

Lawton Economic Development Authority
MAY 18, 2023—2:00 PM
City Hall
3rd Floor Conference Room
212 SW 9th Street
Lawton, Oklahoma 73501

Fred Fitch, Chair, called the meeting to order at 3:00 PM. in the 3rd floor conference room of City Hall. Meeting notice and agenda were posted on the City Hall bulletin board as required by State Law.

ROLL CALL:

PRESENT: Fred Fitch, David Madigan, David Means, Larry Neal, Ernest Sheppard

ABSENT: Jason Hensley, Randy Warren, Ron Nance

OTHERS PRESENT: Susan Schlecht, Financial Services; Greg Gibson, City Attorney's Office; DeeAnn Patterson, Lawton Constitution; Tammy Branstetter, Recording Secretary (City Clerk's Office)

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

Chairman Fitch verified the posting of notice and agenda in compliance with the Oklahoma Open Meeting Act with Branstetter.

INTRODUCTION OF GUESTS

Chairman Fitch introduced DeeAnn Patterson with the Lawton Constitution, who is filling in for Kim McConnell.

BUSINESS ITEMS

1. Consider approving the minutes of the January 11 and February 23, 2023 meetings.

Motion by Madigan, Second by Means, to approve the minutes of the January 11 and February 23, 2023 meetings. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. ***MOTION PASSED.***

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

Schlecht presented the following invoices from February 23, 2023 through May 18, 2023:

- Bank of Oklahoma loan payment - \$475,100.00 to BOK
- Consultant Services with Richard Rogalski - \$4,000.00 to Richard Rogalski
- Consultant Services with Richard Rogalski - \$3,000.00 to Richard Rogalski
- Filing fees for Bricktown Brewery Lien Release - \$20.00 to City Clerk's Office
- City of Lawton reimbursement for payments made out of the wrong account - \$6,633.00 to the City of Lawton
- TIF District January 2023 legal expenses - \$1,357.50 to Center for Economic Development Law

- TIF 2 January 2023 legal expenses- \$587.50 to Center for Economic Development Law
- TIF 2 February 2023 legal expenses- \$860.00 to Center for Economic Development Law
- TIF 2 March 2023 legal expenses- \$1,167.50 to Center for Economic Development Law

Motion by Sheppard, **Second** by Neal, to approve the expenses from February 23, 2023 to May 18, 2023 as presented. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. ***MOTION PASSED.***

3. Receive Financial Report(s) and take action as deemed necessary.

Schlecht presented the Balance Sheet and Income and Expense Activity Report for February, March and April 2023 and the LEDA Loan Report as of April 2023. Schlecht also presented a TIF 3 Disbursement Determination Report and a Lawton Lodging/Hilton Hotel Occupancy Taxes Report. These documents are available in the City Clerk's Office upon request.

Chairman Fitch noted that the Authority received more money for TIF 3 in the month of March.

Schlecht said that is correct – the Authority received \$56,000 in property taxes, plus interest, during the month of March.

Schlecht said sales and use taxes were received in April for the months of December 2022, January 2023 and February 2023. She said the Dollar Tree stopped reporting their sales taxes for a period of time, and that caused a slight delay in the collection of sales and use taxes. Schlecht said the Dollar Tree has since been notified that they are required to provide this information.

Chairman Fitch asked how close the Authority is to making their September loan payment.

Schlecht said the Authority is currently \$228,790.92 short of fulfilling the loan payment in the amount of \$1,727,642.40. However, the Authority is expected to receive matching funds as well as sales and use taxes for the months of March, April and May 2023 before the loan payment is due. She does not foresee an issue with making this loan payment.

With regards to the TIF 3 Disbursement Determination Report, Chairman Fitch noted that the \$396,467.48 received for "Project Support and Public Improvements" must be used strictly for improvements to the industrial park.

Schlecht said these funds can be used in any of the industrial park TIF Districts as outlined in the STEDI Project Plan.

With regards to the TIF 3 disbursements, Madigan asked if Schlecht sends out a letter with the checks that are mailed to the various taxing entities (e.g., Cache Public Schools, Comanche County and Great Plains Vo-Tech), explaining why they are receiving these funds.

Schlecht said yes, she has sent letters to each taxing entity explaining what these payments are for.

Madigan asked if members of the Authority can obtain a copy of the letter(s) Schlecht has sent to the taxing entities.

Motion by Means, **Second** by Sheppard, to approve the Financial Report as presented. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. ***MOTION PASSED.***

4. Consider approving a Resolution authorizing and directing the formation of a Financial Implementation Committee and prescribing its responsibilities and appointing a county

representative as an ex officio (non-voting) member to the board of trustees of the Lawton Economic Development Authority.

Chairman Fitch said this Committee would include himself, Susan Schlecht and Charlotte Brown with the planning department. This Committee would likely meet on an on-call basis, and it's possible they will only need to meet a few times each year. This Committee would be formed in an effort to get all involved parties (e.g. the County Tax Assessor's Office, the County Treasurer's Office, LEDA, the City of Lawton, and all of the taxing entities that receive TIF disbursements) on the same page.

Chairman Fitch asked Schlecht how often the Authority decided to pay out these disbursements to the various taxing entities.

Schlecht said she believes it was determined to make these payments on an annual basis.

Sheppard asked if this Committee would have the ability to change the distribution of funds after they've been determined.

Chairman Fitch said the Committee would not have this authority. The Committee would strictly be monitoring the distribution process and providing clarification when needed.

Madigan asked that the minutes from these Committee meetings be made available to the Authority going forward.

Motion by Sheppard, Second by Madigan, to approve a Resolution authorizing and directing the formation of a Financial Implementation Committee and prescribing its responsibilities and appointing a county representative as an ex officio (non-voting) member to the board of trustees of the Lawton Economic Development Authority. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. **MOTION PASSED.**

5. Consider approving an Amendment to Mowing and Debris Removal Contract for LEDA and LURA Properties Between the Lawn Wizards, the Lawton Economic Development Authority and the Lawton Urban Renewal Authority.

Chairman Fitch noted that this is the 3rd and final extension of the original contract, and it will extend the contract for an additional one-year period.

Motion by Madigan, Second by Neal, to approve an Amendment to Mowing and Debris Removal Contract for LEDA and LURA Properties Between the Lawn Wizards, the Lawton Economic Development Authority and the Lawton Urban Renewal Authority. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. **MOTION PASSED.**

6. Discuss a request from the Lawton Lodging, LLC, to extend the term of the Amended Function Space License Agreement, which provides for the rebate of the Hotel Occupancy Tax generated by the Hilton Garden Inn for 10 years commencing on March 21, 2014, up to a maximum rebate amount of \$3.5 million, for an additional 10 year period, and take action as deemed necessary.

Chairman Fitch said this request was received in the form of a letter from Sam Kumar with Lawton Lodging. A copy of this letter was sent out to Authority members along with a copy of the Amended Function Space License Agreement. These documents may be obtained from the City Clerk's Office upon request.

Sheppard noted that if the trend of income verses expenses for the Hilton stays the same, they will continue to lose money.

Chairman Fitch noted that the figures provided by Sam Kumar only reflect the income and expenses for the convention center portion of the hotel.

Sheppard said he's sure that the people utilizing the convention center are also renting out hotel rooms. However, he said if this trend continues, the Hilton might be better off shutting down the convention center.

Chairman Fitch said an agreement was recently made between the CCIDA and the Hilton Garden Inn that states the convention center must remain open for another ten years.

Madigan said he believes the Authority has been fair with what they've provided to the Hilton thus far.

Chairman Fitch said he does not wish for the Authority to take action on this item today. He said he would like future discussion regarding this request to be had at a meeting when more members are in attendance.

Chairman Fitch said he did reach out to Dan Bachelor to get his thoughts on how to reply to this request. Chairman Fitch said that the convention center has proven to be an asset to the Lawton community, and it may be important to try to keep it up and running.

Chairman Fitch said he plans on asking Sam Kumar to provide the Authority with a list of all the events that have been held at the convention center over the past few years.

NO ACTION TAKEN ON THIS ITEM

DISCUSSION ITEMS AND REPORTS

Chairman Fitch said the Limited Services Agreement with Richard Rogalski has ran it's course, and Rogalski will no longer be working for the Authority. He said Charlotte Brown will start attending meetings to provide staff support for the Authority.

ADJOURNMENT

Motion by Madigan, Second by Means, to adjourn the May 18, 2023 meeting. **AYE:** Madigan, Means, Neal, Sheppard, Fitch. **NAY:** None. ***MOTION PASSED.***

There being no further business, the meeting adjourned at 3:00 PM.