

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

On the 31st day of August, 2017, the East Gateway Tax Increment Reinvestment Zone #2 Board met in a regularly scheduled meeting at 1:30 PM, in Room 306 of City Hall, at 509 E. 7th Street, Amarillo, Texas with the following members present:

Voting Members	Present	Meetings Held	Meetings Attended
Mercy Murguia, Chairman, City of Amarillo	Yes	2	2
Dean Frigo, Amarillo Hospital District	Yes	2	2
John Betancourt, Amarillo Independent School District	Yes	2	2
Michael Kitten, Amarillo College	Yes	2	2
Kim May, City of Amarillo	Yes	2	2
Jeremi Young, City of Amarillo	Yes	2	2
Joy Shadid, Panhandle Groundwater District	No	2	1
Helen Burton, Potter County	Yes	2	2
Christopher Reed, City of Amarillo	Yes	2	1

Staff present:

Jared H. Miller	City Manager
Michelle Bonner	Assistant City Manager
Leslie Schmidt	Senior Assistant City Attorney
Andrew Freeman	Economic Development Manager
Laura Storrs	Finance Director
Floyd Hartman	CIP Director
Jan Sanders	Assistant City Secretary

ITEM 1. Call to Order

Chairman Murguia called the meeting to order at 1:30 P.M.

ITEM 2. Minutes – July 26, 2017

Chairman Murguia advised the minutes stated Patrick Miller seconded a motion for the office of Vice-Chairman, and Patrick Miller is not a voting member. Mr. Freeman advised the item to elect a Vice-Chairman would be a future agenda item. Motion was made by Mr. Kitten, seconded by Ms. Burton, to approve the minutes with this revision. Motion passed unanimously.

ITEM 3. Presentation and recognition of training certificates

Mr. Freeman distributed the Open Meetings Act and Public Information Act certificates to the Board members.

ITEM 4. Discuss and consider Fiscal Year 2017-18 TIRZ #2 Annual Budget

Ms. Bonner presented the 2017-18 Annual Budget, advising the revenue for Potter County should reflect \$11,655, the City of Amarillo should reflect \$6,134, Amarillo College revenue \$3,628, and Panhandle Groundwater District revenue \$139. The anticipated TIRZ revenue participation is \$21,556. The expenditures are basically administrative in nature, with ending cash \$8,231. Discussions were held to increase the travel fund to \$10,000. Ms. Bonner explained, in base year 2016, the taxable values reflected \$39.98 million within the TIRZ #2 boundary. As increases occur in the taxable value, the four entities contribute their amount into the TIRZ revenue. Projections of TIRZ revenue participation for year 2018, is \$90,000.

Motion was made by Ms. May, seconded by Mr. Reed, to approve the 2017-18 Annual Budget, with the following changes, increasing the travel fund to \$10,000, and thereby, reducing ending cash to \$3,231. Motion passed unanimously.

ITEM 5. Discuss and consider TIRZ #2 Investment Policy

Ms. Storrs presented the Annual Investment Policy, which is regulated by the Texas Public Funds Investment Act. The Policy actually mirrors TIRZ #1 investments, and is very similar to the City of Amarillo's Investment Policy. Ms. Storrs advised the investment plan is to use money markets, and possibly CDARS (certificate of deposit). Ms. Storrs advised the Policy will need Board approval.

Motion was made by Mr. Frigo, seconded by Mr. Kitten, to approve the TIRZ #2 Investment Policy as submitted. Motion passed unanimously.

ITEM 6. Discussion of TIRZ #2 Preliminary Project and Financing Plan

Mr. Freeman briefly reviewed the Plan while advising staff is proposing water main improvements, waste water main improvements, right-of-way along Lakeside and I-40, and drainage improvements. Board decisions are needed on where to invest the funds, on which projects, as well as consideration of will these plans tie into the private sector development plan. Mr. Freeman advised this plan must be finalized and have City Council adoption before TIRZ #2 can move forward.

Ms. May inquired about the drainage improvements. Mr. Floyd Hartman advised the prioritization process of capital projects for any development is sanitary sewer, water mains, drainage, and then streets and roads. Mr. Miller advised the plan is to bring the infrastructure to the property, making the site 'shovel ready'.

Chairman Murguia inquired about the use of TIRZ dollars to build infrastructure. Mr. Hartman stated the projects mentioned by Mr. Freeman are eligible for TIRZ funds. Actual City funds are

being proposed for the projects, and this Board will determine the prioritization of the funding. Mr. Hartman further explained the funding process and projects within the CIP 5 year plan.

Ms. May inquired what other cities are offering to attract businesses within their TIRZ. Mr. Miller advised it depends on the cities incentive portfolio, whether the cities use property tax rebates such as Chapters 380, 381. Mr. Miller cautioned against giving back property values which funds the ability to grow within the TIRZ boundary. Amarillo has a great opportunity as a multi-state regional draw for sporting events, capitalizing on the traffic along I-40 and I-27 with an indoor athletic facility as the anchor project. Ms. Bonner stated in the 30 year life of the TIRZ, the financing plan includes \$22 million for the athletic facility construction, \$10 million for infrastructure, and \$2.2 million for aesthetic and landscaping improvements.

Much discussion was held about the TIRZ #1 origination.

ITEM 7. Discussion of Participation Agreements

Mr. Freeman provided an example of a Participation Agreement from TIRZ #1. After the plan is approved, this formal document is provided to each entity detailing their increment and outlining the entities participation.

ITEM 8. Public Comment

No public comments were given.

ITEM 9. Discussion – Future Agenda Items

The following were discussed as possible items to be included on future agendas: Consider adoption of the Preliminary Project and Financing Plan, along with the Participation Agreements; Re-appoint a Vice-Chairman; Further education on incentives with examples of what TIRZ #1 is using, along with a timeline of TIRZ #1 projects; invite TIRZ #1 Chairman Scott Bentley to another meeting, and research how other cities are running their TIRZ.

ITEM 10. Announcement – Next Meeting Date

September 21st at noon was discussed as the next possible meeting date. The Board also considered having the 3rd Thursday of every month as the standard meeting date.

ITEM 11. Adjourn

Chairman Murguia announced the meeting was adjourned at 2:39 p.m.