employment), assignment and compensation of employees, including those explicitly seconded to ATP.

11. No Third Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Person or entity other than the Parties signatory hereto any interest or rights (including, without limitation, any third-party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

13. Governing Law and Venue. This Agreement is governed by the laws of the State of Texas and all obligations under this Agreement are performable in Travis County, Texas.

14. Entire Agreement. This Agreement and Exhibit A hereto shall constitute the entire understanding and agreement among the Parties to it in relation to the subject matter of this Agreement and shall together supersede all previous agreements among the Parties in relation to the same subject matter.

15. Legal Authority. The person or persons signing this Agreement on behalf of each Party warrant that he, she, or they have been duly authorized by their respective entities to sign this Agreement on behalf of the entity and to bind the entity validly and legally to all terms, performances, and provisions in this Agreement. Each Party warrants that the Party possesses the legal authority to enter into this Agreement and to perform the services that Party has obligated itself to perform under this Agreement.

16. Capital Metro Disadvantaged Business Enterprise Program/Policy Statement. Capital Metro advises that it has established a Disadvantaged Business Enterprise program (“**DBE Program**”) in accordance with regulations of the U.S. Department of Transportation, 49 CFR Part 26. Capital Metro’s DBE Program is regularly reviewed by the Federal Transportation Administration, and Capital Metro advises that it will follow its DBE Program in order to ensure that expenditures, as eligible and applicable, can be reimbursed with Federal funds.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first set forth above.

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

By: E-SIGNED by Reinet Marneweck
on 2021-01-29 19:35:40 GMT
Reinet Marneweck
Chief Financial Officer

January 29, 2021
Date: _____

AUSTIN TRANSIT PARTNERSHIP

By: E-SIGNED by Randy Clarke
on 2021-02-03 22:33:46 GMT
Randy Clarke
Executive Director

February 03, 2021
Date: _____

EXHIBIT A

Capital Metro contributions to ATP

Estimates in \$'Millions	FY2021 Budget	FY2022	FY2023	Total
Capital Metro Sales Tax	\$5.0	\$10.4	\$20.0	\$35.4
Capital Expansion Funds	\$60.0	\$10.0		\$70.0
Total Contributions	\$65.0	\$20.4	\$20.0	\$105.4

Services provided by Capital Metro for ATP

Estimates in \$'Million*	FY2021 Budget	FY2022	FY2023	Total
Corporate functions				
Payroll costs for CMTA seconded employees	1.1	1.7	1.8	4.6
Professional Services & Temporary Help	0.8	1.1	1.1	3.0
Computer Hardware, Software & Maintenance	0.8	1.1	1.1	3.0
Advertising/Promotion Media	0.4	0.5	0.6	1.5
Lease, Rentals and Office expenses	0.2	0.3	0.3	0.9
Shared Services	0.3	0.9	1.0	2.2
Contingency	0.4	0.5	0.5	1.4
Total Corporate functions	\$4.0	\$6.2	\$6.3	\$16.6
Project related costs				
Orange Line - 30% design & NEPA 2021-2022	\$13.6	\$7.7		\$21.3
Blue Line - 30% design & NEPA 2021-2022	12.4	6.1		18.5
PMOR	12.1	12.4	12.6	37.2
MetroRapid - Expo, Pleasant Valley, South Lamar	7.5	53.3	60.0	120.8
Red Line Improvements	6.7	18.3		25.0
Neighborhood Circulators	2.6	2.7	2.8	8.1
Customer Technology Investments	0.2	2.0	2.0	4.2
Contingency	5.0	10.0	8.0	23.0
Total Project related costs	\$60.1	\$112.6	\$85.5	\$258.2
Total Services	\$64.1	\$118.8	\$91.8	\$274.7

*Conceptual rough order of magnitude estimates as part of an overall integrated financial model. Variances may occur for each project/task as projects progress through design, engineering and procurement.

INTERLOCAL AGREEMENT BETWEEN THE CITY OF AUSTIN AND AUSTIN TRANSIT PARTNERSHIP FOR SUPPORT SERVICES NO. 1

This Interlocal Agreement, ATP-City of Austin Agreement No. 1, (this **Agreement**), dated as of February 24, 2021, is entered into by and between the City of Austin, a Texas home-rule municipality (the “**City**”), and the Austin Transit Partnership, a joint local government corporation under Chapter 431 of the Texas Transportation Code (“**ATP**”), each a “**Party**” and collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, pursuant to the Interlocal Cooperation Agreement, dated August 7, 2020 (the “**ILA**”) between the City and Capital Metropolitan Transportation Authority (“**Capital Metro**”), the City and Capital Metro have created ATP as a joint local government corporation with the authority to finance, design, build and implement a high-capacity transit system and transit-oriented development known as the Project Connect System (“**Project Connect**”); and

WHEREAS, ILA requires the City to provide support functions in connection with the operation, implementation and maintenance of the assets funded by ATP and further to perform certain projects, some of which are described on Exhibit A hereto (which Exhibit A may be periodically updated, supplemented or amended upon the agreement of the Parties); and

WHEREAS, in connection with the ILA, the City Council adopted a resolution on August 13, 2020, providing guidance on dedicating tax revenue for implementation of Project Connect in accordance with the Project Connect System Plan program (the “**Program**”), including but not limited to funding for corporate functions and projects in the Program (20200812-015); and

WHEREAS, in order to meet the schedule laid out in the Program, the City and ATP desire to move forward at this time to identify certain roles and responsibilities for the Parties with respect to the City’s early support functions described on Exhibit A to this Agreement in furtherance of the Program; and

WHEREAS, the Capital Metro and the Parties intend that the City will provide ATP with the scope of services set forth on Exhibit A hereto and anticipate that this will be the first of many interlocal agreements between the City and ATP in support of the Program. To provide such scope of services, the City will initially hire certain support staff positions in accordance with the budget requests as provided in Exhibit A. The Parties are authorized to enter into Agreements through the Texas Constitution, Article 3, Section 64, “The Texas Transportation Corporation Act,” Tex. Transp. Code, Chapter 431, and “The Interlocal Cooperation Act,” Tex. Gov’t Code, Chapter 791; and

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

SERVICES

1. Services.

(a) General. The City shall provide ATP with the professional technical services necessary to assist with the design review and permitting for the Program as part of the National Environmental Policy Act (“NEPA”) environmental review process as described on Exhibit A to this Agreement (collectively, the “**Services**”). The Parties acknowledge and agree that Exhibit A to this Agreement may be periodically updated, supplemented, or amended pursuant to Section 8 or in accordance with the terms and conditions of such Exhibit A. The Parties further acknowledge that the Services exclude any activities not attributed to the NEPA process.

(b) Collocation. The City hereby agrees, to the extent permissible under applicable laws, that the support staff positions described in Exhibit A shall work in the same physical location as the ATP staff to ensure close collaboration as the Parties work together to develop the Program.

(c) Term. As of the date of this Agreement and as shown on Exhibit A to this Agreement, the City and the ATP have negotiated in good faith Services and associated costs as part of the budget applicable through September 30, 2021 of the “Term” (as defined in Section 5) and deemed to be a part of this Agreement, which budget may be periodically updated, supplemented or amended during such budget by the City and ATP Chief Financial Officers (subject, if required by Section 8, to approval by the City Council and Board of Directors of ATP).

2. Standard of Service.

(a) The City represents, warrants and covenants that the Services shall be provided in good faith, in accordance with applicable laws and in a professional and work person-like manner. The City shall not be responsible for any inability to provide a Service or any delay in doing so to the extent that such inability or delay is the result of the failure of ATP to provide, or any delay in providing, the information necessary for the City to provide such Service.

(b) EXCEPT FOR THE WARRANTIES AND UNDERTAKINGS EXPLICITLY SET FORTH HEREIN, IN EXHIBIT A HERETO (I) THERE ARE NO WARRANTIES BY THE CITY WITH RESPECT TO THE SERVICES AND (II) ALL WARRANTIES, STIPULATIONS AND UNDERTAKINGS AND ALL TERMS AND CONDITIONS (INCLUDING ANY IMPLIED BY STATUTE OR OTHERWISE) WITH RESPECT TO THE SERVICES (WHETHER AS TO MERCHANTABILITY, QUALITY, DESCRIPTION, SATISFACTORY QUALITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE WHERE MADE KNOWN OR NOT, CARE, SKILL OR OTHERWISE) ARE HEREBY EXCLUDED AND WAIVED.

3. Funding; Fees; Payment.

(a) Funding. As evidenced in Exhibit A to this Agreement, the City and the incoming ATP Chief Financial Officer have, agreed upon the funding that ATP shall provide to the City as part of the budget for the Term to support the overall funding of the Services. Such City

funding contemplated by such Exhibit A may, upon compliance with Section 8, be periodically updated, supplemented or amended during the Term by the City and ATP Chief Financial Officers.

(b) Fees. In consideration for the performance of the Services by the City, ATP shall pay to the City compensation (the “**Services Fees**”) as provided for in the then current budget, payable pursuant to the monthly invoices referenced in Section 3(c). The Parties acknowledge and agree that Exhibit A to this Agreement may be periodically updated, supplemented, or amended pursuant to Section 8. The Parties further acknowledge and agree, notwithstanding anything else in this Agreement to the contrary, that ATP’s obligation with respect to the Services Fees is subject to, and governed by, Article 11, Sections 5 and 7 of the Texas Constitution and must be paid only out of ATP’s current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Sections 5 and 7 of the Texas Constitution.

(c) Payment. The City shall provide the ATP with a monthly invoice specifying the Services Fees for the immediately preceding month in accordance with the schedule for the payment of the Service Fees by ATP to the City pursuant to Section 3(b). ATP shall remit payment for the amount reflected on such invoice in accordance with Chapter 2251 of the Texas Gov’t Code (the “**Prompt Payment Act**”). ATP presently intends to continue this Agreement each budget year through the Agreement’s term, to pay all payments due, and to fully and promptly perform all of its obligations under this Agreement. All Services Fees shall be paid only out of ATP’s current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Sections 5 and 7 of the Texas Constitution.

4. **Texas Public Information Act**. Notwithstanding any terms and conditions in this Agreement to the contrary, this Agreement is subject to the “Texas Public Information Act,” Texas Gov’t Code, Chapter 552. The City and ATP are subject to the Texas Public Information Act and must release information required to be released under the Texas Public Information Act and regulations promulgated thereunder.

5. **Term; Termination**.

(a) Term. The term of this Agreement shall commence on the date of this Agreement and shall continue until September 30, 2021 (“**Term**”).

(b) Termination of Agreement. This Agreement may be terminated in its entirety only upon the written agreement of the Parties, which agreement must include provisions for fulfillment or reimbursement of actual costs of termination of existing commitments of ATP.

6. **Limitation of Liability**. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE AGGREGATE LIABILITY OF THE CITY TO ATP FOR ANY CLAIMS ARISING UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF SERVICE FEES ACTUALLY PAID TO THE CITY.

7. **Headings**. The headings appearing herein are for convenience and reference only and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

8. Amendment. Except as provided in the last sentence of this Section 8, this Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party and approved by the City and Board of Directors of ATP. Exhibit A to this Agreement or any budget may be updated, supplemented or amended, without the approval of the City and Board of Directors of ATP, upon the written approval of their respective Chief Financial Officers so long as such update, supplement or amendment is not projected to increase the overall Service Fees from ATP to the City for the Term, as the case may be.

9. Notices.

(a) Requirements. Except as otherwise specifically noted herein, any notice required or permitted to be given under this Agreement by one Party to another must be in writing and delivered in person or by email to the applicable address set forth in, or provided pursuant to, this Section 9 for the Party to whom the notice is given.

(b) The City Address. The address of the City for all purposes under this Agreement and for all notices:

Diana Thomas (or her successor)
Controller
124 West Eight Street, Suite 140
Austin, Texas 78701
Email: Diana.Thomas@austintexas.gov

With additional copy to:

Anne Morgan (or her successor)
City Attorney
Austin City Hall
301 W. 2nd Street, 4th Floor
Austin, TX 78701
Email: Anne.Morgan@austintexas.gov

(c) ATP Address. The address of the ATP for all purposes under this Agreement and for all notices:

Greg Canally (or his successor)
Chief Financial Officer
700 Lavaca
Suite 1400
Austin, Texas 78701
Email: Greg.Canally@austintransitpartnership.org

With additional copy to:

Casey Burack (or her successor)
General Counsel and Chief Administrative Officer
700 Lavaca Street
Suite 1400
Austin, Texas 78701
Email: Casey.Burack@austintransitpartnership.org

(d) Change of Address. Each Party may change the address for notice to it by giving written notice of the change. Any change of address by a Party, including a change in the Party's authorized representative, must be reported to the other Parties within twenty (20) days of the change.

10. Relationship of the Parties.

(a) Independent Contractor. Nothing herein contained shall be deemed to create any partnership or agency relationship among the Parties, or confer upon any of the Parties hereto any express, implied or apparent authority to incur any obligation or liability on behalf of the other. No Party shall bind the other Parties to any obligation without the express written consent of the other Parties.

(b) City Employees. All employees of the City, including those City employees explicitly seconded to ATP, shall be deemed for purposes of all compensation and employee benefits to be employees of the City and not employees of ATP or its Affiliates. In performing the Services, such employees shall be under the direction, control and supervision of the City and not ATP. The City shall have the sole right to exercise all authority with respect to the employment (including termination of employment), assignment and compensation of employees, including those explicitly seconded to ATP.

11. No Third-Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Person or entity other than the Parties signatory hereto any interest or rights (including, without limitation, any third-party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

13. Governing Law and Venue. This Agreement is governed by the laws of the State of Texas and all obligations under this Agreement are performable in Travis County, Texas.

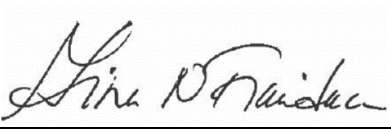
14. Entire Agreement. This Agreement and Exhibit A hereto shall constitute the entire understanding and agreement among the Parties to it in relation to the subject matter of this Agreement and shall together supersede all previous agreements among the Parties in relation to the same subject matter.

15. Legal Authority. The person or persons signing this Agreement on behalf of each Party warrant that he, she or they have been duly authorized by their respective entities to sign this Agreement on behalf of the entity and to bind the entity validly and legally to all terms, performances, and provisions in this Agreement. Each Party warrants that the Party possesses the legal authority to enter into this Agreement and to perform the services that Party has obligated itself to perform under this Agreement.

[SIGNATURE PAGE FOLLOWS]

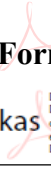
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first set forth above.

CITY OF AUSTIN

By: 
Gina Fiandaca
Assistant City Manager (Mobility Outcome)

Date: June 11, 2021

Approved as to Form:


Katherine Kuzmickas
Assistant City Attorney

Digitally signed by Katherine Kuzmickas
DN: cn=Katherine Kuzmickas, o=City of Austin,
ou=Assistant City Attorney,
email=Katherine.Kuzmickas@austintexas.gov, c=US
Date: 2021.06.10 14:37:06 -05'00'

AUSTIN TRANSIT PARTNERSHIP

E-SIGNED by Greg Canally
By: on 2021-05-07 17:03:04 GMT
Greg Canally
Chief Financial Officer

May 07, 2021
Date: _____

Approved as to Form:

E-SIGNED by Casey Burack
on 2021-05-07 16:28:58 GMT
ATP General Counsel

EXHIBIT A
SCOPE OF SERVICES AND BUDGET

The work of the City of Austin's Project Connect support services team will include coordination and expediting (as necessary) of relevant approvals of technical processes such as permitting, utility coordination, design, equity, real estate, and environmental in lieu of standard City permitting procedures. The City agrees to minimize fees and expedite processes through the support services team structure to the extent possible. This will be accomplished by the retention of certain FTEs whose functions are described below, in an amount not to exceed \$400,000 in FY2021:

PROJECT CONNECT OFFICE FY2021

	Function
Position 1	Assist Mobility Officer with management activities & supervise activities of technical employees over NEPA, Utility Coordination & Approvals, Permitting Coordination & Approvals. Orientation to secondary tasks.
Position 2	Utility Coordination and Approvals across multiple utilities (energy, water, drainage, including private utilities): research & investigate needs for utility relocation & modification & develops appropriate documentation & processes as required to meet Project Connect needs & timelines. Key position in development of the Project Connect Criteria Manual.
Position 3	Permit Coordination and Approvals: facilitating and/or approving Temporary Use of Right of Way Permits & proactively planning for CIP related permits, in coordination with Development Services Department. Identification of improvements to CIP permitting process needed required to meet Project Connect timelines.
Position 4	Coordinate Federal Granting requirements, including NEPA, for COA as a Participating Agency.