

MINUTES
Lawton Economic Development Authority
Regular Meeting
Thursday, October 17, 2024 - 2:00 PM
3rd Floor Conference Room
City Hall - 212 SW 9th Street
Lawton, Oklahoma 73501

Chairman Fitch called the meeting to order at 2:00 PM. in the 3rd floor conference room of City Hall.

STATEMENT OF COMPLIANCE WITH OKLAHOMA OPEN MEETING ACT, 25 O.S. 301-314

Meeting notice and agenda were posted by the City Clerk's Office as required by State Law.

ROLL CALL:

PRESENT: Fred Fitch, Randy Warren, Ernest Sheppard, George Gill, David Madigan, Jason Hensley

ABSENT: David Means, Ron Nance, Larry Neal

OTHERS PRESENT: Richard Rogalski, LEDA Executive Director; John Ratliff, City Manager; Garrett Lam, City Attorney's Office; Tammy Branstetter, City Clerk's Office; Mitchell Dooley, Parks & Recreation; Charlotte Brown, Community Services Director; Matthew Modeste, Hatch, Croke & Associates

BUSINESS ITEMS

1. Consider approving the minutes of the September 19, 2024 meeting.

Motion by Gill, Second by Warren, to approve the minutes of the September 19, 2024 meeting. **AYE:** Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***MOTION PASSED.***

2. Consider approving the 2025 Annual Meeting Notice and take action as deemed necessary.

Motion by Hensley, Second by Warren, to approve the 2025 Annual Meeting Notice. **AYE:** Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***MOTION PASSED.***

3. Receive the Financial Report from Hatch Croke & Associates, P.C., and take action as deemed necessary.

Matthew Modeste, Hatch Croke & Associates, P.C., presented the August 2024 Financial Report, which includes the following financial statements:

- Statement of Net Position dated August 31, 2024
- Statement of Revenue and Expenses – Combined for the Period Ended August 31, 2024
- Statement of Cash Flows for the Period Ended August 31, 2024
- Statement of Revenue and Expenses – Operations for the Period Ended August 31, 2024
- Statement of Revenue and Expenses – TIF District 1 for the Period Ended August 31, 2024

- Statement of Revenue and Expenses – TIF District 3 for the Period Ended August 31, 2024

A copy of the August 2024 Financial Report may be obtained from the City Clerk's Office upon request.

Madigan asked if we are required to make TIF distributions on a monthly basis or if that's just what we've elected to do.

Rogalski said we don't distribute them monthly automatically – we make the distributions when the money comes in. He said this is done to avoid dealing with interest.

Gill asked if we are receiving property tax payments from Comanche County in a timely manner.

Rogalski said it's fairly timely.

Gill asked how things are going with the state matching funds.

Rogalski said he reached out again to the Department of Commerce to set up a face-to-face meeting with them, but they have yet to respond. He believes this may be a misinterpretation issue.

Chairman Fitch noted that Dan Batchelor worked the first three months with the state to ensure we were doing things correctly. He said the state signed off on it, and that's the way it's been paid ever since.

Rogalski said he will be calling the Department of Commerce to follow up on the request for an in-person meeting. He noted that the Department of Commerce has gone through some recent changes and transitions in staffing, and this might be why they've been slow to respond.

Motion by Madigan, Second by Warren, to accept the August 2024 Financial Report from Hatch Croke & Associates, P.C. as presented. **AYE:** Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***MOTION PASSED.***

4. Receive a report from Rusty Whisenhunt, Director of Public Utilities for the City of Lawton, and consider approving Draw Request #4 from Westwin Elements for certain hard construction costs related to the Pilot Facility in accordance with the Loan Agreement between LEDA and Westwin Elements, Inc, approved on December 9, 2023.

John Ratliff, City Manager, advised that Rusty is out sick today.

Rogalski provided background information on this item. A copy of Draw Request #4 from Westwin Elements may be obtained from the City Clerk's Office upon request.

Rogalski said staff did an inspection on September 20th, and all the code inspections have been performed and cleared by building safety.

Rogalski noted that we have all the lien releases that are appropriate, and we have all the documentation that they've sent in with this pay application.

Rogalski noted that we are still sitting on the retainage.

Sheppard asked if Westwin is finished with construction.

Rogalski said they aren't quite finished, but they are finished with the portion we're paying for. He noted that Westwin still does not have a Certificate of Occupancy (CO), but they intend to have the pilot plant operational by December 1st.

Sheppard asked at what point the retainage will be paid to Westwin.

Rogalski said the retainage will be paid when they get a full CO on the pilot facility.

Motion by Gill, Second by Hensley, to approve Draw Request #4 from Westwin Elements.

AYE: Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***MOTION PASSED.***

5. Discuss an amendment to the Fisher59 Agreement.

Rogalski said he put this item on the agenda as a placeholder because he thought he would have the agreement for the Authority to consider, but it's not quite done yet.

Rogalski said the agreement is no different than what we discussed last time. He said as a reminder, we have an agreement with Fisher59 to reimburse them for the public improvements up to a cap of \$2.9 million when they build their industrial plant. Instead of giving Fisher59 the \$2.9 million at the end when City Council accepts the improvements, Rogalski said this amendment would allow Fisher59 to be paid in draws.

Rogalski said another thing they considered was what would happen if the developer decided to stop in the middle of a project. He said in the event of this happening, the agreement would allow the LEDC to step in as the developer to complete the project. Rogalski said we would then reimburse the LEDC instead of the original developer when paying for the construction costs.

Rogalski said the final agreement will be brought before the Authority and the City Council for consideration. He said the agreement is currently being reviewed by legal.

No action was taken on this item.

REPORTS

1. Receive a report from the LEDA Executive Director

Rogalski said the LEDC would like to invite Authority members to their annual Economic Development Luncheon on October 23rd. He said Authority members may obtain a free ticket by contacting Tonja Anderson at the LEDC.

Ratliff asked who will be speaking at the luncheon.

Rogalski said Barry Matherly will be speaking.

Rogalski said Open Streets will be taking place this Saturday from 10:00AM – 2:00PM downtown on C Avenue. He said this is a great event geared towards getting kids active.

Rogalski said we are working on an amendment to the STEDI Project Plan, as necessitated by the annexation of the Westwin pilot plant property. Rogalski said this will be a broad amendment that will also address workforce housing and workforce development. Rogalski said the resolution of intent that starts this process will go before City Council on October 22nd.

Rogalski said things are moving forward with getting procedures set for the residential redevelopment fund. Once this policy has been put together, Rogalski said it will be presented to the Authority to advise them what LEDA's role will be going forward.

Rogalski said remittance for the August and September hotel motel tax will be paid to Lawton Lodging next week, as per the agreement with Lawton Lodging approved by the Authority in August of this year.

Rogalski said Westwin is working with the state to garner state support. Westwin believes they will start construction on the commercial plant in the first quarter of next year. This would require the state to take some action regarding support of the facility. Rogalski said Westwin had a meeting with the state about two weeks ago that went very well.

Gill asked how Westwin is doing on their permitting with the state.

Rogalski said Westwin is moving forward with their permitting with the state.

Rogalski said he spoke with the Leadership Lawton class last week and shared with them his goal of trying to change the median household income. He said the median household income in Lawton is \$51,500, and the state average is \$61,400. Rogalski said if we're able to increase the median household income in Lawton by \$10,000, it will add \$331 million a year in additional revenue for Lawtonians. He said so many of our community issues are directly attributable to the fact that we're a lower income community.

Madigan asked Rogalski if he has any updates on 2nd Street.

Rogalski said multiple people are interested in the 10-acre property on the north side. He said this will be discussed in greater detail during executive session. Rogalski noted that he feels like the first project with the residential development fund will be the residential neighborhood west of 2nd Street.

EXECUTIVE SESSION

1. Pursuant to Section 307C.11, Title 25, Oklahoma Statutes, consider convening in executive session for purpose of conferring on matters pertaining to economic development, including the transfer of property, financing, and the creation of a proposal to entice a business to locate within their jurisdiction if the public disclosure of which would violate the confidentiality of prospective business entities, and if necessary, take appropriate action in open session.

Motion by Gill, **Second** by Warren, to convene in executive session. **AYE:** Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***Motion Passed.***

The Authority convened in executive session at 2:41 PM and remained in executive session until 3:07 PM. When back in open session, roll call reflected all members present.

No action was taken on this item.

Rogalski continued his report regarding Westwin.

Sheppard asked where Westwin's administrative staff will be housed until the building is built.

Rogalski said they will be housed in Oklahoma City – this is where their current corporate office is located.

Sheppard asked if these staff members plan to move to Lawton from Oklahoma City.

Rogalski said that is the intent. However, he can't say that all of them will move – he just knows that we will have 40 employees with an average salary of \$100,000 before we release the retainage.

Rogalski said when Westwin commences operation at the pilot plant on December 1st, they will have 25 employees.

ADJOURNMENT

Motion by Gill, **Second** by Warren, to adjourn the October 17, 2024 meeting. **AYE:** Fitch, Hensley, Gill, Warren, Madigan, Sheppard. **NAY:** None. ***MOTION PASSED.***

There being no further business, the meeting adjourned at 3:09 PM.