

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

On the 13th day of December 2021, the Center City Tax Increment Reinvestment Zone No. 1 Board met in a regularly scheduled meeting at 12:00PM, in Room 306 of City Hall, at 601 South Buchanan Street, Amarillo, Texas with the following members present:

Voting Members	Present	Meetings Held	Meetings Attended
Dean Frigo, Chairman, Amarillo Hospital District	Yes	26	22
Austin Sharp, City of Amarillo	No	22	13
Dr. David Woodburn, Amarillo College	No	6	4
Vacant			
Dick Ford, Amarillo Independent School District	Yes	3	3
Kimberly Warminski, Panhandle Groundwater Conservation Dist	Yes	30	27
Jackson Latimer, Potter County	Yes	2	2
John Coffee, Potter County	Yes	2	2
H.R. Kelly, Potter County	Yes	11	10
Joseph Peterson, Jr., City of Amarillo	Yes	31	29

Staff Present:

Jared Miller, City Manager
Emily Koller, Assistant Director of Planning and Development Services
Cody Balzen, Economic Development Specialist
Andrew Freeman, Assistant City Manager
Bryan McWilliam, City Attorney
Andreanna Jarrett, Recording Secretary

ITEM 1. Call to Order.

Chairman Frigo opened the meeting at 12:02 PM, established a quorum and conducted the consideration of the following items listed below.

ITEM 2. Public Address

Chairman Frigo inquired if anyone in the audience wished to speak for Public Address. Mr. Patel expressed his concerns for the loss of taxes because of the current tax exemption agreement. He stated the need for signage of the public passageway through the hotel granted by the agreement; and the need for ensuring the hotel keeps its Four Diamond designation throughout the agreement term.

ITEM 3. Minutes.

Chairman Frigo asked for corrections, deletions, or changes to the minutes of October 28, 2021.

A motion was made by Joseph Peterson, Jr, seconded by H.R. Kelly, to approve the minutes as submitted. The motion passed unanimously.

ITEM 4. Presentation of Quarterly Financials.

Mathew Poston, City Auditor, presented the above item. Mr. Poston stated these are the physical end of the year financials unaudited and are subject to audit.

Mr. Poston stated the TIRZ 1 committee has \$4.1 million in assets, \$1.3 million in liabilities, and a net position of \$2.8 million.

Mr. Poston continued to present the Statement of Activities. The total revenue for the year was slightly over budget at \$1.5 million with the budget being \$1.47 million. Investment earnings are at \$73,000 with a budget of \$12,000.

Mr. Poston stated the reasoning of this is the loan with TIRZ and LBC and that is the interest on it that hasn't been paid. Expenditures are at \$838,000 with a budget of \$1 million.

Mr. Poston stated there was a change in net position of \$700,000 with a starting net position of \$2.1 million and ending with a net position of \$2.8 million noting that it is subject to change with audit.

Mr. Poston stated that the TIRZ #1 commitments was just under \$1 million to roll into the 21/22 fiscal year.

Mr. Frigo asked how much is uncommitted and what TIRZ #1 has to spend.

Mr. Poston stated that there was \$2.1 million is cash to spend minus the \$1 million in commitments and the current liabilities. Andrew Freeman stated that the net reserve is about \$600,000.

Mr. Frigo asked if there were any other questions.

No comments were made.

ITEM 5. Discussion and Consideration of Assignment and Assumption of Incentive Agreement between TIRZ #1 and Amarillo Hospitality, LLC to Summit Hospitality 177, LLC.

Andrew Freeman presented the above item. He stated that the agreement between TIRZ #1 and Amarillo Hospitality, LLC will be transferred over to Summit Hospitality 177, LLC.

Mr. Freeman confirmed that TIRZ #1 will keep the same agreement with Summit Hospitality, LLC as they had with Amarillo Hospitality, LLC.

Mr. Fargo asked what this means to this board.

Mr. Freeman stated this includes the transferring of leases, and honoring property taxes and a 90% rebate on property taxes for 20 years.

A motion to approve the assignment and assumption of incentive agreement was made by H.R Kelly and seconded by Joseph Peterson. The motion passed unanimously.

ITEM 6. Discussion and Consideration of Assignment and Assumption of Incentive Agreement between TIRZ #1 and Supreme Bright Amarillo II, LLC to Summit Hospitality 178, LLC.

Andrew Freeman presented the above item. He stated that the agreement between TIRZ #1 and Supreme Bright Amarillo II, LLC will be transferred over to Summit Hospitality 178, LLC.

Mr. Freeman confirmed that TIRZ #1 will keep the same agreement with Summit Hospitality, LLC as they had with Supreme Bright Amarillo II, LLC

Mr. Freeman stated this would include honoring property taxes and a 90% rebate on property taxes for 20 years. The agreement was created with first payment made in 2018 and currently has 4 years of payments

A motion to approve the assignment and assumption of incentive agreement was made by Kimberly Warminski and seconded by Jackson Latimer. The motion passed unanimously.

ITEM 7. Presentation on TIRZ #1 Goals and Progress Map.

Emily Koller presented the above item. Ms. Koller stated that this presentation was for the new members on the board. Ms. Koller stated that when the TIRZ #1 board was created there was a financial plan that is required and will be worked on within the 30-year plan.

Ms. Koller stated that there are four key goals for downtown: hotels, urban residential, office/commercial/retail, and the ballpark/family entertainment venue. Ms. Koller stated as we work on these projects downtown, we will see property values increase and stabilize downtown as a whole.

Ms. Koller stated when the zone was created the beginning base taxable value in 2006 was about \$139 million, and as of 2021 the certified taxable value is about \$254 million.

Ms. Koller stated that the downtown property values have increased 8% to 10% higher than the city as a whole. She also stated that this is because of the zone and investments being made towards those projects downtown.

Ms. Koller discussed the initiatives in the project plan. The first initiative listed is participation in the economic development agreement and right now we have 12 property tax rebate agreements. For the streets, utilities, streetscapes, and landscaping initiatives, 16 grants were granted for public improvements and since fy2014 an allocation of \$150,000 has been going to Center City for façade and streetscape improvement grants. Ms. Koller stated this all in the improvement plan.

Ms. Koller stated that paid parking and the construction of the public parking garage, as well as the major family entertainment venue, Hodgetown were a part of the improvement plan and have been successful projects. Ms. Koller stated the sign and information systems and way finding system is designed and ready for construction.

Ms. Koller stated that moving forward some projects to consider would be public infrastructure to support housing downtown, acquisition critical parcels to facilitate public benefit projects, and other public facilities.

John Coffee asked what these infrastructures would consist of.

Ms. Koller replied that this would include housing infrastructure such as increase in utility service lines, streetscape improvements, or anything in the public right of way that would facilitate a private investment.

Mr. Coffee asked if there were some new housing already available, for example the Firestone building, and if that is a good example of what these infrastructures would consist of.

Andrew Freeman stated this is similar, but on a greater scale with more units.

Ms. Koller stated that there are progress reports for each of the goal areas. These reports are coming from the adopted project and finance plan. Ms. Koller stated that the plan called for hotel

development to be 1200 rooms within walkable range of central city within a 30-year time frame with 300 rooms by year 7, with an estimated investment of \$67 million. Currently we have seen about \$66 million in investments and 448 rooms, and we are a little past the year 7 term, but hotel development is still progressing downtown.

John Coffee asked if the downtown building owned by Faith City Mission was a building to be sold and redone.

Andrew Freeman stated the building has been sold but no information on if what is going to be done to the building.

Ms. Koller stated that goal 2 was for residential development in the plan calling for 2100 residential units in 30 years and 600 units by year 7 with an investment of \$249 million. So far, we have 283 units and about \$16 million in investments. As shown in the documents we are seeing a few units at a time.

John Coffee asked for an update on the current business's downtown such as Jimmy Johns and Joe Taco.

Andrew Freeman stated that it is going slowly, and staff is working with the realtor to get more of the open spaces leased. Excel owns Jimmy Johns and have yet to lease out the rest of the space.

John Coffee asked how it could be promoted to get these spots filled.

Andrew Freeman stated that it is LBC's responsibility to get those spaces leased.

John Coffee asked if it is the same realtor that started.

Andrew Freeman stated yes there was a 5-year agreement with the realtor to get the spaces leased and manage those spaces as part of the agreement that agreement will expire in 2022.

Andrew Freeman stated that it has been slow do to Covid and having to adjust to downtown environment to get retailers in those spaces.

Dick Ford stated originally the spaces downtown were for retail only. He asked if that was still the requirements.

Andrew Freeman stated no that it is opened to all possible tenants.

Emily Koller stated the next goal is Office, Commercial, Retail. The plan called for 1.6 million square feet of new Office, Commercial, Retail of the 30-year period and only a small percentage of that would be retail at around 300,000 square feet with a total investment of \$140.9 million, and progress to date is about 300,000 square feet 80,000 of that is retail and about \$80 million in investments.

Emily Koller stated all the projects Tizr 1 has supported Toot N' Totum, Retail at the parking garage, Levine Building, Six car pub, Crush, Excel headquarters, and Sharpened Iron Studios. Ms. Koller continued to give a brief description of the rest of her report.

Chairman Frigo asked is there something we should be doing to get residential housing.

Andrew Freeman responded saying it is a waiting period, but the Herring just sold and has a new owner, and they are working with major property owners to see what they will do with these spaces.

Joseph Peterson asked if there have been any new conversations on a grocery store.

Jared Miller responded that it is related to the amount of residential units downtown, and it is unlikely to see one until the residential units can support it.

Chairman Frigo asked if anyone had any more questions.

Dick Ford asked if there was a retail developer such as Walgreens that wanted to open, would there be tax incentive money available to them.

Andrew Freeman stated yes that it will be available.

Chairman Frigo asked if anyone had any more questions.

No other questions asked.

ITEM 8. Discuss Items for Future Agendas.

Board members requested the following items:

- Extension of TIRZ #1
- TEX21 and Ports to Plains

ITEM 9. Adjourn.

There being no further items before the Board, the meeting adjourned at 12:46 PM. All remarks are recorded and are on file in the City Manager's Office.

A handwritten signature in dark ink, appearing to read "Cris Valverde". The signature is stylized and written in a cursive-like font.

Cris Valverde
Director of Planning and Development Services