MINUTES
LAWTON ECONOMIC DEVELOPMENT AUTHORITY
2ND FLOOR CONFERENCE CENTER
NEW CITY HALL
JULY 26, 2012, AT 12:00 P.M.

Fred Fitch, Chairman, called the meeting to order at 12:00 p.m. in the New City Hall. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:
PRESENT: Denham, David; Fitch, Fred; Madigan, David; Means, David (entered late); Nance, Ron; Neal, Larry; Sheppard, Ernest (entered late); Wells, Doug.
ABSENT: Zarle, Richard.
OTHERS PRESENT: Larry Mitchell, City Manager; Denise Ezell, City Clerks Office.

INTRODUCTION OF GUESTS

Fitch stated we have Barry Albrecht, Dan Batchelor and his assistant Jeff Sabin and Rick Smith with us today.

EXECUTIVE SESSION

1. Pursuant to Section 307B3 and C10, Title 25, Oklahoma Statutes, consider convening in executive session for the purposes of conferring on matters pertaining to economic development, including the purchase/transfer of property, incentive proposals, redevelopment rights, and financing in connection with the Lawton Downtown Redevelopment Project and other development projects under consideration in the City, and take appropriate action in open session as necessary.

Motion by Neal, **Second** by Madigan, to convene into executive session. **Aye**: Fitch; Madigan; Nance; Neal; Wells; Denham. **Nay**: None. **Motion Carried**.

The Authority convened in executive session at 12:03 p.m. and reconvened in open session at 1:43 p.m. Roll call reflected Madigan; Means; Nance; Neal; Sheppard; Wells; Denham; Fitch.

Fitch stated the Authority convened into Executive Session Pursuant to Section 307B3 and C10, Title 25, Oklahoma Statutes, consider convening in executive session for the purposes of conferring on matters pertaining to economic development, including the purchase/transfer of property and financing in connection with the Lawton Downtown Redevelopment Project, for the hotel-conference center and the mixed-use commercial retail establishments.

BUSINESS ITEMS

1. Approve minutes of June 21, 2012

Motion by Neal, **Second** by Madigan, to approve the minutes of June 21, 2012. **Aye**: Denham; Fitch; Madigan; Means; Nance; Neal; Sheppard. **Abstained**: Wells; **Nay**: None. **Motion Carried**.

2. Consider approving a resolution approving and ratifying Amended Retail Redevelopment Agreement for the Lawton Downtown Redevelopment Project.

Batchelor stated this agreement represents the refinement of the agreement that was authorized at your April meeting. It spells out with much more precision the financial provisions of the agreement and it adds two specific provisions that are of great importance to the project. One is the provision for cost advancements prior to closing that will help LEDA defray its cost until you get closing on the retail. Second provides for the execution of the TIF financing agreement under which the retail redeveloper will agree to provide us a guarantee of completion and provides the promissory note to assure us of repayment of any funds disbursed in collection with this development until he is released from that obligation by completion of the Phase I retail development. With those changes I recommend your approval of this retail redevelopment agreement.

Motion by Means, **Second** by Denham, to approve Resolution 12-06 and ratify the Amended Retail Redevelopment Agreement for the Lawton Downtown Redevelopment Project. **Aye**: Means; Nance; Neal; Sheppard; Denham; Fitch; Madigan. **Nay**: Wells. **Motion Carried**.

3. Consider approving a resolution approving an amendment to the amended Hotel-Conference Center Redevelopment Agreement for the Lawton Downtown Development Project.

Batchelor stated this is an amendment to one section which provides that upon forty-eight (48) hours prior notice by the Lawton Economic Development Authority that funds are needed in connection with redevelopment activity for this project that the hotel redeveloper will advance up to $435,000 for your use. This would make available sufficient funds to enable you, if you approve, to acquire the Jefferson hotel property pursuant to a settlement agreement reached in bankruptcy and provide some additional allowance for relocation cost so this could occur prior to closing on the hotel redevelopment. So it represents a significant support of the project and I recommend its approval.

Motion by Means, **Second** by Neal, to approve Resolution 12-07 and amended the Hotel-Conference Center Redevelopment Agreement for the Lawton Downtown Development Project. **Aye**: Nance; Neal; Sheppard; Denham; Fitch; Madigan; Means. **Nay**: Wells. **Motion Carried**.

4. Consider approving a resolution authorizing Amended Function Space License Agreement with Lawton Lodging, LLC.

Batchelor stated this is an agreement that was previously approved and executed but had become out of date and we need to simply update that agreement with the current date and also correct the name of the hotel redeveloper entity. There is no change in the substance of this agreement.

Motion by Denham, **Second** by Means, to approve Resolution 12-08 authorizing Amended Function Space License Agreement with Lawton Lodging, LLC. **Aye**: Neal; Sheppard; Denham; Fitch; Madigan; Means; Nance. **Nay**: Wells. **Motion Carried**.

5. Consider approving a resolution authorizing Amended Loan Agreement and Promissory Note between LEDA and the Comanche County Industrial Development Authority in a principal amount of not to exceed $1,500,000.00.

Batchelor stated this is much like the proceeding item. This agreement had previously been entered into and approved but is out of date. This application would have expired in January of next year before the hotel could possibly open so again it simply needs to be updated and this document will do that.

Motion by Madigan, **Second** by Means, to approve Resolution 12-09 authorizing Amended Loan Agreement and Promissory Note between LEDA and the Comanche County Industrial Development Authority in a principal amount of not to exceed $1,500,000.00. **Aye**: Sheppard; Denham; Fitch; Madigan; Means; Nance; Neal. **Nay**: Wells. **Motion Carried**.

6. Consider approving a resolution authorizing and approving acquisition of certain real property for the Lawton Downtown Redevelopment Project.

Batchelor stated I would report on this item that with your authorization in order to protect the opportunity for the project to acquire the Jefferson Funeral Home property I entered a bid at the foreclosure sale which turned out to be the apparent high bid. Subsequent to that occurrence I assigned all rights in that bid to the Lawton Economic Development Authority. Bankruptcy action was filed in federal court which involved the property. As of last week I was able to negotiate a settlement that is acceptable to the bankruptcy court and all the key players involved in that matter under which the Jefferson Funeral Home property would be acquired by the Lawton Economic Development Authority for a price of $394,700. This resolution would authorize the acquisition of that property and in order to do so you could draw on the advance that is authorized under the amended hotel redevelopment agreement. This property was contemplated to be a part the project provided it was acquired at a reasonable price. This is a fair and reasonable price for that property. It is beneficial to the project as a whole and should be redeveloped as an integrated part of your downtown redevelopment project. On that basis I would recommend your favorable consideration and approval.

Motion by Means, **Second** by Sheppard, to approve Resolution 12-10 authorizing and approving acquisition of certain real property for the Lawton Downtown Redevelopment Project. **Aye**: Denham; Fitch; Means; Nance; Neal; Sheppard. **Nay**: Wells. **Abstained**: Madigan **Motion Carried**.

DISCUSSION ITEMS AND REPORT

ADJOURNMENT