

MINUTES

AMARILLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS MEETING June 16, 2015

The meeting of the AEDC Board of Directors was held in the AEDC Conference Room, 801 S. Fillmore, Suite 205, Amarillo, Texas at 11:00 AM on June 16, 2015. Board members in attendance were:

Voting Members	Board Position	Present	No. Meetings Held	No. Meetings Attended
John Kritser	Chairman	Y	21	19
Roy Bara	Vice-Chairman	Y	21	20
Tom Bivins	Director	Y	43	35
Ginger Nelson	Director	Y	32	27
Brian Bruckner	Director	N	11	9

Also in attendance were the following staff members:

STEVE PRITCHETT	VICE PRESIDENT/BUS DEVELOPMENT MGR
DOUG NELSON	VICE PRESIDENT/FINANCIAL SERVICES
BRIAN JENNINGS	VICE PRESIDENT/ BUS DEVELOPMENT MGR
REAGAN HALES	DIRECTOR MARKETING & COMMUNICATIONS
CHRIS LYLES	OFFICE ADMINISTRATOR

Chairman Kritser established that a quorum was present and called the meeting to order.

ITEM 1: Call to order of the Public Meeting. Director Bivins made a motion to approve the minutes of the May 12, 2015 meeting as written. Vice-Chairman Bara seconded the motion. The motion was approved.

ITEM 2: Chairman Kritser adjourned the meeting into Executive Session at 11:00am.

No action was taken during the executive session because none is permitted by law. The public session reconvened at 11:27am.

Project 14-05-03, Gestamp Wind Steel US, Inc.: Mr. David provided an overview of the project with Mr. Jennings providing a presentation of the economic impact.

Mr. David requested approval of the incentive package described in the memo attached to bring the Gestamp Renewable Industries (GRI) project to Amarillo.

Director G. Nelson made a motion to approve the project as presented by Mr. David and Mr. Jennings. Vice-Chairman Bara seconded the recommendation. The motion was approved.

ITEM 3: Chairman Kritser adjourned the meeting into Executive Session at 11:39am.

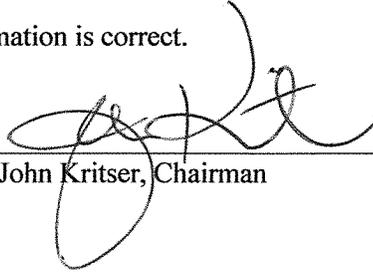
No action was taken during the executive session because none is permitted by law. The public session reconvened at 1:14pm.

ITEM 4: There were no items to discuss.

ITEM 5: There were no items to discuss.

ITEM 6: The next meeting of the Amarillo EDC Board of Directors will be determined after polling the board members for availability. The Board of Directors meeting of June 16, 2015 was adjourned at 1:15pm.

The undersigned certifies that the foregoing information is correct.



John Kritser, Chairman

MEMORANDUM



TO: Amarillo EDC Board of Directors

FROM: Richard (Buzz) David, CECD, President & CEO *R. David*

SUBJECT: Project 14-05-03: Gestamp Renewable Industries

DATE: June 16, 2015

Gestamp Renewable Industries (GRI), a subsidiary company of Corporacion Gestamp, a multi-national corporation organized in Spain has selected Amarillo, TX as the location for a new wind tower manufacturing facility. The Amarillo EDC has been working with GRI for more than a year on this project which has competed with locations in Oklahoma, New Mexico and Kansas.

GRI plans to build a 200,000+ square foot manufacturing facility on a 48 acre rail served site in the CenterPort Business Park. The project anticipates a capital investment of \$41 million for plant and equipment and will employ 300+ full-time jobs a capacity. The total annual payroll is estimated at more than \$13 million.

The Amarillo EDC's proposal calls for conveying the 48 acre site to the company and providing a job creation incentive grant of \$3,300,000 or \$10,000 per job created. The cash incentive will go toward the construction of rail to serve the facility and site improvements on the GRI property.

Highlights of the Location Incentive Agreement for the project include:

- The Amarillo EDC will convey to GRI a 48 acre site on or before March 1, 2016
- GRI will have two years to put into service the facility operations (construction)
- The Amarillo EDC will be secured by a Deed of Trust on the facility and a corporate guaranty from the parent company
- The Amarillo EDC will pay the company a fee of \$57,000 for real estate brokerage commission once facility operations have commenced
- The job creation incentive grant funding is \$10,000/job up to \$3.3 million
- GRI will have three years to ramp-up employment once facility operations have commenced
- The total incentive funding, including the land, will be covered by a no interest Promissory Note with a 12-year term and 7-year amortization period
- GRI will have the opportunity to abate Note payments if it achieves an annual gross payroll target of \$13,028,730 and may bank credits if it achieves a higher rate of payroll during the performance period
- GRI will seek tax abatement approvals from the local taxing jurisdictions

RECOMMENDATION

We recommend approval of the incentive package described above to bring the Gestamp Renewable Industries (GRI) project to Amarillo.