MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
2ND FLOOR CONFERENCE CENTER
NEW CITY HALL
DECEMBER 16, 2010, 2010 AT 2:00 P.M.

David Madigan, Vice-Chairman, called the meeting to order at 2:00 p.m. in the New City Hall 2nd Floor Conference Room. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:

PRESENT:	Denham; Madigan; Means; Nance; Neal; Sheppard (enter late).
ABSENT:	Drewry; Fitch; Zarle.
OTHERS PRESENT:	Frank Jensen, City Attorney; Denise Ezell, City Clerks Office.

INTRODUCTION OF GUEST

Madigan stated today we have Steve Robinson from the Lawton Constitution and John Padilla.

BUSINESS ITEMS:

1. Approve the minutes of September 16, 2010, October 7, 2010 and November 4, 2010.

Motion by Denham, **Second** by Neal**,** to approve the minutes of September 16, October 7 and November 4, 2010 as written. **Aye**: Madigan; Means; Nance; Neal; Denham. **Nay**: None. **Motion Carried**.

2. Consider approving invoices, requisitions, and all other submitted materials for payment and take action as deemed necessary.

Motion by Denham, **Second** by Means**,** to approve invoices, requisitions, and all other submitted materials for payment. **Aye**: Madigan; Means; Nance; Neal; Sheppard; Denham. **Nay**: None. **Motion Carried**.

3. Receive Treasurers Report and take action as deemed necessary.

Furrh stated today we have the financial reports for October and November. We will be focusing on the November report. At the end of November the bank account had $462,700.80 and we were at $11,438,965.49 on the line of credit. You will be approving additional requisitions today so we are very close to the $12 million. We had a small amount of rent income and we did receive the sales tax income in October in the amount of $205,499.00. For the month of November we are in the hole $49,443.48, for the fiscal year $886,871.22 and project to date $10,976,264.69.

Furrh stated I have called the Assessor's office and the County Treasurer to check on the ad valorem that is due but haven't got a response from either of them.

Nance asked has Strickland taken office.

Furrh stated no.

Mitchell stated Batchelor has sent a series of emails to Partee and she hasn't responded to her either.

Madigan asked what is our anticipated dollar amount?

Furrh stated that is the purpose of my phone calls.

Mitchell stated Batchelor stated the report shows the value number and the money we will receive is based on what has actually been collected. If they don't respond to Batchelor this week she is going to send a letter.

Madigan asked have we anticipated any of the hard cost to finish the acquisition?

Mitchell stated looking at this map everything in dark red are the properties we have left to acquire. We expect the Commission to bring back an appraisal close to ours which was about $32,000 for the four (4) lots. Lot 4, Block 43 is tied to Jefferson Funeral Home and it was in the neighborhood of $55,000. This and the residential property is just under $100,000. We will be taking down the Coke building after the first of the year. All the asbestos has been removed. There is a lot of salvage value in the building. We think at least 50% of the demolition cost will be recouped through the salvage. The big one will be the Funeral Home. We had a settlement conference and they did come down from $6 million to a little under $2. We are still a long ways from working something out. I believe all the Jefferson's properties appraised for just over $600,000. Looking at our line of credit we don't have enough to complete that purchase but LURA has $661,000 in their account. With the two (2) funds we could complete the acquisition.

Denham asked are we still scheduled for a January closing.

Mitchell stated Kohl's has submitted their elevations and building materials to LURA and LURA has to approve those before they can proceed. The Architectural Review Committee will meet early January so I think we are looking at mid February for closing. Jensen has a map that shows where we are proceeding with the public hearing process to close the streets and alleys. The public hearing will be the 25th of January.

Jensen stated this map was presented to Council to start the process. We were asked to focus on the Kohl's site. We are focusing on the area inside the dotted line. We don't go all the way to the east side of Railroad Street. Our position is ODOT owns the railroad property and we don't want to go to the east edge of the street because the adjacent land owner will own the middle of the street. We are trying to address the problem in two (2) different ways. First Mitchell has contacted Brad Burgess asking him to contact ODOT to give us a quick claim deed to any interest they have in Railroad Street. Second state statute says if you have public land that surrounds a vacated right-of-way it reverts to the municipality. Burgess doesn't believe getting a quick claim deed will be an issue.

Mitchell stated we are drafting a quick claim deed for ODOT to sign. ODOT has said if Burgess and Bob Rose sign off on it they won't have an issue with it.

Denham asked won't they need a service road there.

Mitchell stated yes but it will be closed as a public street. We are making sufficient progress and Kohl's is determined to open their doors in late 2011. They are pushing the engineer and Scott to get the site ready. Scott has two (2) conditions and the first is he has to provide their pad site by mid March. If he misses that date then Kohl's has the option to extend or back away. Kohl's doesn't have any reservations on building on that site. The other provision was within a certain period of time of the transfer of the pad Scott has to have another 90,000 square feet of co-tenancy. If Scott doesn't perform Ruhl and Ruhl has to pay Kohl's property tax for a certain period of time. Scott has two (2) other tenants signed but I don't know the square footage.

DISCUSSION ITEMS AND REPORTS

Mitchell stated if you remember House Bill 1786 allows us to capture state sales tax for a project. We have been pulling all the background material and data that is needed to support our application. We hope to have a rough draft to you for your review by the second meeting in January.

Denham asked how are we doing with Ruhl and Ruhl on the deliverables. Have they gotten any further along with their financing?

Mitchell stated Batchelor has been working with Scott on this and I can't answer the question. Scott has asked for some background information that might help him look at other project developers. Our engineers and the utility companies have been working daily with Smith-Roberts their engineer.

Denham asked have any other deliverables been missed by them or us.

Mitchell stated I don't believe so.

ADDENDUM

1. Approval of Yearly Meeting Notice.

Mitchell stated we have changed the first meeting in January to the second Thursday instead of the first. Pete DeKolb will be in Oklahoma City on this day and would like to attend our meeting. His commercial broker will be with him. The conservations we have had with them is there are five (5) or six (6) banks with a general interest in the project but they have projects they need to close. DeKolb stated that between Thanksgiving and Christmas it is difficult to get a lot of attention to a project. Most banks are trying to cleanup and closeout for year end. DeKolb feels very good about all of it and the broker is telling us there is a lot of interest in the project.

Madigan asked is there an opportunity that Scott could be here on the 13th as well.

Mitchell stated I will ask.

Madigan stated it wouldn't hurt to get all the players in the room.

Motion by Means, **Second** by Sheppard**,** to approve the 2011 yearly meeting notice. **Aye**: Madigan; Means; Nance; Neal; Sheppard; Denham. **Nay**: None. **Motion Carried**.

ADJOURNMENT

There being no further business meeting adjourned at 2:30 p.m.

Motion by Neal, **Second** by Sheppard**,** to adjourn. **Aye**: Means; Nance; Neal; Sheppard; Denham; Madigan. **Nay**: None. **Motion Carried**.