

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 6th day of April 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:

VOTING MEMBERS	PRESENT	NO. MEETINGS HELD	NO. MEETINGS ATTENDED
Sunny Hodge-Campbell, Vice President	Y	13	13
Bryan Poff, Jr., President	Y	11	10
William Biggs, Board Member	Y	11	11
Les Simpson, Board Member	Y	86	64
Brian Eades, Councilmember & Board Member	N	86	78
John Lutz, Board Member	N	30	27
Randy Burkett, Councilmember & Board Member	Y	13	12
EX-OFFICIO MEMBERS			
Terry Childers, Interim City Manager	Y	8	7
Mercy Murguia, Potter County Commissioner	Y	30	19

Absent were Brian Eades and John Lutz.

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 March 23, 2016 were presented. Motion was 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, Mr. Simpson, and Councilmember Burkett, voting No were none; the motion carried by a 5:0 vote of the Board of Directors.

ITEM 3: Mr. Cowell provided project updates. Mr. Cowell stated there was no change in the status of the streetscape project. City Council will decided if they will reapply for the TIGER grant and if so the City would make application by the end of the month. The parking garage is progressing and remains on schedule. The hotel is having a topping out event on Sunday. There

will also be a storm sewer that will be relocated during the streetscape construction. The final report from Brailford and Dunlavey will be available at the next meeting.

ITEM 4: Mr. Childers stated the LGC Board will remember they were asked if they wished to explore the potential of an affiliated baseball. The services of Brailsford and Dunlavey were obtained and they conducted a study. Their results indicated that the City of Amarillo could support an affiliated baseball team and the facility could be constructed for about \$48 million. The next step for the LGC Board and City Council would be to determine if financing is available. The Finance Department looked at the construction and associated soft costs as the consultant recommended. The consultant also used national construction numbers as the cost per square foot. The staff has determined that the MPEV may be built at a lower cost using the services of Mr. Danforth, changes in the soft costs, and the owner's 10% contingency which was included in the study. The LGC Board may also use the construction manager at risk approach reducing contingencies. These adjusted numbers reduce the cost for construction and soft costs to \$44 million. Staff is proposing using two funding mechanisms, use of HOT tax and a couple of other items, the Civic Center improvement funds, and the allocated HOT tax funds from the Amarillo Chamber and the CVC. Also, to create a downtown public improvement district (PID) and those funds would be used to help fund public improvements such as the streetscape. Mr. Childers stated he has spoken to many downtown property owners and they have shown their willingness to participate in a downtown PID. He stated he would seek direction from the LGC Board and the City Council if they chose to use this as a funding mechanism.

Michelle Bonner, CFO and Assistant City Manager, stated she has been working on the numbers since the study was released. She further stated there have been previous talks about creating a downtown PID. The pro forma for the MPEV downtown project would be the following: HOT bond proceeds would be \$36 million; the Downtown PID would be \$1,458,084; Civic Center improvement fund (HOT) tax \$8,080,611; total funding sources would be \$45,538,695. The construction costs is estimated to be \$44,080,611; the streetscape \$1,458,084. The annual debt service on the MPEV hotel occupancy tax bond issue would be \$2,440,000. The funding sources identified for debt services would be \$3,215,000. They include \$120,000 from the hotel parking space lease; parking revenue of \$425,000 and the MPEV facility fee of \$170,000. The HOT tax is estimated to increase Civic Center revenue, offset by a facility fee on Civic Center events (\$250,000), and increased Civic Center rental rates (\$150,000). Based on anticipated 2020/2021 dollars with \$1,050,000 each from CVC and the City. Ms. Bonner also presented a five-year comparison of actual hotel/motel tax collections which assumes a 4% growth rate.

Mr. Cowell stated the viability of the parking garage depends on paid street parking. Ms. Murguia stated a need to do some community outreach explaining the downtown PID, and getting the message out about the PID and the other funding sources. She further stated the election on the MPEV stated no local dollars would be used, so educating the public about the financing structure was important. Mr. Cowell stated they are required to demonstrate how PID funds are used. The downtown PID could take over the landscaping portion which is a big piece associated with the MPEV. Ms. Murguia inquired about the Civic Center's renovation. Mr. Childers replied that it will require a substantial investment to update the Civic Center. Mr. Cowell stated many cities have parking authorities which involves multiple owners working together to manage the parking areas. He further stated they have not finalized equipment or a parking garage operator but the garage would be automated. Ms. Hodge-Campbell inquired

about the next steps. Mr. Childers stated he would like for the LGC Board to be comfortable with the proposal. City Council is expecting LGC's recommendation if it desires to proceed with the affiliated approach in terms of the MPEV. City Council will receive recommendations given to them from the LGC Board, and the LGC Board will be given a possible change in the direction in late April or early May. Serious work then begins on the construction and potential team ownership. Mr. Cowell stated at the next LGC Board meeting the LGC Board would prepare its recommendation to the City Council for their April 26 meeting. At the City Council May 3 meeting a resolution would be considered authorizing the LGC Board to proceed and finalize the details. Mr. Childers stated Mr. Cowell would update the schedule and hopefully by June 1 there would be a letter of intent from a team ownership. Mr. Burkett inquired as to when the Cola-Cola property would be cleared. Mr. Childers stated once City Council has acted, they would begin demolition and put up a sign.

ITEM 5: Mr. Cowell requested Items 5 and 6 be tabled. Motion was made by Mr. Poff to table Item 5, and seconded by Mr. Biggs. This item was unanimously approved.

Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Mr. Simpson, and Councilmember Burkett, voting No were none; the motion carried by a 5:0 vote of the Board of Directors.

ITEM 6: Motion was made by Mr. Poff to table Item 6, and seconded by Mr. Burkett. This item was unanimously approved.

Voting AYE were Mr. Poff, Ms. Hodge-Campbell, Mr. Biggs, Mr. Simpson, and Councilmember Burkett, voting No were none; the motion carried by a 5:0 vote of the Board of Directors.

ITEM 7: Ms. Hodge-Campbell stressed the important work being done for the entire community by the LGC Board and the need for some type of regulations for Board members requiring them to attend meetings and be on time. She recommended 3-5 absences a year and the Board members should also be required to serve on committees. Mr. Poff stated once a month meetings were good enough except when there is a need to meet. Ms. Hodge-Campbell inquired if a draft amendment of the bylaws could be ready for the next meeting. Mr. McKamie asked for instructions or a consensus on what should be on the next agenda. He further suggested an additional meeting to determine the actual terms.

ITEM 8: Mr. McKamie advised there was no need for a Closed Session.

ITEM 9: Mr. McKamie stated there was no need for this item since they did not have a Closed Session.

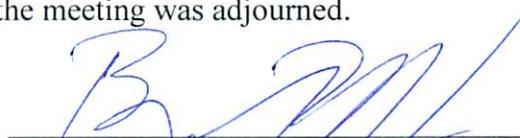
ITEM 10: Ms. Hodge-Campbell stated that at this time the Board would invite comments from interested citizens on matters directly pertaining to policies, programs or activities of the Amarillo Local Government Corporation. James Schenek, 6216 Gainsborough Street, questioned the parking garage revenue projections, operating expenses and HOT tax numbers. He suggested giving pause until a team has been signed. He further stated a need for all Board members to show up to their commitments and the need for a citizen as an ex-officio on the Board. Robert

Goodrich, 4111 Stony Point, stated the need for contingency plans and convention center improvements and expansion. There were no further comments.

ITEM 11: Mr. Cowell stated he would send out a draft agenda for the next meeting's future items. He stated the financing plan, an amendment to the bylaws, possible discussion on the retail management and an insurance item. Mr. Biggs stated Ms. Murguia has twice circulated names of interested parties. Mr. Cowell further stated they hoped to have something out on a groundbreaking for the parking garage by the 20th.

ITEM 12: Ms. Hodge-Campbell stated that the next meeting would be scheduled for April 20, 2016 at 11:30 a.m.

ITEM 13: Ms. Hodge-Campbell announced the meeting was adjourned.


Bryan Poff, Jr., President

ATTEST:


Frances Hibbs, City Secretary