

MINUTES  
LAWTON ECONOMIC DEVELOPMENT AUTHORITY  
2<sup>ND</sup> FLOOR CONFERENCE CENTER  
NEW CITY HALL  
FEBRUARY 3, 2011, AT 2:00 P.M.

Fred Fitch, Chairman, called the meeting to order at 2:00 p.m. in the New City Hall 2<sup>nd</sup> Floor Conference Room. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:

PRESENT: Denham; Drewry; Fitch; Madigan; Nance; Neal; Sheppard

ABSENT: Means; Zarle.

OTHERS PRESENT: Frank Jensen, City Attorney; Denise Ezell, City Clerks Office.

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**INTRODUCTION OF GUEST**

Fitch stated we have Steve Robertson from the Lawton Constitution.

**BUSINESS ITEMS:**

1. Approve the minutes of January 13, 2011.

**Motion** by Madigan, **Second** by Neal, to approve the minutes of January 13, 2011 as written. **Aye:** Drewry; Fitch; Madigan; Nance; Neal; Sheppard; Denham. **Nay:** None. **Motion Carried.**

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

Fitch stated these checks need to be written from the IBC account instead of the line of credit.

Furrh stated if you will approve the invoices I'll bring the checks back for your signature.

Fitch stated okay. We also approved an invoice at the last meeting for the Batchelor's in the amount of \$13,078.70. That check was written from the line of credit and BancFirst paid it, but we need approve reimbursing BancFirst from the IBC account.

Furrh stated okay.

**Motion** by Drewry, **Second** by Nance, to approve invoices, requisitions, and all other submitted materials for payment to include the \$13,078.70 to be paid to BancFirst. All materials are to be paid from the IBC account and not the line of credit. **Aye:** Fitch; Madigan; Nance; Neal; Sheppard; Denham; Drewry. **Nay:** None. **Motion Carried.**

3. Review and Accept Fiscal Year Report for 2008-2009 and 2009-2010 for the Downtown TIF District, Increment District Number 1.

Mitchell stated these are the annual reports that are required by statutes. These reports are from July 1, 2008 to June 30, 2009 and July 1, 2009 to June 30, 2010. You see both reports show the ad valorem increment is below base so there are no revenues generated. The report for 2008 is late because we couldn't get the information verified from the Tax Assessor. At the last meeting we discussed that in 2010 we believe there is an increase and if all the taxes are paid that increase could generate approximately \$80,000 to \$90,000 in ad valorem revenue. I'm asking the Authority to approve both reports.

Sheppard asked it has taken six (6) months to get these reports.

Mitchell stated yes.

Fitch asked did you report to the Authority about your meeting with Mr. Strickland.

Mitchell stated Batchelor touched on it at the last meeting. We met with the Assessor and the Treasurer and we believe we have all the requirements worked out. We got the reports finalized and signed that day.

Sheppard asked when is the money actually paid to the TIF.

Mitchell stated after the taxes are collected. The second half of the taxes are due March 31<sup>st</sup>. Sometime after that we should know how much we will receive.

Sheppard stated the first quarter following the year.

Mitchell stated yes.

Fitch asked on the taxes that are not paid what is the dollar amount/percentage of the total amount receivable. What is the success rate of the County in collection those dollars. You know they don't collect 100%.

Nance stated ultimately they do collect them and if they don't the property goes to tax sale.

Fitch asked I'm concerned about what happens to the money.

Ezell stated if taxes are not collected within a three (3) year period the property goes to tax sale. The revenues collected at tax sale will be forwarded to us. They must start the bidding at 2/3<sup>rd</sup> the value so there are times all that is collected is 2/3<sup>rd</sup>. If it doesn't sale at tax resale then it becomes property of the County and that is when nothing is collected.

Denham stated I would say there is no system in place to allocate the money to the tax increment.

Fitch stated I'm concerned when it gets to that point the revenue goes into the County general fund.

Ezell stated I don't believe that is the case. It will be handled in the same manner as if it had been paid on time. The only difference is you have to pay interest due to being late.

Nance stated we need to verify that is what is happening.

Ezell stated Barbara Burk, the County Treasurer, can answer your questions better than anyone.

Denham stated we will not receive a check because we haven't gone over the base value.

Fitch stated we will for 2010. I believe we need to speak with Barbara Burk to see what their procedures are.

**Motion by Denham, Second by Nance,** to Accept Fiscal Year Report for 2008-2009 and 2009-2010 for the Downtown TIF District, Increment District Number 1. **Aye:** Madigan; Nance; Neal; Sheppard; Denham; Drewry; Fitch. **Nay:** None. **Motion Carried.**

## **DISCUSSION ITEMS AND REPORTS**

1. Discuss the Union Pacific Railroad, R.O.W. negotiations.

Mitchell stated the response from their real estate agent is they have problems with the appraisal we submitted. They have an internal value established in the amount of \$340,000 and our appraisal was \$32,000. We had a heated exchange about fair market value and he argued that he had looked at commercial property and it was listing from \$2.00 to \$8.00 a square foot. I agreed commercial property was going for that, but this wasn't commercial property. I suggest they secure another independent appraisal and he said he would. I also suggest perhaps we have some sort of annual lease agreement. During the course of our emails I threw out if our appraisal had been \$200,000 they would still insist on \$340,000 and he said \$200,000 would have been a good place to start.

Fitch stated they approved Wiggington and had conversations with him. Now they are saying he didn't do what they had asked him to and he was our appraiser.

Denham stated Union Pacific has taken up all the tracks and have abandoned everything except this one (1) mile section. Why don't we just sit here and not pay them anything.

Fitch stated when you terminate a right-of-way lease it is the railroad's responsible to remove all the ties from the track. Their lease is coming up for termination.

Denham stated they have no access from either direction due to the easements. Why pay them anything. Let's just move on and consider it vacant property.

Fitch stated I believe December 31<sup>st</sup> it will revert back to ODOT and it would be much easier to work with ODOT than the railroad. Part of the problem will be discussed in the next agenda item.

Nance stated the railroad will be move motivated the closer it gets to the deadline.

Sheppard asked do they have the option to renew.

Fitch stated I don't think so.

Nance stated so the longer they take the better it gets for us.

Denham stated we need to let ODOT know they came up with an exorbitant number and encourage them not to renew or extend their lease.

Mitchell stated ODOT has been cc on all the emails. It is just frustrating. They could have given us that number two (2) years ago and we would have saved a lot of time.

Fitch asked are there any other questions.

## 2. Review of LURA Street Closure Action.

Mitchell stated this is the latest site plan submitted by Ruhl and Ruhl. Now there is a utility easement and corridor planned for Dearborn that basically dissects the development into two (2) pieces. I believe Kohl's insisted on having an access point, because they didn't want people to drive around the entire shopping mall to get to their store. A combination of things created the utility corridor. Now the neighbors to the east have a second access point into the development. The Council will be approving the ordinance to close the streets within that development. The blue line you see runs up Railroad Avenue and then west on Bell. This is an agreement we have reached with the neighborhood. It denotes a public access easement that LURA will grant so the neighborhood is guaranteed that the street corridor on Bell will remain open and prove the neighborhood with a traffic corridor between 2<sup>nd</sup> and all the way east to Jones Avenue which loops back to Gore.

Jensen stated we are asking the Council to pass this ordinance. I talk to the developer on Monday and he is good with it as long as we don't pin them down to an exact location and the public assess easement documents are written that way.

Fitch asked could there be a little jog in it.

Jensen stated it could move over five (5) or ten (10) feet. These are eight (80) foot right-of-ways for Bell and Railroad. We only need twenty-five (25) or thirty (30) feet of pavement so it could move over ten (10) or fifteen (15) feet either way.

Denham asked will there be the ability to put in speed bumps and things of that nature.

Jensen stated yes.

Sheppard asked is there an easement across the railroad easement at Dearborn. Are you going to close it?

Mitchell stated it will remain a private drive. It will be an access for delivery, fire lanes and those types of things.

Sheppard asked what is the street on the east side of the railroad.

Mitchell stated Carver.

Sheppard stated I'm asking is there going to be an access opening from Carver to Railroad across the railroad right-of-way.

Fitch stated yes. Carver will go south where it intersects with Dearborn and then Dearborn will go west.

Sheppard stated so you are contemplating a public right-of-way across that and continuing through the shopping center.

Mitchell stated no. We are contemplating a utility corridor through there.

Sheppard stated so it want be a public right-of-way.

Mitchell stated it will not be a public right-of-way.

Jensen stated it will not be a public access. This will be paved, but it will be for utilities.

Fitch stated the pavement will tie in across the railroad track to Dearborn. It is not public, but we are making it a permanent easement with the utility corridor. Nothing can be done with it. It is like the back side of Walmart on 67<sup>th</sup> Street where you can go around the back and park on the north side.

Sheppard asked do you have the same situation on Bell. Are you going across the railroad right-of-way to Carver?

Fitch stated not at Carver. L.K. Jones ties directly into Bell at the railroad crossing.

Sheppard asked are you going across the railroad crossing.

Fitch stated it will be a public street know as L.K. Jones and it comes to Bell.

Mitchell stated this will be a public access.

Jensen stated it will be a private drive with a guaranteed public access. Mitchell talked to the developer about the utility corridor.

Mitchell stated I talked to him about that last week and sent him the document this morning.

Sheppard stated I a bit confused. The blue doesn't need to extend across the railroad right-of-way because it is already open and we are not closing. Is that correct?

Fitch stated yes. Then you have Hoover that runs up there and turns into Carver. When you exit Carver you have to either go out the north to Lori Tatum or come across Dearborn or come down to Lawrence or Hoover.

Sheppard stated this is all because they have to drive two blocks further is that correct.

Mitchell stated correct.

Fitch asked are there any other questions?

Mitchell stated on January 24<sup>th</sup> construction plans were submitted for the Kohl's store and we are reviewing two (2) sets of plans.

Sheppard asked this doesn't reflect the repositioning further west of the center does it.

Mitchell stated no.

Jensen stated they said they might be moving the building, but he also said they might be moving the parcel 22 to 30 feet. They have not determined that yet.

Fitch stated I want to thank everyone for being here.

## **ADJOURNMENT**

There being no further business meeting adjourned at 2:35 p.m.

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