

MINUTES
LAWTON INDUSTRIAL DEVELOPMENT AUTHORITY
SPECIAL MEETING
JANUARY 28, 2014 - 5:00 P.M.
SECOND FLOOR CONFERENCE ROOM NEW CITY HALL

The meeting was called to order at 5:00 p.m. by Michael Tennis, Chairman. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Haywood, Stanley; Johnson Jr., Albert; Tennis, Michael;
Warren, Randy (entered late).
ABSENT: Shanklin, Robert.
OTHERS PRESENT: Frank Jensen, City Attorney; Denise Ezell, City Clerks Office.

BUSINESS ITEMS:

2. Consider the Minutes of the September 24, 2013 meeting.

Motion by Haywood, **Second** by Tennis, to approve minutes of September 24, 2013 as written. **Aye:** Tennis, Haywood. **Nay:** None. **Abstained:** Johnson. **Motion Passed.**

3. Consider adopting a resolution authorizing the extension until July 9, 2014, and reissuance of the Authority's remodel of the original Lawton High School Refunding Note, Series 2012, issued in the original principal amount of \$2,500,000; providing for payment of accrued interest and certain costs; and containing other provisions relating thereto.

Jensen stated we are getting closer. The reason for the second extension is due to the developer for the property at 67th and Rogers Lane. He is getting closer. They have gone through their feasibility period where they had to determine if the project was feasible. Their earnest money is now at risk because the feasibility period is over. If they do not close on the property they would be in default and we would get the earnest money. From all the reports we have received they are progressing. They have asked for an extension to close not an extension of the feasibility period. That period has expired. They have asked to extend closing to June 19th of this year. This is a hard fast date. We stated July 9th to give us a little cushion and to get into the next fiscal year.

Johnson asked the fact that the 4th of July is in that period will that be a problem. We will lose 3 or 4 days due to the 4th. Will that affect the extension?

Jensen stated no.

Haywood stated we would be closing 3 weeks earlier.

Jensen stated we are due to close on June 19th, but the city's bond counsel put July 9th as a cushion. There is a council meeting somewhere in there that will correspond with that date so council can take action on the matter. It is better for us to have a hard and fast closing date. We didn't have that before. Before they had 60 or 90 days to close after all conditions of closing had been met. That is kind of a moving target sometimes. This money is earmarked for the note. That has not changed. If we don't close the City Manager will have to find money for the next installment. We have paid the first installment so the principal maybe a little less than \$2.5 million.

Of course interest has been accruing and we have not made an interest payment in a while. We will have to make the next installment if the property doesn't close but all indications look good. Are there any questions.

Haywood asked how many acres are they purchasing. I see this says a total of 50 acres.

Long stated it is roughly half of that.

Jensen stated they are buying the corner parcel and the parcel next to it which will be a little more than half of the 50 acres.

Haywood stated 27 acres.

Long stated 29 more or less.

Johnson stated you mentioned that if they did not close the earnest money would become ours.

Jensen stated yes, if we are in a position to meet our conditions at closing.

Johnson asked are there things that we have to do before closing.

Jensen stated yes, the Planning Department is working on that very diligently.

Long stated we don't foresee or anticipate any problems.

Jensen asked does anyone have any questions about what is going to go out there besides the theatre.

Johnson stated that is the only thing that I have heard.

Long stated there are 2 out parcels going to the northwest corner extending all the way down to the south and they will be restaurants. We don't know what kind.

Jensen stated they have actually moved the theatre to the second parcel and not on the corner.

Johnson asked how many theatre's in the complex.

Long stated 13.

Jensen stated I think that has been upgraded.

Long stated I want to say that our lien holder has been extremely generous and gracious in working with us.

Jensen stated Long is referring to Liberty National Bank. In my opinion they have been by far the best bank to work with. They are not going to make us pay the accrued interest at this point. They always have a very positive reception to our request for time. They have been great.

Long stated yes they have been. You don't run into local banks that are that accommodating too often on a deal like this.

Jensen asked are there any other questions.

Warren asked IMAX?

Long stated I have heard that, but I can't confirm it.

Jensen stated we know it will be state of the arc.

Tenis asked is there any further discussion. Seeing none what is the pleasure of the Authority.

Motion by Warren, Second by Haywood, to adopting a resolution authorizing the extension until July 9, 2014, and reissuance of the Authority's remodel of the original Lawton High School Refunding Note, Series 2012, issued in the original principal amount of \$2,500,000; providing for payment of accrued interest and certain costs; and containing other provisions relating thereto. **Aye:** Tennis, Warren, Haywood, Johnson. **Nay:** None. **Motion Passed.**

Ezell stated as of today Shanklin has missed 3 consecutive meetings which leaves us with a vacancy. There aren't any specifications on who can fill the position.

Jensen stated the reason for bring this up is because there will be times you need more than a simple majority. If we can't get enough members here to take action on certain situations it can become tough to accommodate the banks. It would be nice to have 5 members.

Long asked do you have any recommendations?

Haywood stated I have a female that I would like to recommend. I'll get Ezell her information.

4. Adjournment

Motion by Tennis, Second by Warren, to adjourn. **Aye:** Tennis, Warren, Haywood, Johnson. **Nay:** None. **Motion Passed.**