

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

On the 26th day of August, 2021, the East Gateway Tax Increment Reinvestment Zone No. 2 Board met in a regular meeting at 12:00 PM, via Zoom, with the following members present:

| Voting Members | Present | Meetings Held | Meetings Attended |
|---|---------|---------------|-------------------|
| Chris Sharp, Amarillo College | Y | 11 | 10 |
| Dean Frigo, Amarillo Hospital District | Y | 32 | 30 |
| Kimberly Anderson, Amarillo Independent School District | N | 2 | 1 |
| Tracy Shea, City of Amarillo | Y | 5 | 5 |
| John Attebury, City of Amarillo | Y | 28 | 25 |
| Jashmin Patel, City of Amarillo | N | 13 | 6 |
| Lee Peterson, Panhandle Groundwater District | Y | 1 | 1 |
| Helen Burton, Potter County | Y | 32 | 22 |
| Mercy Murguia, Chair, Potter County | Y | 32 | 30 |
| David Walker, Potter County | Y | 24 | 24 |

Staff present:

Bryan McWilliams, City Attorney
Andrew Freeman, Managing Director of Planning and Development Services
Cris Valverde, Assistant Director of Planning and Development Services
Emily Koller, Economic Development and Neighborhood Revitalization Manager
Amanda Medellin, Recording Secretary

ITEM 1. Call to Order

Chair, Mercy Murguia, called the meeting to order at 12:02 PM and established a quorum.

ITEM 2. Public Address

Chair Murguia inquired if anyone in the audience wished to speak for Public Address. There were no comments.

ITEM 3. Minutes

Chair Murguia asked for corrections, deletions or changes to the minutes of July 22, 2021. A motion was made by David Walker to approve the minutes, seconded by Helen Burton. The motion passed unanimously.

ITEM 4. Presentation of the Quarterly Financials

Debbie Reid gave the above presentation. Ms. Reid stated that there was not much activity in this quarter. There was an audit fee of \$3,785. The total cash expenditures are \$380,811.

Chair Murguia asked when the Board would see the TIRZ #2 rebate payments begin. Debbie Reid stated that there were two commitments which will show in the second fully valued tax year after the completion of the hotel and travel center.

ITEM 5. Discussion and consideration of the FY 2021-2022 Tax Increment Reinvestment Zone #2 Annual Budget

Debbie Reid gave the above presentation. Ms. Reid went over the budget for this year and the proposed budget for next year. She stated that not much has changed since the last discussion. The proposed beginning cash is \$331,811. The total available funds at 09/30/2020 are \$163,036.

Chairman Mercy Murguia asked if the \$64,600 in the Professional line item is new money or if it already allocated for the current study. Emily Koller explained that this line item is current and the SFA study will come out of the \$48,500.

Chairman Mercy Murguia asked if anyone had any questions or comments. No comments were made.

A motion to approve the FY 2021-2022 Tax Increment Reinvestment Zone #2 Annual Budget was made by Chris Sharp and seconded by Tracy Shea. The motion passed unanimously.

ITEM 6: Discussion and consideration of an application for TIRZ incentives associated with a project located at 1701 S Eastern St, consisting of approximately 2.05 acres out of PRAD Property ID's R-078-0600-3460, 7806003300, R-078-0600-3420, R-078-0600-3400, R-078-0600-3380 and R-078-0600-3300

Emily Koller gave a description of the above-proposed item. The request is for a 90% rebate for 20 years (\$555,426 estimated incentive).

Mr. Roger Hudson, Toot N' Totum representative, explained that this store will be very similar to the store on Lakeside. Construction will begin in September pending approval, and usually takes 8 months to complete.

Chris Sharp asked for the agreement with the Toot N' Totum travel center. Emily Koller stated that it is 90% for the first five years and 50% for the last five years.

Chris Sharp asked if the 25 jobs would be in addition to the current one. Mr. Roger Hudson confirmed that they would be additional.

John Attebury asked if Toot N' Totum had plans to improve the streetscape. Mr. Hudson explained that they are planning it to look like the other stores, but they are flexible to do anything to improve the area.

Chairman Mercy Murguia stated that in her opinion 90% for 20 years is a very high ask and that Jamal Enterprises has received a previous incentive. She stated there are other strategic initiatives and development agreements limit the capacity for the Zone to complete other goals.

Mr. Hudson stated that he thinks this would help with what people see when coming into Amarillo.

Multiple board members expressed their recommendation to lower the ask to 50% for a ten-year term.

Other board members stated that they would like to see consistency and predictability in the structure of the agreements and thought a “step-down” approach would be best.

A motion to provide Jamal Enterprise with a 50% rebate over a ten-year time frame with the Certificate of Occupancy to be received by August 2022 was made by Chris Sharp and seconded by Tracy Shea. The motion passed unanimously.

ITEM 7: Update and discussion related to the Financial Feasibility Report by Sports Facilities Advisory, LLC

Emily Koller gave a brief description of the sports facility study. Ms. Koller stated that the cost of the indoor facility would be \$35 Million, outdoor facility \$ 29 Million, and stadium \$17 Million. Ms. Koller then went over the expected revenue and economic impact of the facilities. The next step would be to send comments and questions to SFA.

Chairman Mercy Murguia stated that she felt like the Public Contribution line is not realistic.

Multiple board members discussed and expressed their concern for the cost and scope of the study.

The following items were identified as items to request follow-up information from SFA:

- Provide the capital costs with the sources of funds individually for each facility.
- Is there a “Plan B,” “phased approach” or “second option”?
- Can the complex work with any combination of facilities or does it have to be all three? (indoor, outdoor, stadium)?
- Does the private sector is securing the debt for the project?
- Can the consultant provide 2-3 examples of comparable projects and associated capital costs.
- Have there been any recent conversations with the landowners?

ITEM 8: Update and discussion related to projects taking place in TIRZ #2

Emily Koller updated the board on the following items:

- Staff is anticipating another incentive application for the project which helped initiate the expansion of the boundary to the south.

ITEM 9: Discuss items for future agendas

The next regularly scheduled meeting is anticipated for September 16, 2021.

ITEM 10: Adjourn

The meeting was adjourned at 1:12 PM.

A handwritten signature in black ink that reads "CRIS VALVERDE MI". The signature is written in a cursive, somewhat stylized font.

Cris Valverde
Director of Planning and Development Services