

Yukon Economic Development Authority
January 23, 2014

The Yukon Economic Development Authority met in regular session on January 23, 2014 at 3:00 p.m. in the Council Chambers of the Centennial Building, 12 South Fifth Street, Yukon, Oklahoma.

ROLL CALL: (Present) Ray Wright, Chairman
 John Alberts
 Mike Geers
 Rena Holland
 Ken Smith

(Absent) John Nail, Vice-Chairman

OTHERS PRESENT:

Leslie Batchelor, Attorney

Doug Shivers, City Clerk

Sara Hancock, Deputy City Clerk

Philip Merry, Finance

Larry Mitchell, Executive Director

Mike Segler, City Attorney

Amy Phillips, Administrative Assistant

1. Consider approving the minutes of the Special Meeting of November 21, 2013

The motion to approve the minutes of the Special Meeting of November 21, 2013, was made by Ken Smith and seconded by Mike Geers.

The vote:

AYES: Smith, Geers, Holland, Wright, Alberts

NAYS: None

VOTE: 5-0

MOTION CARRIED

2. Consider approving the minutes of the Special Meeting of December 18, 2013

No Quorum in December - No motion was made and no action was taken.

3. Consider nomination and selection of a candidate to fill the vacancy for

Trustee No. 4

The motion to nominate and select, Tara Peters, as a candidate to fill the vacancy for Trustee No. 4, was made by Ray Wright and seconded by Ken Smith.

The vote:

AYES: Alberts, Wright, Smith, Holland, Geers

NAYS: None

VOTE: 5-0

MOTION CARRIED

4. Report from Executive Director – Information Items Only**A. Updated Hotel/Motel Revenue Report, FY 2013-2014****B. Draft of proposed Frisco Road Economic Development plan (hand out at meeting)****C. Status of Hotel/Conference Center Project**

Larry Mitchell stated the Hotel/Motel tax is \$9,000.00 below last year. He believes I-40 construction is part of trend. The new hotel should open in the next 60 days. This may help improve trend.

The Review Committee met today and adopted and unanimously approved the Frisco Road Economic Development Project Plan and adopted the Resolution. It will be forwarded to the Planning Commission with the Public Hearing on February 10 and then to the City Council with two Public Hearings. Mr. Wright wanted to know when this body would approve it. Mr. Mitchell stated the Authority's role is to implement plan after the City Council approves. Ms. Batchelor stated individual projects will come to this committee.

Mr. Mitchell gave a summary of projects, sales tax revenue stream of \$9 to \$12 million per year. TIF captures only \$.02 of undedicated tax. Mr. Alberts clarified \$.04 will be generated by sales tax, which \$.02 of the \$9 to \$12 million will go to the TIF, until infrastructure paid and the other \$.02 will go to the City. Mr. Mitchell stated yes. Mr. Wright stated we have moved onto Item 5.

5. General Discussion/Questions regarding the item 4 information

Mr. Alberts stated the report refers to the area being developed out in 20-25 years. However, report does not give project development information within the first five years. Mr. Mitchell stated 250,000 square feet of retail space should be built within three to five years and matures at year 21 in the report. The full report is available in Mr. Mitchell's office. The report was requested, because Mr. Mitchell wanted to match revenue stream projections with projected expenditures. Ms. Batchelor added three points: 1. Report is just a mathematical calculation at this point, market study needs to be done. This report based on assumptions. Need to know real market. 2. Projections used for TIF plan are more conservative, because of no market study. 3. Revenue captured is 90% of the 2% to protect general fund against no new sales. Mr. Mitchell stated it is hard to get ballpark number, need a master plan, which is under development. The report also talked about 1,500 to 2,000 full time jobs created, as a result of development. Numbers were based off a national model. Mrs. Holland stated she was left off trustee list. Ms. Batchelor will correct. Mr. Alberts questioned TIF numbers being conservative. Ms. Batchelor stated plan includes anticipated new revenues. Ms. Batchelor stated report shows \$300,000 annually to \$3 million in the long run. These numbers were used versus the \$9-12 million in Economic Impact report. Mr. Mitchell stated there will be a Public Hearing at Planning Commission on February 10 and hoping for second Public Hearing at the second meeting of City Council. Mr. Alberts asked where the TIF is. Mr. Mitchell stated when approved by City Council, TIF is established. Mr. Alberts wanted to know when TIF document will be drafted. Mr. Mitchell stated plan is document. Mr. Wright questioned if financial agreements would come before this body to be approved. Mr. Mitchell stated correct. Mr. Alberts asked, if plan approved by City Council, does that approve the \$.02 dedication to TIF. Mr. Mitchell stated yes. Ms. Batchelor stated once City Council establishes TIF via Ordinance, there will be a separate place to capture new revenues according to this plan. Actual spending of those revenues will have to go through the usual

formal approval processes. She further stated it could be helpful to have further instruction from City Council to Yukon Economic Development Authority about the division of responsibility. Mr. Mitchell stated, if no development in the TIF district, then there is no revenue stream. TIF sets up structure for development. Mr. Geers questioned road in TIF. Mr. Mitchell stated City would pay for and then hopefully be reimbursed from TIF.

Mr. Mitchell stated the Hotel Conference Center Project is getting close. There are two issues they are still working on, site plan and flag for the hotel. We think we are 95% complete on development agreement.

6. Setting the date for the next Regular Economic Development Meeting for February 27, 2014 at 3:00pm, in the Council Chambers of the Centennial Building, 12 S. Fifth St.

7. Adjournment