

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 20th day of May 2020, the Amarillo Local Government Corporation Board of Directors met at 11:30 a.m. via conference on the Third Floor, Room 306, City Hall, 601 South Buchanan Street, with the following members present:

VOTING MEMBERS	PRESENT	NO. MEETINGS HELD	NO. MEETINGS ATTENDED
William Biggs, Board Member	Y	55	51
Eddy Sauer, Councilmember & Board Member	Y	32	23
John Lutz, Board Member	Y	74	66
Howard Smith, Councilmember & Board Member	Y	32	30
Michael Haning, President	Y	23	23
Paul Matney, Board Member	Y	23	22
Alfonso Zambrano, Vice President	Y	14	13
EX-OFFICIO MEMBERS			
Jared Miller, City Manager	Y	36	24
Nancy Tanner, Potter County Judge	N	9	6

Absent was Nancy Tanner.

Staff in Attendance:

Andrew Freeman, Bryan McWilliams, City Attorney, and Frances Hibbs, City Secretary, Mick McKamie, Bob Garrett, Tony Ensor and Jerry Danforth.

ITEM 1: Mr. Haning called the meeting to order.

ITEM 2: Mr. Haning 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. There were no comments.

ITEM 3: Minutes of the regular meeting held on April 15, 2020 were presented. Motion was made by Mr. Zambrano to accept the minutes, and seconded by Mr. Biggs. The minutes were approved by a 7:0 vote.

ITEM 4. Mr. Garrett stated Joe Taco would like to request their start date be moved back and extended to the end of the lease. Mr. Freeman stated they are requesting a start date of August 1. Mr. Haning stated he did not have an issue with postponing the start date. Mr. Garrett stated the extension allows them to finish. Mr. Danforth stated the delays were for fire proofing issues. Mr. Biggs inquired if they could have construction finished in June. Mr. Danforth replied the contractor is anticipating getting their CO in mid-June. Mr. Monroe was anticipating opening in

mid-July. Mr. Danforth stated because of COVID they will have to hire a new staff and they are not sure how long it will take to train a new staff. Mr. Garrett stated they could open earlier if they get their CO and employees hired. Mr. Freeman stated they will pay triple net until next year. Mr. Lutz stated he supports the delay to August 1 or upon receiving their CO. Mr. Garrett stated they could not open at 25% occupancy. Mr. Lutz motioned to amend the Joe Taco Commercial Lease start date until August 1, seconded by Dr. Sauer. Motion carried by a 7:0 vote.

ITEM 5: Mr. Garrett stated they are trying to keep as many people in business during the COVID virus. Mr. Garrett believes the market will come back but it is hard to know how long the hospitality businesses will take to return. He suggested LGC consider branching out to other businesses. Mr. Haning suggested looking at other businesses and the Board has the option to reject a business. Mr. Garrett stated the need to be more aggressive for other needs. Mr. Smith stated he would not want to fill all the space with non-hospitality.

ITEM 6: Mr. Ensor stated they are still awaiting the decisions with COVID and Major League Baseball. Major League Baseball has proposed an 80-game season starting in July, and playing in 30 markets without fans. Owners are requesting a 50% revenue share. There are 160 teams in Minor League Baseball. He stated he was unsure if there would be a 2020 season. Mr. Matney inquired if it was possible that minor leagues could play a partial season in empty stadiums. Mr. Ensor stated it would not work for minor leagues because 90% of the revenue of minor leagues comes from concessions and sales. He stated the Elmore Sports Group will be fine and will survive. He was not concerned about the future just the 2020 season. He further stated they are beginning to look at other events and protocols to put on all types of events while still adhering to social distancing.

ITEM 7: Mr. Danforth stated the revenue in the parking garage was down. When on-street parking was released it affected the garage parking revenue. Mr. Danforth stated the MPEV contracts are all closed. They are looking at seating designs that will meet the current standards when the Governor does allow fans to attend events. The designs are almost complete. Mr. Ensor would like to have a fireworks celebration whether there are fans or not. Mr. Danforth stated that Joe Taco was moving ahead. He expects them to get their CO around the 15th of June. There are a lot of logistical events with this restaurant and his other two restaurants. The hotel has received notice concerning the construction of the restaurant. Their equipment is currently exposed on the roof and it has to be addressed due to the downtown standards. Mr. Zambrano left the meeting at this time.

Mr. Freeman stated the Embassy occupancy rate last March was 56% compared to 38% this March. The Average Daily Rate (ADR) was up \$5.00 for March. April's occupancy was down 19% to 76.1% from last April. The ADR was down \$27 to \$92 from same period last year. Last week's occupancy was 46-68% with an ADR of \$90-\$100. He stated the Embassy like other hotels have felt the impacts of COVID.

ITEM 8.: Mr. McWilliams advised at 12:31 p.m. that the Board would convene in Closed Session per Texas Government Code; 1) Sec. 551.071 - Consult with attorney on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of

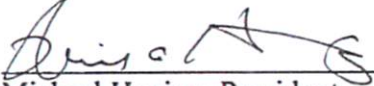
Professional Conduct conflicts with this chapter. (a) Discussion regarding status of negotiations of proposed amendments to the Convention Center Hotel Lease and Development Agreement, and related matters.2) Sec. 551.072 – Discuss the purchase, exchange, lease, sell, or value of real property and public discussion of such would not be in the best interests of the LGC's bargaining position, and Sec. 551.071 – Consult with attorney on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter. (a) Negotiations for the retail space at the City-owned Parking Garage, and related issues.

Mr. McWilliams announced that the Closed Session was adjourned at 1:15 p.m. and reconvened the Regular Meeting.

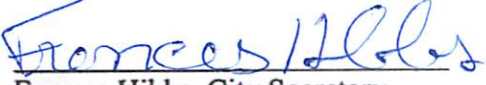
ITEM 9: Mr. Haning inquired about items for the next agenda. He requested another update from Mr. Ensor and project updates. Mr. Freeman stated they would also need to discuss the budget.

ITEM 10: Mr. Haning stated the next meeting would be June 17, 2020.

ITEM 11: Mr. Haning announced the meeting was adjourned.


Michael Haning, President

ATTEST:


Frances Hibbs, City Secretary