

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

On the 14<sup>th</sup> day of January, 2016, 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
Scott Bentley, Chairman, City of Amarillo	Yes	36	35
Jason Herrick, City of Amarillo	Yes	24	17
Dr. David Woodburn, Amarillo College	Yes	35	25
Smith Ellis, Amarillo Hospital District	No	6	2
Scott Flow, Amarillo Independent School District	Yes	5	4
Johnny Merritt, Panhandle Groundwater Conservation District	No	16	8
Nick Ward, Potter County	Yes	11	11
Leon Church, Potter County	Yes	11	10
Judge Thomas Jones, Potter County	Yes	11	9
Vacant, City of Amarillo			

Others Present:

Bob Cowell, Asst. City Manager – Development Services      Bryan McWilliams, Asst. City Attorney  
Michelle Bonner, Asst. City Manager - Finance                      Kelley Shaw, Planning Director  
Jan Sanders, Recording Secretary

Chairman Bentley opened the meeting at 12:05 PM, established a quorum and conducted the consideration of the following items listed below.

ITEM 1 Approve the minutes of the meeting of November 12, 2015.

Chairman Bentley asked for corrections, deletions or changes to the minutes of November 12, 2015. Motion was made by Mr. Herrick, seconded by Mr. Ward, to approve the minutes as submitted. Motion passed unanimously.

ITEM 2 Elect Tax Increment Reinvestment Zone #1 Board of Directors Vice Chairman.

Motion was made by Chairman Bentley, seconded by Mr. Flow, nominating Mr. Herrick as the TIRZ #1 Vice Chairman. Motion passed unanimously.

ITEM 3 Presentation of Downtown Redevelopment Project.

Items 3 and 5 were discussed as one item.

Ms. Bonner and Paul Jason, with Specialized Public Finance, presented an overview of the \$19,320,678 downtown parking garage project. Ms. Bonner reminded the board since 2011 the City of Amarillo (COA), has a loan agreement of \$1,500,000 with TIRZ to participate up to the original \$2,700,000, and funded over 20 years. With the increased cost in the retail space of \$3,400,000, the COA is recommending increasing the loan to \$1,850,000 (Item #6). Mr. Jason stated TIRZ would contribute \$4,387,000 to the project, consisting of \$3,455,576 for retail space, and \$931,424 for streetscape. Of that amount, \$2,700,000 will be a grant and \$1,687,000 will be a loan. Ms. Bonner advised the COA is asking the TIRZ to participate in \$1,687,000 loan to Local Government Corporation (LGC) for the retail shell, as Hotel Occupancy Tax cannot be used for retail space. Ms. Bonner stated the LGC will repay TIRZ solely from rent revenue of retail space within the parking garage.

Chairman Bentley and Ms. Bonner presented the proposed changes in the budget, reflecting the Downtown Project Retail line from \$2,700,000 to \$4,387,000, to reflect the loan to LGC. \$125,000 will remain in Community Projects, as will \$150,000 for Center City façade grant projects, leaving ending cash of \$518,213 to cover 90 days operating revenue, and one year's debt service. Much discussion was held among the board members about the proposed loan and the repayment. Chairman Bentley reminded the board, the key goal behind the creation of the TIRZ was to establish and complete three stimulus projects, the downtown convention hotel, parking garage, and multi-purpose events venue.

ITEM 5 Discuss and consider amending FY 2015-16 Tax Reinvestment Zone #1 Annual Budget.

Motion was made by Mr. Herrick, seconded by Mr. Church, to approve the revised FY 2015-16 TIRZ budget as presented. Motion passed unanimously.

ITEM 4 Discuss and consider amending the Tax Increment Reinvestment Zone #1 City of Amarillo, Texas, Final Project and Financing Plan.

Mr. Shaw explained the original TIRZ Final Project and Financing Plan (the Plan) did not include the retail space and mixed use terminology within the Ordinance. This item would allow amending Ordinance 7076, on page 21, under Project Plans and Cost, to include the following wording "Parking and associated retail and mixed use to support the general public and economic development".

Motion was made by Mr. Herrick, seconded by Mr. Church, to amend Ordinance 7076 as presented. Motion passed unanimously.

ITEM 6 Discuss and consider Amendment No. 1 to Loan Agreement between the City of Amarillo and the Amarillo Tax Increment Reinvestment Zone No. 1.

Chairman Bentley advised the Amendment No. 1, deletes the fourth recital of funding of \$2,700,000 for streetscape and replaces with \$4,387,000 for streetscape at the hotel, parking garage, and multipurpose events center and costs associated with retail/mixed use space within the parking garage. Sections 2A and 2C changed the amount of the loan from \$1,500,000 to \$1,850,000. Section 2B now states: "The rate shall be fixed at that rate for the life of the loan." 2E states the proceeds of the Loan Agreement to include "the design, construction and build-out of the retail/mixed use space to be located on the first floor of the parking garage."

Motion was made by Mr. Church, seconded by Mr. Ward, to adopt Amendment No. 1 to the Loan Agreement between the City of Amarillo and TIRZ as presented. Motion passed unanimously.

ITEM 7 Discuss and consider Loan Agreement between the Amarillo Tax Increment Reinvestment Zone No. 1 and the Amarillo Local Government Corporation.

Chairman Bentley stated as previously discussed today, the Loan Agreement under item 2A shows the principal amount of \$1,687,000, with 2E showing the use of funds. Mr. Flow recommended changing the wording in item 2E to reflect the loan from TIRZ will not be used in the construction of the parking garage, but rather for the retail space only. Mr. Cowell suggested item 2E read as follows: "The LGC covenants that it shall use the proceeds of this Loan Agreement solely for the construction and installation of a retail/mixed use space as a component of a public parking garage adjacent to the convention center hotel."

After much discussion of item 2F, Mr. McWilliams advised removing the last sentence beginning: "Provided, however,...".

Motion was made by Mr. Flow, seconded by Mr. Ward, to adopt the Loan Agreement between TIRZ and the LGC with the proposed re-wording in item 2E and strike the last sentence in item 2F. Motion passed unanimously.

ITEM 8 Discuss and consider an application for TIRZ incentives associated with the construction of three two-story residential townhomes located at 1223 S. Polk Street.

Mr. Shaw presented the Vineyard Manor Townhomes \$50,000 grant application for the installation of streetscape elements to include sidewalks, pedestrian lights and street trees. The Vineyard Manor Townhomes is a \$775,000 project constructing three two-story residential townhomes adjacent to the Vineyard Manor project.

Motion was made by Mr. Church, seconded by Dr. Woodburn, to approve the \$50,000 grant application. Motion passed 6:0:1 with Mr. Flow abstaining.

ITEM 9 Report on Status of Projects:

a. Downtown Convention Hotel, and Parking Structure Projects

Mr. Cowell advised the convention hotel is on schedule, with a proposed opening the summer of 2017. The parking garage bids are due February 4<sup>th</sup>, with plans for a recommendation to the LGC by February 17<sup>th</sup>, and tentative construction beginning in March.

ITEM 10 Public Forum.

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

Beth Duke, Executive Director, Center City, mentioned a news conference was held today launching the application for Amarillo to become a Certified Cultural District with the Texas Commission on the Arts.

ITEM 11 Discuss Items for Future Agendas.

Mr. Herrick suggested reviewing the key goals and objectives of TIRZ to see what all has been accomplished, and possibly where the TIRZ focus should concentrate in the future. Chairman Bentley asked, along those same lines, to review the previous approved projects whether approved by grant or tax rebate basis.

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There being no further items before the Board, the meeting adjourned at 1:50 PM. All remarks are recorded and are on file in the Planning Department.