

# **Yukon Economic Development Authority Agenda**

Centennial Building - 12 South 5<sup>th</sup> Street

May 22, 2014 – 3:00 p.m.

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The City of Yukon strives to accommodate the needs of all citizens, including those who may be disabled. If you would like to attend this Council meeting but find it difficult to do so because of a disability or architectural barrier, please contact City Hall at 354-1895. We will make a sincere attempt to resolve the problem. If you require a sign-language interpreter at the meeting, please notify City Hall, 500 West Main, by noon, May 21, 2014.

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## **Call to Order:**

**Roll Call:** Ray Wright, Chairman  
John Nail, Vice-Chairman  
John Alberts  
Mike Geers  
Rena Holland  
Ken Smith  
Tara Peters

## **1. Consider approving the minutes of the April 24, 2014 Regular meeting.**

### **ACTION**

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## **2. Presentation by John Reid, Oklahoma Business Roundtable (Information Only).**

## **3. Introduction and General Discussion of Master Planning Concepts for Frisco Road Economic Development Project (Butzer Gardner Architects).**

## **4. Report from Executive Director with discussion and questions**

**A. Updated 2014 Market Place Profile**

**B. Leads and Locates April 30, 2014; Greater Oklahoma City Partnership**

**C. ACOG Transportation Alternatives Grant Program**

## **5. Informational Material (handouts)**

**A. Texas Rides a Wave of Growth; April 2014; Real Estate Forum**

**B. Texas to pay \$10,000 for each Toyota job; April 2014; The Wall Street Journal**

## **6. Setting the date for the next Regular Economic Development Meeting for June 26, 2014 at 3:00pm, in the Council Chambers of the Centennial Building, 12 S. Fifth St.**

## **7. Adjournment**

# Yukon Economic Development Authority

April 24, 2014

The Yukon Economic Development Authority met in regular session on April 24, 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 Nail, Vice-Chairman  
John Alberts  
Mike Geers  
Rena Holland

(Absent) Ken Smith  
Tara Peters

## OTHERS PRESENT:

Grayson Bottom, City Manager  
Leslie Batchelor, Attorney  
Doug Shivers, City Clerk  
Sara Hancock, Deputy City Clerk

Mike Segler, City Attorney  
Larry Mitchell, Executive Director  
Gary Cooper, Technology Director  
Amy Phillips, Administrative Assistant

## 1. Consider approving the minutes of the March 27, 2014 Regular meeting

The motion to approve the minutes of the March 27, 2014 Regular meeting, was made by Mike Geers and seconded by John Alberts.

### The vote:

**AYES: Holland, Geers, Alberts, Nail, Wright**

**NAYS: None**

**VOTE: 5-0**

**MOTION CARRIED**

## 2. Consider approval of a professional planning service firm as recommended by the Executive Director, and authorizing the Chairman to execute a professional service contract, for a period of one year, beginning July 1, 2014, contingent upon the approval by the City of Yukon

The motion to approve of a professional planning service firm as recommended by the Executive Director, and authorizing the Chairman to execute a professional service contract, for a period of one year, beginning July 1, 2014, contingent upon the approval by the City of Yukon, was made by John Alberts and seconded by Mike Geers.

Mr. Mitchell handed out a memo with the recommendation and background information of firms. Yukon Economic Development Authority (YEDA) had received four proposals and all were qualified. They did interviews and all firms do architectural engineering work. Based on the information supplied, recommendation was made for Butzer Gardner Architects/Johnson & Associates. Johnson & Associates also has an arrangement with Triad Engineering. They are very familiar with the City of Yukon. Butzer Gardner has a good history and reputation in Oklahoma City. A couple of their projects are the Skydance Bridge and OKC National Memorial. Johnson & Associates did the master plan for the Chesapeake campus. Mr. Mitchell stated Mrs. Holland sat in on three of the interviews and he would appreciate her input. Mrs. Holland agreed with Mr. Mitchell's recommendation. The firm was far ahead in their thinking. Mr. Mitchell stated their material is available to look at.

**The vote:**

**AYES: Holland, Geers, Wright, Alberts, Nail**

**NAYS: None**

**VOTE: 5-0**

**MOTION CARRIED**

Mr. Wright thanked everyone, it is a great decision.

**3. Review and discuss the proposed Memorandum of Understanding, regarding the Frisco Road Economic Development Project Plan, between the City of Yukon and the Yukon Economic Development Authority.**

Mr. Mitchell stated this is the preliminary draft for review. Mrs. Batchelor drafted this and it captures the spirit of what we are trying to do and follows the Trust Indenture. Mrs. Batchelor stated this gives us the framework of relationship between YEDA and City Council. We need to make sure spending and procurement policies are understood. Most will come through the approved YEDA budget. Any departures from that will take a separate document to be set out in Resolution form. Mr. Mitchell stated it typically follows the City's purchase policy. We have discussed placing a cap by tying it to the budget. Mrs. Batchelor stated we may want to treat TIF eligible expenses separate from other expenses.

Mr. Wright asked if we have to go to City Council on items other than TIF. Mr. Mitchell stated no, as long as they were approved in budget. Mr. Mitchell has included a draft operating budget and draft summary budget. As of right now there are no revenues to be used, there will be a transitional period.

Mrs. Batchelor stated under the Local Development Act, there are certain things the City government cannot delegate to the Trust, such as approval or issuance of debt, any agreement for assistance development financing or proposed changes in zoning or land use. Also, when apportioning of TIF funds, it is an accounting function. The YEDA Trust figures out and structures how to pay for things.

Mr. Wright asked if the next step was to send Memorandum to City Council for approval. Mr. Mitchell stated yes. They will approve and then send back to YEDA. Mr. Alberts asked if Mr. Segler has looked at. Mr. Segler stated yes, very clear and well written. Mr. Alberts asked if it is Mr. Segler's role to look at it from the City's standpoint. Mr. Segler stated yes. Mr. Geers questioned budget. Mr. Mitchell stated we have umbrella budget.

Mr. Wright stated initially Trust has no TIF money to pay, so will Trust reimburse City? Mr. Bottom stated yes. Mr. Mitchell stated example is City can build Health Center Parkway and Trust will pay back. Not necessarily in a lump sum, but by setting up payments. Mr. Bottom stated it is not in YEDA's best interest for 100% of the collections to go back to the City at once. Some will be withheld for other activities for YEDA.

Mr. Bottom stated it is a good idea to tie it to the budget, as far as the cap, and all amendments should go through Council approval. Spending authorities are granted by Resolution and everything above that is by Council approval. Mr. Wright stated Councilman McEachern wanted YEDA to take care of small expenses. Mr. Alberts questioned who the accountant is. Mr. Bottom stated JI Johnson. Mr. Segler stated Mr. Johnson can make a recommendation, but does not determine amount of payback.

Mr. Wright stated we will send the Memorandum of Understanding on to the City Council.

#### **4. Report from Executive Director**

**A. Review preliminary operation budget for FY 2014-2015**

**B. Overview of February 2014, Oklahoma Labor Market "Dashboard" information**

**C. Review examples of Requests for Development proposals Yukon, OK is currently receiving**

**D. Update on the 2014 Oklahoma Main Street calendar**

Mr. Mitchell provided an example and summary estimates of Revenue and Expenses for the Authority. Once we actually start receiving revenues, we will have detailed activity sheet attached. Mr. Alberts asked if it would be approved monthly, similar to the Council Meeting. Mr. Mitchell stated yes, similar to approving a claims list. He stated there won't be much revenue activity until end of August or beginning of September.

Mr. Mitchell stated they have established an estimated operational budget for the Yukon Economic Development Authority for FY14-15. Currently the money for the budget is coming from the Hotel/Motel Tax. There should be some transition within the year for some of the budget to be paid from the TIF District. The Administration part of the budget is a TIF eligible expense. Also, there will be some Main Street costs, due to the City of Yukon being accepted into the Main Street Program. The budget

will likely break into three divisions: TIF District, other related projects, and Main St. The budget for fiscal year 15-16 should reflect this.

Mr. Mitchell included a “Dashboard” Report on unemployment data. Oklahoma City is still around 5% unemployed. Excellent rate compared to national statistics.

Mr. Mitchell attached requests for development proposals the Department of Commerce receives from businesses. They are looking for land, buildings, etc. Occasionally we can respond.

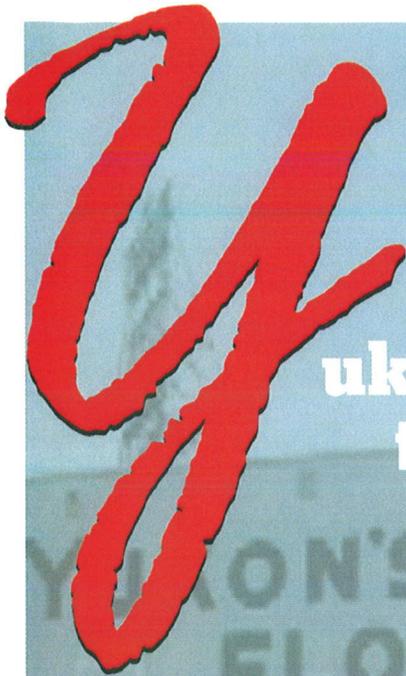
He discussed the schedule for the Main St. Program. There is a banquet on May 6 and they will announce that we were accepted to the program.

Hotel/Motel Tax Report stated we are down \$9,500 from last year. Mr. Bottom stated the Fairfield Inn is open. The Grand Opening will be May 12.

**5. General Discussion/Questions regarding Item 4 information.**

**6. Setting the date for the next Regular Economic Development Meeting for May 22, 2014 at 3:00pm, in the Council Chambers of the Centennial Building, 12 S. Fifth St.**

**7. Adjournment**



**Yukon is thriving.**

**YUKON PRIMARY TRADE AREA**

April 2014

65% of Closest Customers  
2013 Census Estimate (14 Minute Drive Time)

2013 Population:	105,440
2013 Median Household Income:	\$57,041
2013 Employees:	50,133
2011 Traffic Count: VPD (Mustang Rd.)	59,500

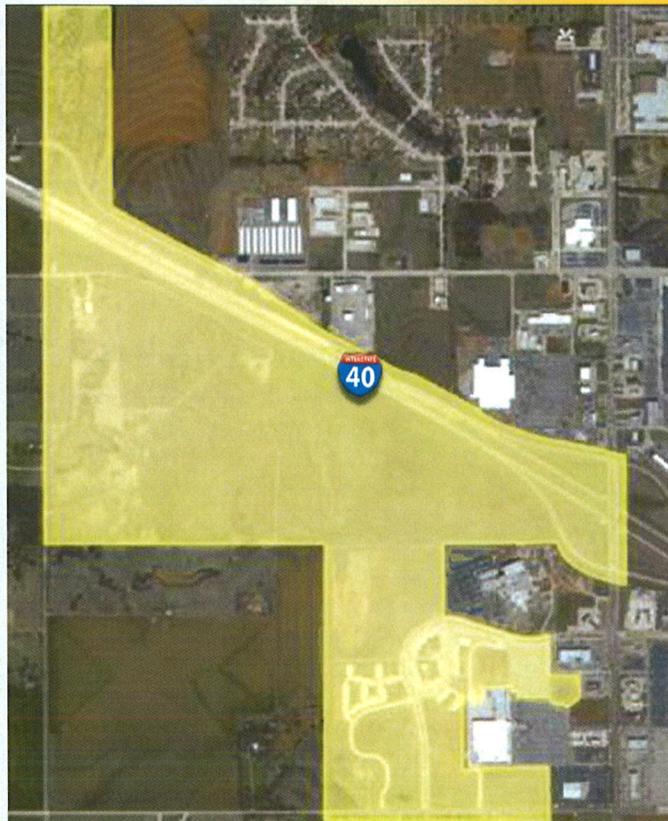
**YUKON SECONDARY TRADE AREA**

April 2014

85% of Closest Customers  
2013 Census Estimate (28 Minute Drive Time)

2013 Population:	611,933
2013 Median Household Income:	\$48,368
2013 Employees:	396,919
2011 Traffic Count: VPD (Mustang Rd.)	59,500

**FRISCO ROAD RETAIL TIF DISTRICT**



**BUSINESS IN OR NEAR DISTRICT**

- INTEGRIS CANADIAN VALLEY HOSPITAL
- FAIRFIELD INN AND SUITES
- HAMPTON INN
- HOLIDAY INN EXPRESS
- BIG LOT'S
- DUSTEE'S
- FAMOUS FOOTWEAR
- HOBBY LOBBY
- KOHL'S
- LOWE'S
- PETSMART
- TARGET
- WALMART
- CHILI'S
- JOHNNY CARINO'S
- LOGAN'S ROADHOUSE
- LOUIE'S
- RIB CRIB
- STARBUCKS



**FOR MORE INFORMATION CONTACT:**

Grayson Bottom  
City Manager  
gbottom@cityofyukonok.gov

Tammy Kretchmar DeSpain  
Assistant City Manager  
tdeSpain@cityofyukonok.gov

Larry Mitchell  
YEDA Executive Director  
lmitchell@cityofyukonok.gov

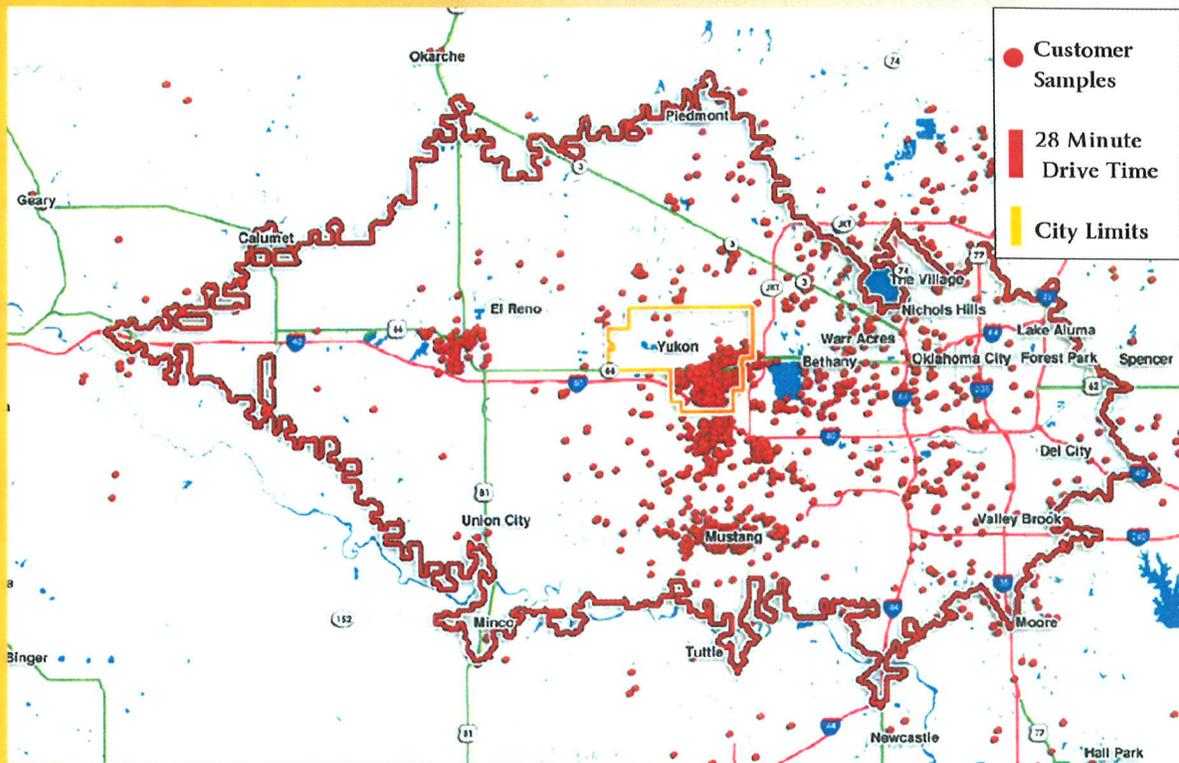
City of Yukon, Oklahoma  
405.350.4700  
www.cityofyukonok.gov

# Yukon, Oklahoma

The City of Yukon is a suburb on the western boundary of Oklahoma City. It is located on Interstate 40 and is a quick 15 minute drive from downtown Oklahoma City. The western loop of the Kilpatrick Turnpike is nearby. Yukon is located in Canadian County, which is the fastest growing area in the state of Oklahoma.

Yukon's potential 200+ acre commercial site is adjacent to I-40 and offers many attributes. It benefits directly from the increasing Oklahoma City metro area traffic counts and the growing volume of traffic from the western Oklahoma communities into the metro area. The site is also convenient to several expanding residential neighborhoods located in Yukon, western Oklahoma City, Mustang, and El Reno.

## Yukon, Oklahoma SECONDARY RETAIL TRADE AREA



### Yukon is within the defined Oklahoma City metropolitan area, which experts say is:

- Yukon ranked No. 3 "Best Places to Live in the State" according to Movoto Blog, February 2014.
- CNN Money ranked Canadian County as the 25th fastest growing county in America for job growth.
- Ranked 7th as "Best Metros for Small Business" according to The Business Journals, April 2014.
- 9th among America's most affordable cities according to Forbes, March 2014.
- Listed 7th on CNN Money's "10 Fastest Growing Cities" list, March 2014.
- Ranked No. 9 on NerdWallet.com's "10 Best U.S. Cities for Job Seekers" list, January 2014.
- The most recession proof area in the U.S. according to Forbes.



**GREATER OKLAHOMA CITY PARTNERSHIP**

**LEADS AND LOCATES**

**April 30, 2014**

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**LOCATES**

- **Baker Hughes** – Oil and gas industry equipment and services company will be consolidating some of their existing OKC facilities/operations to a 75 acre site at N. Santa Fe and the turnpike. Company will also be locating two new manufacturing operations at this location. 475 new jobs at an average wage of \$43,000 and an anticipated capital investment of \$128M-\$150M.
- **Northrup Grumman** – Aerospace firm is shifting additional operations to Oklahoma City. Company has leased additional space on SE 59<sup>th</sup> (former ARINC facility) and has added 150 jobs at an average wage of \$86,500.
- **Tapstone Energy** – Oil and gas company is locating in a building in Bricktown. Company plans to make \$10M in upgrades/rehab of the facility and anticipates adding 150 jobs at an average wage of \$147,000.
- **Lugo Manufacturing** – California-based high-end custom trailer manufacturer has relocation their operations to OKC. The company noted that they could no longer operate successfully in California. Company anticipates creating 50 new jobs at an average wage of \$35,460. Company has located in a facility in the industrial park just north of the Will Rogers World Airport.

**PROJECTS LOST**

- **Project Flexo** – Manufacturer of flexible packaging seeking an existing, rail-served, 75,000 building that can be expanded to 200,000 sq.ft. Need to be able to raise a portion for of the facility to 80'. Ideal location is in the eastern portion of the state (eastern OKC and east). 180 jobs and capital investment of \$60M. Shared with the Partnership on 4-15-14. Only one potential existing building in OKC – submitted and dismissed (client company was seeking a facility with a “clean” prior use (some of their product will be ‘food grade’).

**LEADS**

- **Project MOLA** – National site selection consultant seeking an existing 350,000 sq.ft. facility with 22' clear height for a photovoltaic manufacturing client. Company will also consider a 30 acre BTS site. Consultant will only accept the submittal on one existing facility and one BTS site for the region (if the OKC region makes the next cut, we will have the opportunity to put additional real estate opportunities on the table). 620 jobs with “competitive compensation and benefit packages” (based on industry norms, this would likely equate to average wages in the low to mid-\$40s). Anticipated capital investment of \$195M. Heavy water (1M GPD), sewer (650k GPD) and electric power usage (20-30MW). Shared with the Partnership on 4-11-14. Submitted a building in OKC (only existing building in the region of this size) and a site in Stillwater.

- **Project Banjo** – National, name-brand, company seeking a central US location for a wood products manufacturing facility. Company prefers an existing 350,000 – 400,000 sq.ft. facility with 24' clear height. Company will also consider a BTS site of 25 acres. 225 jobs with average wages in the mid to upper \$20s. Capital investment of \$20M. Shared with the Partnership on 4/3/14.
- **Project Parchment** – National site selection firm conducting the initial information gathering for a US-based financial services client. The planned operation will employ 150-200. Data collection at this point is focused on regional demographics and list of the largest financial services and IT firms as well as the region's primary employment sectors and labor force information on financial services and IT occupations. If the OKC region makes the cut to the next round of investigation we anticipate receiving desired building specifications and requirements which will be shared with the Partnership.
- **Project Compass** – National site selection firm conducting the initial information gathering for a financial services client. The planned operation will employ 300+ with entry wages in the \$35k - \$90k range. Data collection at this point is focused on regional demographics and list of the largest financial services and IT firms (those with 200+ employees). If the OKC region makes the cut to the next round of investigation we anticipate receiving desired building specifications and requirements which will be shared with the Partnership.
- **Project Pangaea** – National site selection firm conducting a search for a new North American headquarters for a technology industry client. Initial anticipated employment of 75 – with average wages in excess of \$50k. Company may combine their headquarters and production operations, which could lead to significant additional growth (+400) by 2018. Consultant gathering info on other headquarters operations in the region as well as major employment sectors and firms, higher educational institutions and engineering graduate pipeline. Consultant also asked for case studies/examples of recent significant corporate expansions/recruitments with an emphasis on demonstrating the area's ability to attract and support this type of operation. If the OKC region makes the cut to the next round of investigation we anticipate receiving desired building specifications and requirements which will be shared with the Partnership.



May 13, 2014

John Sharp, Program Coordinator  
Association of Central Oklahoma Governments  
21 E. Main Street, Suite 100  
Oklahoma City, OK 73104

Dear Mr. Sharp;

The City of Yukon and the Yukon Economic Development Authority have been working together on a comprehensive redevelopment strategy for the community's downtown business district. For the past two years, the City has undertaken a significant planning effort to identify traffic design concepts that will create a more compatible inter-modal and pedestrian friendly environment along the Route 66/Main Street corridor.

We believe that the ACOG Transportation Alternatives Grant Program will be an excellent way and first step for the City to improve access to bike and pedestrian activities along Route 66/Main Street. The idea of connecting this trail system to the Oklahoma City network, on Lakeshore Drive and Lake Overholser, will provide Yukon residents access to a metropolitan recreation experience. We also believe that this regional trail system will encourage residents to expand their outdoor activities.

Finally, the Yukon Economic Development Authority is currently working through the Oklahoma Main Street Program to promote a major redesign of the Route 66 and State Highway 4 intersection that promises to be the new gateway into the City's central business district. This redesign of the Main Street corridor will include an urban park and streetscape around the Union Pacific railroad and Route 66 crossing. In the future, the Authority hopes to make other infrastructure improvements that will accommodate and support a friendlier environment for both pedestrians and cyclists.

If you should have any questions regarding this letter of support, please feel free to call or visit my office.

Respectfully,

A handwritten signature in blue ink, appearing to read "Larry Mitchell".

Larry Mitchell  
Executive Director, Yukon Economic Development Authority