MINUTES
SPECIAL CALLED MEETING
LAWTON PARKING AUTHORITY
OCTOBER 26, 2004 - 6:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBERS

The meeting was called to order at 6:07 p.m. by Chairman John P. Purcell, Jr. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Randy Bass, Rex Givens, Glenn Devine, *Amy Ewing-Holmstrom, Robert Shanklin, Jeffery Patton, Stanley Haywood, Randy Warren.
ABSENT: None.
ALSO PRESENT: Larry Mitchell, City Manager; John Vincent, City Attorney; Kathy Fanning, City Clerk.

*Ewing-Holmstrom arrived at 6:12 p.m.

Consider approval of minutes of the Lawton Parking Authority Special Meeting of February 9, 1999.

<u>MOTION by Warren, SECOND by Haywood</u>, to approve the minutes of the Lawton Parking Authority Special Meeting of February 9, 1999. AYE: Warren, Bass, Givens, Shanklin, Haywood. ABSTAIN: Devine, Patton. NAY: None. MOTION CARRIED.

BUSINESS ITEMS:

1. Consider authorizing the Chairman and Secretary to sign an Estoppel Certificate regarding the current lease with Warmack-Lawton Limited Partnership.

John Vincent, City Attorney said we have been contacted by Warmack Properties and their attorney and they are in the process of selling the mall. The Lawton Parking Authority owns the mall parking lot and it's leased on a 75-year lease with a 25-year extension. This lease was entered into on July 24, 1978. The Estoppel Certificate shows the parking lot is under the lease and is merely a legal document indicating the terms of the lease as part of the transfer of the property.

Warren said during the process of the 2nd Street Revitalization Project there was a mention made that C Avenue merchants wanted the fence dividing the parking lot and street. Actually it was the other way around and the mall had wanted that. He asked if this needed to be addressed now or is it something we can address later on. He said if this is the only chance we have with negotiating, he would hate to pass the opportunity up.

Vincent said they have discussed with the Warmack attorney and he suggested when we send these documents back in, we send a letter to the New York attorneys handling the transfer, requesting they allow us to open negotiations concerning the parking lot.

Mitchell said he didn't think there was anything in the language of this lease specifically talking about the wall. This has to do with the parking lot.

Givens said he was not clear why it requires the Authority's consent. Vincent said it's a two-part document and instead of putting one agenda item, we put on two. We are required, by the lease, to approve assignments and assumptions. The second document is the approval of the assignment of the lease, from Warmack Properties to the new company. Givens asked what would happen if the Authority didn't approve this. Vincent said they can bring legal action to cause us to approve it because we have to approve it the way the lease was written, back in 1978. The only way we couldn't approve it was if we didn't think the new company would be able to fulfill the lease requirements which is insurance and payment of the rent.

Mitchell said this lease arrangement generates about $4,500 a year to the City.

Patton asked if we would be able to re-negotiate. Shanklin said not for 75 years. Vincent said we are asking for permission to re-negotiate at this time, but they don't have to grant it.

Devine said if they don't have to go into negotiations, how are we going to talk about the fence? He said Vincent said a few minutes ago we could and now he said we couldn't, unless they approve it. Vincent said we were going to ask them to enter into negotiations. Devine said we need to ask them that before we pass this and grant them the lease. If you don't, we are out and don't get to talk to them at all about it, if they don't want to. He said before burning our bridges, we need to make sure that is what we want to do. Vincent said we can try, that's all we can do.

Warren said he believes what Vincent is saying is if we were to deny this tonight or put it on hold until discussing this with them, they still have the opportunity to not negotiate with us and we still can't keep them from getting the contract, so our feet are to the fire and don't have anything to stand on. Vincent said that is correct and believes we are better off if we cooperate and try to work on their good favor rather than put them in a corner because their closing is set for the 28th, for the transfer of the property.

Mitchell said he thinks the transfer of ownership is a good sign.

Ewing-Holmstrom entered at this time (6:12 p.m.).

MOTION by Shanklin, SECOND by Warren, to approve authorizing the Chairman and Secretary to sign an Estoppel Certificate regarding the current lease with Warmack-Lawton Limited Partnership. AYE: Bass, Givens, Devine, Shanklin, Patton, Haywood, Warren. ABSTAIN: Ewing-Holmstrom. NAY: None. MOTION CARRIED.

---

2. Consider approving the Assignment and Assumption of Leasehold Estate regarding the current lease with Warmack-Lawton Limited Partnership and authorize the Chairman and Secretary to sign the document.

Vincent said this is the second part and have already discussed this. This is the follow on document that actually authorizes the lease.

MOTION by Warren, SECOND by Devine, to approve authorizing the Chairman and Secretary to sign an Estoppel Certificate regarding the current lease with Warmack-Lawton Limited Partnership. AYE:

Givens, Devine, Shanklin, Patton, Haywood, Warren, Bass. ABSTAIN: Ewing-Holmstrom. NAY: None. MOTION CARRIED.

There being no further business to consider, the meeting adjourned at 6:16 p.m. upon motion, second and roll call vote.

____
JOHN P. PURCELL, JR., CHAIRMAN

ATTEST:

____
KATHY FANNING, SECRETARY