MINUTES
LAWTON URBAN RENEWAL AUTHORITY

Minutes of the Lawton Urban Renewal Authority meeting held March 12, 2013 in the 2nd Floor Conference Room, City Hall, 212 SW 9th Street, Lawton, Oklahoma.

The meeting was called to order at 1:00 p.m. by Chairman Ernest Sheppard.

Notice of the meeting and agenda were posted on the City Hall bulletin board as required by State law.

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1. **ROLL CALL**

MEMBERS PRESENT: Albert Johnson
Jerry Evers
Ernest Sheppard
Jacob Brox

MEMBERS ABSENT: John P. Purcell, Jr. (excused)

OTHERS PRESENT: Richard Rogalski, Executive Director
Debbie Dollarhite, Senior Planner
Steven Greb, Assistant City Attorney
John C. Mackey, Legal Counsel
Kristin Duggins, Financial Services
Jackie Monette, Recording Secretary

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2. CONSIDER APPROVAL OF THE MINUTES OF THE FEBRUARY 19, 2013 MEETING OF THE LAWTON URBAN RENEWAL AUTHORITY.

MOTION by Evers, SECOND by Johnson, to approve the minutes of the February 19, 2013 meeting of the Lawton Urban Renewal Authority.

VOTE ON MOTION: AYES: Johnson, Evers, Sheppard, Brox. NAYS: None. MOTION CARRIED 4 – 0.

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3. CONSIDER A RESOLUTION APPROVING THE EXPENDITURES AND ACCEPTING THE FINANCIAL STATUS REPORT OF THE LAWTON URBAN RENEWAL AUTHORITY FOR THE MONTH OF FEBRUARY, 2013.

The balance in the bank as of January 31, 2013 was $104,508.05. After deposits of interest and disbursements, the bank balance as of February 28, 2013 was $50,641.34.

Rogalski stated that Staff received two invoices today from Smith Roberts Baldischwiler for platting services. He stated that the work had been completed by April, 2012, but the invoices had not been received. He stated that the invoices needed to be paid as soon as possible, and LEDA can be invoiced for reimbursement to LURA at the next meeting.

MOTION by Brox, SECOND by Johnson, to adopt LURA Resolution 13-03, approving the expenditures and accepting the financial status report of the Lawton Urban Renewal Authority for the month of February, 2013.

VOTE ON MOTION: AYES: Evers, Sheppard, Brox, Johnson. NAYS: None. MOTION CARRIED 4 – 0.

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4. CONSIDER SENDING AN INVOICE TO THE LAWTON ECONOMIC DEVELOPMENT AUTHORITY FOR REIMBURSEMENT FOR FUNDS PAID TO BANCFIRST BY LURA FOR INTEREST PAYMENTS ON THE LINE OF CREDIT NOTE.

At the February 19, 2013 LURA meeting, the Authority agreed to remit the sum of $50,000.00 to LEDA for reimbursement to the City Lawton for a portion of funds advanced by the City for interest payments on the Note obtained by LEDA for acquisition of property for the Downtown

Redevelopment Project. The Authority also voted to authorize the Chairman to send an invoice to LEDA for reimbursement of the $50,000.00 as an eligible project expense.

On July 6, 2011, LURA paid $98,093.02 to BancFirst, representing two interest payments on the Note. At that time, the issue of invoicing LEDA for reimbursement of that amount was not discussed. As it is an eligible expense for reimbursement by LEDA, it would be proper for LURA to send an invoice to LEDA for reimbursement of those funds.

MOTION by Evers, SECOND by Brox, to authorize the Chairman to send an invoice to the Lawton Economic Development Authority in the amount of $98,093.02 for reimbursement of two interest payments paid to BancFirst by LURA in July, 2011.

VOTE ON MOTION: AYES: Sheppard, Brox, Johnson, Evers. NAYS: None. MOTION CARRIED 4 – 0.

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5. CONSIDER CLAIMS RECEIVED FROM LITTLE BLESSINGS LEARNING ACADEMY FOR RELOCATION EXPENSES ASSOCIATED WITH THE PROPERTY FORMERLY DESCRIBED AS LOTS 9-11, BLOCK 45, NORTH ADDITION, AND TAKE APPROPRIATE ACTION AS NECESSARY.

Pinnacle Consulting Management Group, Inc. has received a large amount of invoices and receipts that Little Blessings Learning Academy wants to claim as eligible relocation expenses.

According to § 24.207(d)(1)(ii) of the Federal Regulations, “All claims for a relocation payment shall be filed with the Agency no later than 18 months after the date of displacement.” Little Blessings Learning Academy vacated the displacement site on June 15, 2010; therefore, their 18 month time period expired on December 15, 2011. The Federal Regulations would allow LURA to waive this time period for good cause. The claimant is requesting the time period to be waived because they did not find a replacement site until November, 2011.

The displacee was notified of the 18 month time period, in writing, from the beginning of the project. Furthermore, the displacee did not inform Pinnacle of the replacement site and request any reimbursement of expenses until January 25, 2013. For these reasons, Pinnacle recommends that LURA deny the request to waive the 18 month time period.

Calvin Mitchell and Brenda Mitchell, owners of Little Blessings Learning Academy, were present to speak to the Board.

Mrs. Mitchell stated that it was represented to them that LURA would provide assistance in finding a relocation site, but that never happened so they had found two potential sites on their own and had Pinnacle look at the sites. She stated that they were told that the necessary modifications for the sites were about $250,000 and was excessively expensive and wouldn’t be appropriate sites. She stated that they had tried making contact with Pinnacle via telephone for two years, but the local phone number that Marcus Boyd with Pinnacle had was no longer in service. She stated that she then tried to reach him by email, at which time she was informed that the 18-month time period had expired in 2012 and not 2011. She stated that she had found her own site at 1405 SW Lee Boulevard in November of 2011 and relocated herself. She stated that they are just asking for reimbursement of the funds they spent getting the site up to City Code and DHS regulations.

Chairman Sheppard asked when and to whom they submitted their paperwork for reimbursement of relocation expenses.

Mrs. Mitchell stated that she submitted the paperwork to Marcus Boyd in January of 2013. She added that, at that time, she was told that there was no time limit to submit for relocation expenses.

Mr. Mitchell stated that, at the time the project began, they were informed that part of the agreement was that LURA would provide assistance to them in finding a relocation site. He stated that they had found two possible sites and had Aaron Adkins come out to look at the sites. He stated that Aaron told them that they would not be acceptable sites. He stated that they received no assistance whatsoever from LURA. He stated that he and his wife understood the agreement, but found that they received no assistance in finding a location which was part of that agreement. He stated that they had not heard from Aaron for a long time, so their primary contact was Marcus Boyd. He stated that, when they recently spoke to Marcus, they were informed that the time period to claim relocation expenses had expired. He stated that they just wanted to recover the approximate amount of $15,000 that they put into the new location to bring it up to Code.

Mrs. Mitchell stated that, in addition to the relocation expenses, they wanted to claim the two-year rent differential as well.

Chairman Sheppard asked what kind of documentation Pinnacle maintains about the notification of the displacees.

Mackey stated that he received information from Pinnacle about the notification to the displacees of the 18-month time period to claim reimbursement of relocation expenses. He stated that Aaron Adkins informed him that Mr. & Mrs. Mitchell were first notified in writing on July 11, 2007 when the original relocation interview was held. He stated that they were notified in writing again on March 12, 2008. He stated that moving and storage expenses were claimed in 2010 and 2011, and the claim forms stated in bold print that there was an 18-month time period to file a claim.

Mr. Mitchell stated that the paperwork also stated that LURA was supposed to assist them in any way possible to find a relocation site, but they received no assistance at all. He added that they only received a copy of the previous claim forms possibly twice, so the assertion that they received copies of all claim forms is not accurate. He stated that, in 2012, Marcus Boyd had told them that the time period had been exceeded.

Rogalski stated that LURA’s assistance is financial. He stated that all previous displacees would look for potential sites and have them evaluated by Pinnacle and the City.

Chairman Sheppard stated that LURA’s obligation is to the citizens of Lawton and to comply with HUD regulations. He stated that all relocations were handled in the same manner, and proper notification was given to all parties. He stated that this issue has not come up with any other displacee, so it appears that Mr. & Mrs. Mitchell’s situation is the only exception. He added that LURA fulfilled all of their obligations under the HUD regulations.

Johnson stated that it appears that LURA had complied with all regulations, and it appears that there is no good cause to waive the time period. He stated that he would like to have Aaron attend the next meeting and provide the documentation showing that LURA and Pinnacle have complied with all regulations.

Chairman Sheppard asked why, if they found and relocated to their new site in November of 2011, the claim for relocation expenses is just being done.

Mrs. Mitchell stated that she didn’t know that there was a time limit to claim relocation expenses. She stated that she saw the brochure, but it didn’t have any date specified. She stated that she didn’t have any contact with Pinnacle to know. She stated that she felt like she was left out in the cold. She stated that, when she talked to Marcus, he indicated that it was her responsibility to make the claims in the required time period. She stated that, previously, Marcus told her that there was no time limit to make claims for relocation expenses.

Mr. Mitchell stated that Pinnacle never assisted them in finding available properties for relocation. He stated that they had to contact Pinnacle to come out to sites that they had found themselves. He added that Marcus indicated that it should not be a problem to extend the time limit.

Mackey stated that all claim forms stated that all claims need to be filed within 18 months from the date that the displacee vacates their original property.

Rogalski stated that Little Blessings Learning Academy vacated the property on June 15, 2010.

Mackey stated that the 18-month period would have expired on December 15, 2011.

Mrs. Mitchell stated that they were not aware of the 18-month time limit and just found their replacement site in November of 2011.

Johnson asked Mr. & Mrs. Mitchell if they notified Pinnacle of the new site.

Mrs. Mitchell stated that she tried, but could not reach anyone from Pinnacle. She stated that Marcus had a local phone number, but it was disconnected.

Chairman Sheppard stated that the first issue is whether or not Mr. & Mrs. Mitchell were properly informed of the 18-month time period. He stated that, if research proves that proper notification was given, the second issue is whether or not LURA wants to deviate from the relocation procedure followed in all of the other properties in the project area.

It was decided that the Authority won't take action on this item until Aaron Adkins can be at the meeting with documentation on the relocation issues presented today.

No action was taken on this item.

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6. DISCUSS THE CURRENT STATUS AND POSSIBLE DISPOSITION OF PROPERTIES OWNED BY THE LAWTON URBAN RENEWAL AUTHORITY, AND TAKE APPROPRIATE ACTION AS NECESSARY.

The Authority owns several properties in the Lawton View area and in the downtown area. The majority of the property in the Lawton View area has been under a development contract with Zoe NEED Program since 1999, and yet remains undeveloped. More recently Habitat for Humanity has constructed several homes, but that has also slowed.

Rogalski stated that there are many 25-foot wide lots that are considered non-buildable due to their size. He stated that the only thing that can be done with those lots is to offer them for purchase to the adjacent property owner. He stated that there are several lots that were included in an Agreement with Habitat for Humanity. He stated that there was a reversionary clause where LURA would reclaim the property if it was not developed within two years. He stated that there is an issue with those lots, because LURA actually deeded the properties to Habitat for Humanity.

Evers asked if LURA was paying to mow the lots that were deeded to Habitat.

Rogalski stated that Habitat has ownership of them and is responsible for mowing and paying the taxes on those lots.

Rogalski stated that there are several alleys that have been previously closed, but, since some of those areas are being traveled on by the public, it might be prudent to re-open those alleys or streets.

Rogalski stated that he has recently gotten interest on lots in the area by three different parties. He stated that the Airport Authority is interested in some of the lots located on SW Bishop Road to keep it undeveloped. He stated that Zoe N.E.E.D. Program may be interested in some of the property as well. He stated that Verde Investments has also shown some interest in the lots to build rental properties.

Rogalski stated that there were some strange situations in the area where streets and right-of-ways were closed and then re-opened.

Dollarhite stated that there are some strange areas where there are half streets. She stated that the streets were closed but not vacated.

Chairman Sheppard asked if LURA or the City owned the closed areas.

Rogalski stated that, if the closed area was right-of-way, the City would own it.

Evers asked if LURA was responsible for mowing the greenbelt area that is owned by the City.

Rogalski stated that the Park and Recreation Division of the City mows the greenbelt areas.

Evers asked why Habitat for Humanity hasn't built any new homes recently.

Rogalski stated that Staff had heard that Habitat was having difficulty qualifying people for homes.

Johnson asked about the conversation Rogalski had with Verde Investments.

Rogalski stated that the issue is how LURA wants to go about releasing the property. He stated that it can all be offered to one party or just sell the property on a case-by-case basis.

Johnson asked if Zoe N.E.E.D. was interested in purchasing property.

Rogalski stated that they are interested in purchasing some of the property and have the means to do so.

Brox asked if the property had been appraised.

Rogalski stated that it has not been appraised yet. He stated that Staff just worked on assembling documentation that reflected all of the property that LURA owns. He asked if the Authority wanted the property advertised in one lump sum or sell it to separate buyers.

Chairman Sheppard suggested that signs be put out on the properties to advertise them for sale.

Rogalski stated that the property can be listed with a realtor and each property can be negotiated on its own. He stated that Staff could advertise the property open for realtors to list, sort of like an RFP.

Chairman Sheppard stated that he would like to see the plans on what a purchaser wants to do with the property.

Rogalski stated that he will find out what the interested parties want to do with the property. He added that it would be possible for LURA to go through the process of obtaining a variance so that the current non-buildable corner lots would be able to be developed.

Evers stated that he would like Staff to contact Habitat for Humanity and determine what they wish to do with the property that LURA deeded to them.

Johnson stated that he remembered a time when property owners adjacent to non-buildable lots were offered the opportunity to purchase the lots.

Dollarhite stated that the adjacent property owners were approached in 2007, and several, but not all, lots were sold.

Chairman Sheppard stated that, since quite a few years have passed, the adjacent property owners may now wish to purchase a lot. He added that they should be informed that there are other interested parties, but LURA wanted to give them the first opportunity to purchase the lots. He stated that they should also inform all interested parties that LURA would be obtaining a variance so that the lots will be able to be developed.

No action was taken on this item.

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7. PURSUANT TO SECTION 307B.3 AND 307D, TITLE 25, OKLAHOMA STATUTES, CONSIDER CONVENING IN EXECUTIVE SESSION TO DISCUSS GRANTING EXECUTIVE DIRECTOR RICHARD ROGALSKI AND JOHN C. MACKEY, JR. (JACK) FULL DISCRETIONARY AUTHORITY TO SETTLE LURA V. JEFFERSON, ET AL., COMANCHE COUNTY CASE NO.: CJ-09-1291, AND TAKE APPROPRIATE ACTION IN OPEN SESSION. THIS CASE INVOLVES ACQUISITION OF PROPERTY LOCATED WITHIN THE DOWNTOWN REDEVELOPMENT PROJECT, PHASE 1A AREA.

In LURA v. Jefferson, et al., Comanche County Case No.: CJ-09-1291, an offer to settle this case has been presented by Mr. Jefferson, which requires discussion in executive session. Materials for this discussion shall be distributed at the meeting.

MOTION by Evers, SECOND by Johnson, to enter into executive session.

VOTE ON MOTION: AYES: Brox, Johnson, Evers, Sheppard. NAYS: None. MOTION CARRIED 4 – 0.

The board convened in executive session at 1:45 p.m. and reconvened in open session at 1:54 p.m.

MOTION by Evers, SECOND by Johnson, to grant Executive Director, Richard Rogalski, and John C. Mackey, Jr. (Jack) full discretionary authority to settle LURA v. Jefferson, et al., Comanche County Case No.: CJ-09-1291, up to a maximum amount as determined in executive session.

VOTE ON MOTION: AYES: Evers, Sheppard, Brox, Johnson. NAYS: None. MOTION CARRIED 4 – 0.

8. REPORTS AND COMMENTS

None.

9. ADJOURNMENT

There being no further business the meeting was adjourned at 1:58 p.m.

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Ernest Sheppard, Chairman

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Jerry Evers, Secretary

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