

STATE OF TEXAS  
COUNTIES OF POTTER  
AND RANDALL  
CITY OF AMARILLO

On the 17th day of February 2016, the Amarillo Local Government Corporation Board of Directors met at 11:30 a.m. on the Third Floor, Room 306, City Hall, 509 Southeast 7th Avenue, with the following members present:

<b>VOTING MEMBERS</b>	<b>PRESENT</b>	<b>NO. MEETINGS HELD</b>	<b>NO. MEETINGS ATTENDED</b>
Sunny Hodge-Campbell, Vice President	Y	11	11
Bryan Poff, Jr., President	Y	9	8
William Biggs, Board Member	Y	9	9
Les Simpson, Board Member	Y	84	63
Brian Eades, Councilmember & Board Member	Y	84	77
John Lutz, Board Member	Y	28	26
Randy Burkett, Councilmember & Board Member	Y	11	10
<b>EX-OFFICIO MEMBERS</b>			
Terry Childers, Interim City Manager	Y	6	5
Mercy Murguia, Potter County Commissioner	Y	28	17

Absent were none.

**Staff in Attendance:**

William McKamie, City Attorney; Jerry Danforth, Facilities Manager; Bob Cowell, Deputy City Manager, Michelle Bonner, Assistant City Manager and Frances Hibbs, City Secretary.

ITEM 1: The meeting was called to order by Ms. Hodge-Campbell.

ITEM 2: Minutes of the regular meeting held on February 3, 2016 were presented. Motion was the made by Mr. Poff to accept the minutes, and seconded by Mr. Burkett. The minutes were unanimously approved.

**Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Councilmember Eades, Councilmember Burkett, Mr. Simpson and Mr. Lutz, voting No were none; the motion carried by a 7:0 vote of the Board of Directors.**

ITEM 3: Mr. Cowell presented project updates. He stated the streetscape plans are in Austin for final review. The hotel construction is on schedule and the parking garage will be discussed today.

ITEM 4: Mr. Biggs presented a report from the Executive Advisory Committee. He stated they had reviewed today's presentation with Brailsford & Dunlavey. Mr. Cowell stated the Executive Advisory Committee will begin discussions on the operations and disposition of the parking garage.

ITEM 5: Mr. Lutz presented a report from the MPEV Community Engagement Advisory Committee. He further stated the Committee would have a report for the LGC Board at its March meeting.

ITEM 6: Janie Arnold appeared and presented the Annual Financial Report for September 30, 2015. Ms. Arnold stated the financial position of the Local Government Corporation as of September is materially correct in accordance with the General Accounting Principles. She stated it was a clean audit. There were no deficiencies in internal control or compliance issues and, there were no significant audit or other findings to report. Motion was made by Mr. Lutz to accept the audit with two minor changes, the interpleader legal fees have not yet been paid, and striking the word 'another' \$500,000 from Center City, seconded by Mr. Burkett, and unanimously carried, to approve the Financial Report.

**Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Councilmember Eades, Councilmember Burkett, Mr. Simpson and Mr. Lutz, voting No were none; the motion carried by a 7:0 vote of the Board of Directors.**

ITEM 7: Mr. Cowell stated this item was to discuss and consider the loan agreement between Amarillo Local Government Corporation and the Amarillo Tax Increment Reinvestment Zone Number 1. Ms. Bonner stated that HOT tax could not be used for retail space. She further stated this loan agreement was presented to the City Council on January 26, 2016.

Steven Adams, Specialized Public Finance, Inc., stated that the funding for the parking garage was complex and there are restrictions with the funding sources. The \$13.9 million bonds will be sold as taxable bonds on March 8. The interest rate can be locked in today at a fixed interest rate of 3.74% for the life of the bonds. Mr. Simpson inquired if the funds from TIRZ could be used elsewhere and perhaps the shortfall taken from the City's general fund. Ms. Bonner stated that bond counsel recommended the use of TIRZ dollars. Mr. Childers stated that TIRZ was created to fund the downtown catalyst projects. The City is reaching into its reserve funds to assist them. The City's reserve funds are used for emergencies and bond ratings and are not available for distribution to downtown projects. Mr. Cowell stated all interest will be paid by the tenants in the retail facility and TIRZ will be made whole.

**Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Councilmember Eades, Councilmember Burkett and Mr. Lutz, voting No was Mr. Simpson; the motion carried by a 6:1 vote of the Board of Directors.**

ITEM 8: Mr. Cowell stated as initially stated, the parking garage is for construction of 750 parking spaces and retail space wrapping three sides and streetscape. The timing on the parking garage is to finish before the hotel is ready to open. There were three qualified local bidders. All bids were reviewed and the lowest bid was from Western Builders at \$15,650,000. Mr. Cowell stated there are parts of the construction that are not included in the bid, such as streetlights, installation, finish-out, parking operations, etc. These items are approximately \$1.8 million. Mr. Cowell stated staff recommends approving the contract and to begin construction the first week in March. Motion was made by Mr. Eades to award the contract to Western Builders for the parking garage, seconded by Mr. Simpson, and unanimously carried.

**Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Councilmember Eades, Councilmember Burkett, Mr. Simpson and Mr. Lutz,**

**voting No were none; the motion carried by a 7:0 vote of the Board of Directors.**

**ITEM 9:** Mr. Cowell stated Mr. Rich Newman (Cincinnati OH) and Jason Thompson (Detroit MI) with Brailsford & Dunlavey (B&D) were present. Mr. Childers stated that the Board in November discussed the need to use a consulting firm to determine if they should look into an affiliated or independent baseball team. B&D will present Phase 1 today related to the market analysis, size and type of a facility. This presentation would not be about funding the project, subsequent delivery or naming an affiliated baseball team. This presentation was strictly about market analysis.

Mr. Thompson stated they look at drive time in a 30-45 minute range. They have compared population, retail expenditures and household income. Amarillo is a modestly-size market. Amarillo mostly resembles Midland. They have comparable markets, are similar in population, and economic activity and household wealth characteristics. The population is projected to grow nearly 5% through 2020 and that growth rate is double the comparable market average. This percentage would add approximately 12,000 residents. The young median age is 34.4. The second highest concentration is between the ages 20-44 (35%). There are three Double A leagues and the Texas league markets have outdrawn the Eastern and Southern Leagues. The Eastern League average attendance was 4,700; the Texas League was 5,100; and the Southern League was 3,400 per game. Mr. Thompson stated that operator quality is a significant driver. Mr. Newman stated the three important characters are location, facility, and operator quality. Mr. Thompson stated Amarillo's capture ratio resulted in approximately 3,900 per game on projected attendance. The projections would be 4,100 for aggressive, 3,900 for moderate and 3,700 conservatively approaches. After five years and the ballpark stabilizes, they project 3,800 for aggressive; 3,500 for moderate and 3,200 conservatively approaches. The seating assumptions for a 182,000 square foot park would have a 7,430 ticket capacity. These would include: 620 Club/loge seats (premier seating); 12 suites; 2 party suites; group areas for 1,000; and berm area for approximately 1,250. Ms. Murguia inquired if this would be an affordable venue for all families in Amarillo. Mr. Newman stated it would be affordable family entertainment with the various viewing areas. Mr. Cowell added it would still fit in the footprint.

Mr. Burkett inquired if the study included percentages of parking spaces on premise versus parking garages. Mr. Newman stated they were not concerned with parking but that access and egress was more important. There should be accessible adjacent parking for the coach's, staff, players and VIP parking. Mr. Newman stated about 3.3 people per vehicle with an average of 4,000 in attendance would be approximately 1,300 vehicles. Mr. Thompson stated that Double A teams do not pay players' salaries. Affiliated baseball is more professional and managers run the parks. The park manager is a professional job and they actual have job fairs. Their first choice would be an affiliated baseball team. Mr. Childers stated this was the first of a three-step process to understand the marketplace. The next phase will include the costs, sensitively analysis; how to go about attracting a team if going the Board decides to go for an affiliated team or end the evaluation process and continue with the original plans.

**ITEM 10:** Mr. Hodge-Campbell stated this item would be table until the next meeting. Motion was made by Mr. Lutz to table this item, seconded by Mr. Burkett, and unanimously carried.

**Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Councilmember Eades, Councilmember Burkett, Mr. Simpson and Mr. Lutz, voting No were none; the motion carried by a 7:0 vote of the Board of Directors.**

ITEM 11: Ms. Hodge-Campbell stated there was not a need for an executive session.

ITEM 12: Ms. Hodge-Campbell stated there was no action for this item.

ITEM 13: Ms. Hodge-Campbell 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. James Schenck, 6216 Gainsborough Street, stated he was concerned about the financing for the parking garage and the need for the Board not to overlook parking for the ball park.

ITEM 14: Mr. Cowell stated he would send out a draft agenda for the next meeting's future items.

ITEM 15: Ms. Hodge-Campbell stated that the next meeting would be scheduled for March 23, 2016.

ITEM 16: Ms. Hodge-Campbell announced the meeting was adjourned.

  
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Bryan Poff, Jr., President

ATTEST:

  
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Frances Hibbs, City Secretary