

The following information is directly from Mayor Dan Pope's speech.

On the Lubbock Economy

In the past four years, Mayor Pope says Lubbock has seen a net increase of 10,257 jobs with an increase of 9,889 new workers. Lubbock's vibrant job market continues to be the foundation of our economy.

The city's unemployment rate is currently 2.7 percent, and we have 161,000 workers employed in Lubbock. "So anyone can find a good job in Lubbock." Lubbock's current population is approximately 262,000 and with our annual growth rate estimated to be 2.25 percent, by 2028, the population could be more than 326,000.

Higher Education contributes significantly to our quality of life and our economy. Wayland Baptist, South Plains College, Lubbock Christian, and Texas Tech have all helped fuel our growth.

Their combined enrollment is 52,000 students. Coupled with the students in our local school districts, these young, talented minds are the human capital that powers innovation and prosperity for existing and new businesses in Lubbock.

In addition, Texas Tech has proven successful attracting research and development opportunities. The advances in the Agriculture, Engineering, Medicine and Business schools, nurture these partnerships...which help bring business, commerce, research investment and JOBS to the city.

Lubbock wouldn't be Lubbock without these great institutions of higher education and our local public and private schools. Thank you.

Construction activity is an indicator of economic health and Lubbock is very healthy. Annual Residential and Commercial permit values have more than doubled in the past decade.

Some of that commercial building supports new businesses investing in our community.

Bayer Crop Sciences now operates its new state-of-the-art cotton seed processing facility here in Lubbock. It is an example of research, corporate dollars, and economic incentives coming together to create this \$155 million investment in our city.

This week, Bandera Ventures will break ground on a 160,000 square foot warehouse in Lubbock Business Park.

You can see the names of businesses that have recently moved to or expanded their operations here in Lubbock. Most of these businesses are not new to the city.

The diversity of our economy makes it strong and resilient. When you add our small business and retail sector with the Big Three - Agriculture, Healthcare and Higher Education — our Economy is formidable.

Our retail and wholesale trade area is the size of South Carolina and serves around 750,000 people.

A few quick stats:

- There are approximately 21,000 people employed in our healthcare sector in Lubbock County.
- More than 17,000 people work in Education — our public and private schools - K-16.
- About 2/3 of the Texas cotton produced each year comes from the Lubbock area, Texas is the highest cotton producing state in the U.S.
- And there are 7,126 small businesses in Lubbock with fewer than 100 employees.

I don't think I'm going out on a limb when I say everyone here knows that the quality of life in Lubbock is exceptional.

Here is some quick information that touches on our investment in advancing local youth sports and our tourism industry.

Market Lubbock Inc. voted last year to invest \$7 million over the next two years updating the Berl Huffman soccer and softball complex. These upgrades include work to completely update fields, irrigation, lighting, restrooms, parking and roads to access the complex.

Last year more than 4,800 youth played soccer alone in Lubbock. Bringing soccer and softball tournaments to Lubbock and the Berl Huffman Complex means tourism and new dollars from outside of Lubbock being spent in our city. Lubbock is the 7th most popular travel destination in Texas. Youth sports are a large part of this equation. These visitors are some of the 7 million people who visited Lubbock last year. They spent money at our restaurants and stores, visited our museums and entertainment venues and slept in our hotels.

This is a tremendous boost to our economy, and helps pay for many of the costs of our municipal operations.

Our local hospitality and tourism make Lubbock a wonderful place to live and play.

These planned improvements to the Berl Huffman Complex are a wise investment. They benefit business and, these upgrades encourage greater participation in youth sports, and many other healthy outdoor activities.

More on tourism: The arts, museums and special events also make Lubbock a tourist destination.

As previously mentioned, the approximately 7 million travelers visited our city last year spent about \$840 million.

The money these visitors spend - and the tax revenue related - saves each Lubbock household about \$690 annually on property tax.

As Lubbock grows, new hotels, entertainment venues, and convention amenities have been added.

Right now, there are more than 6,000 hotel rooms in Lubbock, with 15 hotels built just in the last five years.

Residents and guests that fly in and out of our city notice the quality and convenience of Lubbock International Airport.

This year, we made improvements to make the rental car area more accessible. We are in the planning and design phase for a complete airport renovation that includes big improvements at check-in, baggage claim and the terminal. These projects total \$45 million and are being paid with Federal Passenger Facility Charge funds.

Preston Smith International Airport is our front door to many, this is a wise investment.

The Arts in Lubbock

Let me shift gears and talk about the Arts.

We all see art differently - for me it's the live music scene, painting and photography, for you it might include dance or film - regardless art is an important part of our culture and our identity.

The art created here in West Texas is unique, and patrons from across the globe have recognized our city, and region's artists and their work.

A study completed last year by the Americans for Art and commissioned by Arts LUBBOCK shows the Arts annually have a \$100 million impact on our city's economy, support nearly 35-hundred jobs and hold events attended by 1.9 million people.

During last year's State of the City speech, I challenged everyone to visit at least one of our City's museums. Maybe you visited the Buddy Holly Museum or the Ranching Heritage Center or the Science Spectrum? Maybe you checked out the Silent Wings Museum or the Bayer Agriculture Museum? Have you been to the Texas Tech museum or the fabulous Lubbock Lake Landmark? You get my point. Don't tell me there's nothing to do in Lubbock.

It is not just museums, galleries and live music venues. We host many big events - Fourth on Broadway, Cinco de Mayo, concerts at United Supermarket arena, the ABC Rodeo, First Friday Art Trail, Ballet Lubbock's Nutcracker, Buddy Holly's Birthday Bash, Flatland Film Festival, West Texas Walk of Fame Ceremony, JAB Fest, Lubbock Uncorked, Carol of Lights, Moonlight Musicals, the Lubbock Symphony, and the Mayor's Marathon - just to name a few.

We are uniquely Lubbock, and we have a heck of lot to offer.

Let's not keep that a secret.

Keeping Lubbock Healthy

The Mayor's Fitness Council started as a partnership between the City, Chamber of Commerce and TTUHSC. Our mission encourages people to get out, be active, and live a healthy lifestyle.

We support and promote running and cycling events – like Run for the Arts, Toys for Tots run and the Koman Race for the Cure. I hosted a Hike with the Mayor in November where approximately 45 citizens met with several Council members and me on a cool Saturday morning to hike the trail at Lubbock Lake Landmark. Without a doubt, the Fitness Council's biggest success was the inaugural Mayor's Marathon. We teamed with local businesses and organizations to host a run where more than 1,100 people participated.

We are gearing up for the 2nd Annual Mayor's Marathon, so mark your calendars for April 28th.

This year's marathon will be even bigger and better. Once again it will be a Boston Marathon qualifier and will bring runners from across the United States to Lubbock.

Today is January 8th, so everyone here has time to begin your marathon training. Seriously, you don't have to run an entire 26.2 miles to participate. This race has a kids race, a 5K, half marathon, and a relay.

But, whether you participate or not, I challenge all of you to be active and exercise more in 2019!

Now is a good time to publicly announce the Buffalo Springs Triathlon will move to Lubbock in 2019. But it will have a new name – the Ironman Triathlon Lubbock. There are a number of triathletes in Lubbock, and the Lubbock Triathlon will bring athletes from around the state and across the nation to Lubbock.

Another important contributor to Lubbock's excellent quality of life is our City Parks.

Efficient, effective, and well-managed city services are the result of the hard work, dedication, passion and innovative ideas of our City employees.

These public servants make sure that you have water, electricity, police and fire protection, quality parks, solid waste services, safe roadways and other important services from excellent libraries, to well-managed community and adult activity centers.

Their response to the 10-inch snowfall we experienced in December shows their strength and dedication to Lubbock citizens and to public safety. These public servants do a great job and take pride in the work they do.

I am very proud of all our City departments and all that they do to serve our citizens.

Lubbock Animal Services

However, I do want to single out Lubbock Animal Services for its exceptional work in implementing remarkable change at the Animal Shelter.

Over the past two and a half years as Mayor, Lubbock's pet owners and animal lovers have continually shown they are a dedicated, active and passionate group of stakeholders in our city. Improvements within LAS came with the help and gentle encouragement of these citizens.

The result has been improved customer service, increased education and adoption rates, sanitation upgrades, and a dramatic increase in the number of animals being returned to their owners or being adopted.

In fact, the animal release rate at LAS is over 90 percent for the 7th month in a row. And that statistic is going to continue. Job WELL done!

City Council's Six Priorities

This is the third year the City Council has gone through the process of setting priorities, establishing goals, and monitoring the City's progress in serving the public.

Here's our most recent list of six priorities. You may notice our goals have not changed significantly. We are trying to focus on the vital few.

Each of the last two years we have funded 10 new Police Officers, and much needed positions in Codes, Emergency Management, Communications, Planning, and Health have been added. Our first two dog parks were part of the first significant capital spent on our parks in many years. This year we are spending \$8.5 million (in cash) on street maintenance and another \$400,000 paving dirt streets in North and East Lubbock. This year we expanded solid waste services for the first time in 20 years - adding a new route and a new truck. It is our role to make certain progress is being made toward these goals. We believe government that functions best is closest to citizens. We strive to be responsive and accountable.

Governing is a TEAM sport. I enjoy serving in this role because I get to work with the very best City Council.

Our City budget strives to strike a fair balance between investing in Lubbock's future and maintaining what we currently have. Fiscal discipline, pay as you go, and debt avoidance continue to be our first financial rule of order.

Last year, we paid down more than \$110 million in combined city debt. We paid cash for 73 of the 76 vehicles in this year's budget. This year, 86 percent of our non-ERCOT capital projects are cash-funded.

LP&L wisely issued short-term debt in preparation of its switch to ERCOT, the installation of advanced meters and to make system upgrades that will ensure future reliability. Good news, the cost of this debt is already covered in current electric rates.

This year the City Council set the property tax rate at 54.802 cents. This is one penny higher than last year. That one cent is to pay for facilities in the first phase of the Public Safety Improvement Project we approved a little more than a year ago. This project will provide improved public safety for our growing community through neighborhood policing.

Public Safety

Allow me to make a couple of additional comments about public safety.

This year, the City of Lubbock opened a new Emergency Management Operations Center.

The new EOC is state of the art and is capable of monitoring, communicating and coordinating the response to any kind of disaster, emergency, or extreme weather event. Being prepared for a large-scale situation is one of those essential public safety / City services.

I hope everyone here is signed up for the City of Lubbock's LBK Alert. It is important for all citizens to stay connected and receive emergency notifications through the LBK Alert system.

A wonderful achievement that will benefit Lubbock's citizens is the Insurance Services Office awarded Lubbock a Class 1 Public Protection Classification. This means, Lubbock's Fire & Rescue's safety is in the top one-percent in the United States.

Because of this, Lubbock residents will see their residential and commercial property insurance rates go down.

Improved communication is one of the City Council's priorities. While on this subject, I want to take this time to thank and recognize the Community Engagement Task Force for being here, and for being a partner with City of Lubbock.

The Community Engagement Task Force began meeting in the summer of 2016 after Police shootings around the U.S. The Task Force is a think-tank for how community issues like racial equity can be better addressed, how we can building trust, and how we can be more transparent in the way we lead. On a monthly basis, we dialogue directly with Police Chief Stevens and LPD leadership on a variety of Police and community relations matters. Again, thank you to everyone who has been involved in this important work.

On communications, I hope you have found a way to better engage with the Council through public dialogue, local media, social media, participation in Town Halls, Coffees with the Mayor, and other community events.

Maybe you have spent time on the new City of Lubbock website. During last year's State of the City I promised you, and we delivered, a much improved, streamlined and intuitive site.

One more shout out....during the early December 10-inch snowstorm, our Communications team performed masterfully — posting traditional alerts and social media updates while also working closely with the local media - in an effort to communicate with ALL citizens. This is providing for the public's safety and that is JOB One.

Lubbock's Infrastructure

Now let's talk about City Infrastructure. Maintaining our streets, water and sewer lines, facilities, and other amenities is important to the quality of our neighborhoods and the overall reliability of that critical infrastructure.

Few things are more important to our City overall than electricity and water.

Lubbock Power and Light and the City Water Department ably provide those fundamental needs. Both are making substantial investments in crucial infrastructure to ensure the quality and reliability of these services going forward. LP&L and the City Water Department will be rolling out advanced metering technology this year. Advanced meters will allow for improved customer service and outage management, increased accuracy in billing, and allow customers the ability to take more control over their personal energy and water consumption.

Additionally, LP&L is hard at work building the necessary infrastructure to connect to ERCOT — with a targeted go-live in Summer, 2021. The ERCOT grid currently covers 92 percent of Texas. It is important to note that after three years

of hard work, the Public Utility Commission approved Lubbock's integration to ERCOT, marking one of the most substantial expansions of the Texas grid since it's restructuring in 1999.

Gaining access to the ERCOT market eliminates the need to build an expensive power plant, while allowing us to take advantage of what is considered by many to be the most competitive wholesale electric market in the world. Most importantly it unites Lubbock with the State of Texas.

The City's Water Department recently published an update to the Strategic Water Supply Plan, which is a roadmap to ensuring we have a long-term sustainable and reliable water supply, to serve future generations of Lubbock residents and businesses for the next 100 years. Conservation of both electricity and water should remain a top priority for all of us.

Did you know that Lubbockites used more than 12.8 Billion gallons of water last year?

Loop 88 is an important long-term TXDOT transportation project that will connect and serve Lubbock as we strive to stay ahead of the City's growth. Right-of-way work is already underway, and one day we will rely on Loop 88 much like we do Loop 289 today.

Our transportation system – streets and highways – is a jewel in Lubbock's crown.

Folks in Houston, Dallas and Austin will spend more time stuck in traffic today than the average Lubbock driver will between now and Memorial Day.

There are paving and infrastructure projects happening across the City. Lubbock is looking good as the Council is prioritizing streets, utilities and public safety - all to better our neighborhoods. This is made possible by increased revenue, prudent spending and making long-term investments - not just quick fixes.

The City Council has some big projects to tackle in 2019. So let's shift our focus to the future of Lubbock.

We are looking forward to the opportunity to work with SPC to bring a vibrant, student demographic to downtown Lubbock and at the same time providing much-needed access to education for our citizens. Businesses want to be near students, so having South Plains in the former City Hall building will be a catalyst for further Downtown redevelopment.

Plan Lubbock 2040

As we continue to discuss Lubbock's new horizons and growth, I need to mention Plan Lubbock 2040. Just last month the Council approved this work, our first land use plan update in 30 years. This citizen-driven plan will guide our future. Work has already begun implementing recommendations of Lubbock 2040.

Two catalytic projects are behind much of the excitement Downtown. Citizens Tower, our new City Hall will be finished later this year and within the approved budget. Consolidating all City services in Citizens Tower, will allow us to be more effective, efficient and to better serve the citizens.

The second part of this one-two downtown punch is Buddy Holly Hall, a \$155 million, world-class, privately funded project that will be completed in 2020. The Lubbock Symphony, Ballet Lubbock, LISD and Texas Tech are all partners.

Trust me, Buddy Holly Hall will be unlike anything in this part of the world.

Our Arts legacy will be well rooted in this venue. It will inspire us all. I can get nostalgic....however I firmly believe the next Buddy Holly or Natalie Maines will be inspired by performances at the Buddy Holly Hall.

Lubbock is the capital of West Texas, and therefore plays the fundamental role in the leadership of this region. We must stand tall and fight for our share of State pie. We must constantly remind the other side of Texas how they rely upon our plentiful natural resources - our fiber, food and fuel.

We have work to do. Our workforce development efforts are critical. To differentiate ourselves in the low unemployment world we live in, our workers simply must be better prepared. We also must better tell our story - the quality of life, the authenticity of our people, the rock-solid diverse economy, and opportunities as vast as a West Texas sunrise.

During Josh Abbott's acceptance speech at the West Texas Walk of Fame festivities last fall he related what he tells people when they realize he's from here and ask him "why Lubbock?", he replies "why not Lubbock". I agree, "Why not Lubbock?....Why not Lubbock?"

Paul Whitfield Horn, the first President of Texas Tech said this about our home and I paraphrase, "Everything that is done on these West Texas Plains ought to be on a big scale. It is a country that lends itself to bigness. It is a country that does not harmonize with things little or narrow or mean. Let us make the work of our college (city) fit in with the scope of our country. Let our thinking be in world-wide terms." That is still our charge.

Lubbock is **STRONG** and moving forward.

It is a Great Day in Lubbock, Texas!

May God bless you and your families and may God continue to shine his bright light on Lubbock, Texas.

Thank you.