

**STATE OF TEXAS** §  
**COUNTIES OF POTTER** §  
**AND RANDALL** §  
**CITY OF AMARILLO** §

On the 11<sup>th</sup> day of August, 2011, the Tax Increment Reinvestment Zone Board met in a regularly scheduled meeting at 12:00 PM, in Room 306 of City Hall, at 509 E. 7<sup>th</sup> Street, Amarillo, Texas with the following members present:

Voting Members	Present	Meetings Held	Meetings Attended
Richard Brown, Chairman, City of Amarillo	Yes	44	40
Dr. David Woodburn, Amarillo College	Yes	6	3
Greg Graham, Amarillo Hospital District	Yes	2	2
John Ben Blanchard, Amarillo Independent School District	Yes	19	18
Paula Bliss, City of Amarillo	Yes	44	40
Scott Bentley, City of Amarillo	Yes	7	7
James Wester, Panhandle Groundwater Conservation District	No	12	9
Carol Autry, Potter County	No	41	38
H.R. Kelley, Potter County	Yes	27	24
Sonya Letson, Potter County	Yes	44	37

Others Present:

Vicki Covey, Assistant City Manager for Public Services      Kelley Shaw, Planning Director  
Dean Frigo, Assistant City Manager for Finance                 Marcus Norris, City Attorney  
Jan Sanders, Recording Secretary

Chairman Brown opened the meeting at 12:00 PM, established a quorum and conducted the consideration of the following items in the order listed below.

ITEM 1 Approve the minutes of the meeting of August 1, 2011.

Chairman Brown asked for corrections, deletions or changes to the minutes of August 1, 2011. Hearing none, the minutes were approved as submitted. Chairman Brown announced the order of the agenda would be revised to consider Items 3, 6, 5, 2, 4, and then 7.

ITEM 3 Consider TIRZ #1 Quarterly Financial Statements as of June 30, 2011.

Dean Frigo, Assistant City Manager, reported total assets of \$3,553,592, of which \$1,684,274 is in cash/money market, \$1,775,000 in investments, and \$94,318 in construction in progress. Total third quarter revenues are \$2,685,741, and consisting of \$451,804 in tax collections, \$1,435 in interest income, and \$2,232,500 in long term debt proceeds. Mr. Frigo stated third quarter expenditures were very frugal totaling \$31,922, of which \$23,499 were for community projects, audit fee of \$3,000, and additional smaller expenses with a remaining balance of \$201,501 in

community projects. Mr. Frigo further commented the revenue excess over expenditures was \$2,653,819. No questions were asked.

ITEM 6 Consideration of the FY 2011/12 TIRZ #1 Budget.

Mr. Frigo presented the budget, and directed the Board to the line item Tax Payments. This proposed budget item reflects \$50,000 which represents the 90% tax rebate to the Fisk Courtyard by Marriott. Mr. Frigo reported \$775,605 in 2010 beginning cash, tax receivables of \$451,804 and interest income of \$4,579 for a total operating income of \$456,383. Mr. Frigo stated projected expenses are \$312,008, leaving available funds of \$919,980 at year end, thereby starting the 2011 proposed budget with \$919,980 in beginning cash. Mr. Frigo anticipates tax receivables will increase in the upcoming year for projected total revenues of \$477,436. Proposed expenses of \$477,436 will consist of reducing community projects to \$100,000, adding \$175,750 in debt service and also \$120,297 in new debt issuance. No questions were asked. Motion was made by H. R. Kelly, seconded by David Woodburn to adopt the FY 2011/12 TIRZ # 1 Budget as presented and passed unanimously.

ITEM 5 Consider a request from Wallace-Bajjali Development Partners, LP for TIRZ #1 funding assistance for proposed streetscape improvements related to the development of an Amarillo Convention Hotel, Parking Structure and Multi-purpose Event Venue.

Joe Esch, from Wallace Bajjali, along with Melissa Dailey, from Downtown Amarillo Inc., updated the Board on progress of the downtown development and the recommendations to be proposed to the City, as context for the request to TIRZ #1 for assistance on streetscape: 1) Wyndham, the world's largest hotel company, has been chosen as the flag of the Amarillo Convention Hotel; 2) Center City Board has committed \$400,000 to streetscape projects and potential additional \$100,000 over the next 2 years; 3) hotel occupancy tax generated from the new hotel, and only this hotel, could help fund construction of the Amarillo Convention Hotel; 4) HB970 allows for utilization of state hotel occupancy tax collected city wide in construction of the MPEV and parking garage; and 5) special event parking revenue could be used for the MPEV and parking garage.

Mr. Esch stated the request for TIRZ #1 assistance would consist of capturing the 90% tax rebate from the hotel, and funding for streetscape improvements including street trees and pedestrian lights.

Scott Bentley asked for clarification of ownership regarding these three projects. Mr. Esch stated these projects will be built privately but owned by the City. Marcus Norris stated the City of Amarillo will own the property and enter into long-term lease agreements with qualified operators upon completion of the construction. Melissa Dailey commented Phase II, which includes the Civic Center and the second parking garage, has the potential of moving forward, in terms of due diligence, in the next thirty days.

Chairman Brown stated that by this agenda item, TIRZ #1 has been asked to cover the \$2.7 million in streetscape improvements around the three downtown projects, assuming those recommendations are accepted by the City.

Motion was made by David Woodburn, seconded by H R Kelly to approve and move this item forward to the City Commission. Mr. Norris asked for clarification of this motion, as Item 5 requested TIRZ funding assistance but the Developer's broader recommendations were on the screen at the time of the motion. Dr. Woodburn affirmed the intent of his motion was to endorse the recommendations and to approve the agenda item for funding assistance for proposed streetscape improvements. Motion passed unanimously.

ITEM 2 Elect Vice Chairman

Motion was made by John Ben Blanchard, seconded by Sonya Letson, nominating Carol Autry as the TIRZ #1 Vice Chairman. The motion carried unanimously.

ITEM 4 Consider request from Vineyard Manor, LLC for TIRZ #1 funding assistance related to proposed streetscape improvements.

Kelley Shaw, Planning Director, briefed the board on the Vineyard Manor Apartments, located at 1201 S. Polk St. Mr. Shaw stated the proposed mixed-use development plan includes retail space on the ground floor and sixteen affordable housing apartment units above. The project includes gated parking for residents and open parking for retail customers. Mr. Shaw introduced Tom Pauken, President of Vineyard Manor for further explanation of the project.

Mr. Pauken stated the company has a history of residential downtown development, including the Renaissance Office Park, Renaissance Condominiums, Fillmore Lofts and Parkview Apartments, comparable projects of affordable housing units. Mr. Pauken introduced Tina Colbert, Property Manager, and Steve Brooks, Architect of the proposed \$1,000,000 project. Mr. Pauken stated Vineyard Manor is requesting \$48,425 in funding assistance, which would be approximately half the proposed \$96,850 streetscape improvements budget. The project would include pedestrian lights, street trees and enhanced sidewalks, and will conform to the Downtown Amarillo Urban Design Standards.

H. R. Kelly asked for a timeframe of the project. Mr. Pauken replied spring of 2012 is the completion goal of the affordable housing portion. Paula Bliss asked for clarification of income restrictions for the tenants. Mr. Pauken stated these apartments will be similar to Parkview Apartments with one bedrooms ranging \$468-\$472, and two bedrooms \$588-\$625. Vicki Covey, Assistant City Manager, explained the City's Community Development office is working with the applicant to use Department of Housing and Urban Development funds called the Home Investment Partnership Program. Mrs. Covey stated this program uses rental rehabilitation, where incentives are offered to private investors providing half the cost of renovating substandard rental properties to offer affordable housing for 10-15 years. Mrs. Covey further stated the HOME dollars will not assist with the mixed-use portion of the development, only the residential units.

Motion was made by John Ben Blanchard, seconded by Scott Bentley to provide funding up to 50% of the Vineyard Manor Apartments project as set forth in Exhibit C, not to exceed \$48,425, payable upon completion of the streetscape improvements. The motion carried unanimously.

ITEM 7 Public Forum.

Chairman Brown reminded Board members and those in the audience the Board can take no action on matters presented or discussed.

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No one spoke from the audience and there being no further items before the Board, the meeting adjourned at 1:30 PM. All remarks are recorded and are on file in the Planning Department.