

**CORRECTED**

STATE OF TEXAS  
COUNTIES OF POTTER  
AND RANDALL  
CITY OF AMARILLO

On the 5th day of November 2014, the Amarillo Local Government Corporation Board of Directors met at 11:30 a.m. on the Council Chamber on the Third Floor of City Hall, 509 E. 7th Avenue, with the following members present:

Richard Brown	Vice President
Glen Parkey	Board Member
Ron Boyd	Board Member
Les Simpson	Board Member
John Lutz	Board Member
Brian Eades	City Councilmember and Board Member
Jarrett Atkinson	City Manager and Ex-Officio Member
Melissa Dailey	Executive Director of DAI and Ex-Officio Member
Mercy Murguia	Potter County Commissioner and Ex-Officio Member
Marcus Norris	City Attorney
Frances Hibbs	City Secretary

Absent was Jim Simms, City Councilmember and Board Member. Also in attendance was Michelle Bonner, Assistant City Manager.

ITEM 1: The meeting was called to order by Mr. Brown. Mr. Brown also recognized the newest member of the Local Government Corporation, John Lutz. Mr. Lutz replaces Gary Pitner.

ITEM 2: The minutes of the regular meeting held on October 29, 2014 were presented. Mr. Brown stated the time for adjournment in Closed Session should have been 2:42 p.m. instead of 11:51 a.m. Motion was unanimously carried, to approve the minutes as corrected.

ITEM 7: Mr. Brown advised at 11:43 a.m. that the Board would convene in Closed Session to discuss the potential purchase, sale, or lease of downtown property, together with (i) economic incentives that may be available for a prospective or existing business and (ii) attorney-client communication and advice regarding same and, per Texas Government Code sections 551.071, .072 and .087, as relates to proposed projects for downtown redevelopment. Mr. Brown announced the Closed Session was adjourned at 12:01 p.m. and no action would be taken in regard to the Closed Session.

ITEM 3: Mr. Brown presented a synopsis of the Downtown Redevelopment Projects and their individual statuses. He stated the Local Government Corporation Board has been working with Wallace Bajjali for the past three-years and has been working with NewcrestImage for approximately a year. The other key players have been Downtown Amarillo, Inc. and Center City with their financial commitment. Mr. Brown also recognized Gary Pitner, former Chairman and board member, for his many years of contributions.

ITEM 4: Mr. Atkinson presented a Hotel Lease and Development Agreement Overview. Mr. Brown stated all three projects, the hotel, ballpark, and parking garage agreements were rearranged with new structures. The hotel would be the same Operator/Developer as the Courtyard by Marriott on Polk Street. Mr. Simpson noted that this would be NewcrestImage's

first attempt at a 4-diamond hotel. Commissioner Murguia stated two floors of the hotel would be tax exempt and the parking garage and the ballfield would be tax exempt. She further stated that this information was not revealed to her when the Coca-Cola tax abatement request was presented. Dr. Eades stated the Civic Center has the same or similar status, and, in fact, all City buildings are tax exempt. He stated that the investment in Downtown would pay off down the road. Mr. Brown reiterated that all city owned properties were tax exempt. Ms. Murguia stated it was a different structure for Potter County. Dr. Eades replied that both entities would benefit.

Mr. Simpson stated that the City has been working to get a hotel downtown for many, many years. The hoteliers were interested, but the selected top hoteliers backed out because there needed to be more in downtown, or a multi-purpose entertainment venue before there would be a hotel. Mr. Brown said much gratitude is due to the hotel developer because they are going first. The hotel finance is coming from the private sector.

Mr. Atkinson also presented the Parking Garage Development Agreement Overview and the Potter County/Amarillo LGC Interlocal Agreement- Parking Overview.

Mr. Atkinson stated LGC was in discussions with Potter County for the lease of spaces in the parking garage. He further emphasized the importance of shared access for the parking garage. Ms. Murguia stated the Potter County Commissioners will have a public meeting on the parking garage Interlocal Agreement their upcoming agenda Monday, November 10, but they will take no action. Ms. Murguia stated concern over the parking garage's tax exemption status if subleased to a private entity. Dr. Eades envisioned hotel guests in the parking garage during the day along with Potter County jurors, city employees, and visitors visiting the restaurants and in the evening the parking garage would be available for various downtown events.

ITEM 6: Mr. Brown stated that at this time the Board would invite comments from interested citizens on matters directly pertaining to policies, programs or activities of the Amarillo Local Government Corporation.

Alan Abraham inquired about the liability of the City for the cost of the hotel. Mr. Brown replied there would be no City liability on debt service. Vince Nowak asked if he could get a copy of the actual contracts. He also asked about the timeframe on building the MPEV and if it doesn't get built does it affect the contracts. Mr. Atkinson replied that the MPEV construction is about 12 months out. He further stated that first Coca-Cola has to relocate and that project is on time. They estimate moving out as early as June 2015. This triggers a series of events, the property has to be made ready for construction following demolition which could begin as early as the end of October 2015. Mr. Brown stated they do not have the MPEV document today.

Mr. Nowak also asked Ms. Murguia about Potter County Commissioners and the tax abatement for Coca-Cola. Ms. Murguia stated it was a split vote and they understood certain trigger points had to happen. Dan Quant, Vice President of the Convention and Visitor's Council (CVC), stated that a lot has been learned during this long process, and on behalf of CVC they look forward to the responsibilities to make this succeed. Bob Goodrich asked if citizens objected to the current procedures would the LGC start over.

Dr. Eades stated this subjected has been talked about for 8 years. He further replied that as elected officials they would appreciate all the input they could get and they were open to discussion.

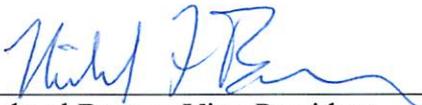
Mr. Robert Goodrich also asked about the status of his request to the TIRZ Board for a property tax rebate. Ms. Murguia stated that he would not be eligible because of the 5-year noncompete clause in the contract if the structure were to be used as a hotel, and this was confirmed by Mr. Norris. Mr. Alan Abraham asked about the retail spaces in the garage should Wallace Bajjali default. Mr. Brown stated that if Wallace Bajjali does not meet certain timelines regarding the build-out and lease of the retail space that space will revert to the Local Government Corporation. There were no further comments.

ITEM 5:

Mr. Simpson stated the LGC Board has been working on these documents for some time, he thought the public needed to have input and able to make comments. He asked that the LGC Board delay its recommendation no earlier than one week from today. Ms. Murguia agreed with the recommendation. Mr. Boyd disagreed and asked that the documents move forward. Motion was made by Mr. Boyd to move forward with the documents and present them to the City Council next Tuesday. Mr. Parkey seconded the motion, motion carried 5-1. Mr. Simpson opposed.

ITEM 8: Mr. Brown stated that the next Board meeting would be November 6, 2014 at 6:30 p.m. at Amarillo College, Bud Joyner Auditorium, 1314 South Polk Street. Another meeting of the Local Government Corporation is tentatively scheduled for November 12, 2014.

ITEM 9: Mr. Brown announced the meeting was adjourned.

  
Richard Brown, Vice-President

ATTEST:

  
Frances Hibbs, City Secretary