

**TOWN OF CARLTON LANDING
REGULAR MEETING OF THE CARLTON LANDING ECONOMIC DEVELOPMENT
TRUST**

This meeting shall be by videoconference/teleconference participation:
Saturday; May 15, 2021; 8:00 a.m.

MINUTES

1. Call to Order

The meeting was called to order at 8:00 a.m. by Mayor Chinnici.

2. Roll Call

PRESENT: Joanne Chinnici
Mary Myrick
Kris Brule
Chuck Mai
Clay Chapman

ABSENT None

Consent Items

3. Approval of Minutes:

a. Regular Meeting of the CL Economic Development Trust on April 17, 2021

4. Acknowledge receipt of Claims and Purchase Orders Report

MOTION: A motion was made by Mai and seconded by Brule' to accept the consent agenda as presented.

AYE: Myrick, Chinnici, Brule, Mai, Chapman

NAY: None

5. Items Removed from Consent Agenda.

6. Presentation by Developer, Grant Humphreys, on Towns Return on Investment from Tax Increment Financing – Infrastructure Reimbursement Program.

Exhibit: ROI for TIF Infrastructure Reimbursement

Grant explained the relationship between infrastructure re-imburement and return on investment to be realized through the TIF.

7. Consider, discuss and possibly approve, revise, amend or deny a Marina Project Agreement between Humphrey's Partners 2009, LLC, the Town of Carlton Landing and Carlton Landing Economic Development Authority for the development and certain improvements of the Marina, or take any other appropriate action.

Exhibit: Marina Development Agreement, Map of Dock, DRAFT TIF Budget Review

The Phase 1 of the Marina Center has been designed in accordance with the requirement of the Eufaula Lakeshore Management Plan Revisions and Master Plan Supplemental Final Environmental Impact Statement, Lease No. DCW56-1-15-268. The Developer, Humphrey's Partners 2009, LLC. is wanting to move forward with the relocation of the Marina and docks to its final identified location, per the Lease agreement. The U.S. Army Corps of Engineers has been inquiring and seeking to move forward with the relocation of the Marina and docks.

There is general Town infrastructure that needs to be constructed to provide access to the area and support the development. The Developer is proposing a partnership between the Developer, Town of Carlton Landing and Economic Development Trust which would let the Developer put in the needed infrastructure for the development through a project agreement. The Agreement provides that the Developer would put in the infrastructure on a re-imbursement basis with a not to exceed amount. The Agreement caps the Town's contribution for re-imbursement at \$1,252,169.00.

Previous discussions and planning had a project estimate of \$950,000.00, which was prepared several years ago. There are two elements that have increased the project cost. First, material and construction costs have increased since the original estimate, especially in the past six to eight months. Second, the Developer has incorporated a longer public walkway within this phase of the project. The added walkway allows the addition of two more dock sections. The added docks will increase the original total of boat slips from eighty-two (82) to one hundred forty-six (146).

The 2021 TIF Revenue Note projection is approximately \$1,191,424.00, after issuance costs. Last year's TIF Review Committee recommendation and preliminary discussion in preparation for 2021-2022 Budget, proposes to allocate \$250,000.00 for the Marina Project. Other proposed projects are Community Center (\$550,000.00), Stephens Road (\$250,000.00), and Alley Improvement Phase 3 (\$138,100.00). This model allows for other projects to be continued and or completed and it means entering an FEA (Funding Eligibility Agreement) with the Developer. If we maintain the same annual payment of approximately \$250,000.00 it will take five (5) years to repay the Marina Project FEA, which would mean paying interest on the outstanding balance.

The Developer is preparing to start development of Phase 6. Once completed the Developer will be eligible to twenty-five (25%) percent re-imbursement of the infrastructure costs. The Developer anticipates it will be next year when he submits a request for infrastructure re-imbursement. While no estimate for Phase 6 re-imbursement has been provided, Phase 5a was \$912,829.00, On the TIF possible project list \$1,000,000 has been provided for Developer re-imbursement. Based on current TIF Revenue projections, it is likely the Town will need to enter an FEA with the Developer for the infrastructure re-imbursement. If sales of lots continue at 2020 rates, the Developer may quickly start Phase 7. The Rural Water District is projected to award the contract for the Wastewater Treatment Plant on Saturday May 15, 2020.

In projecting for TIF Revenue Note 2022, the TIF Committee placed \$500,000.00 for Developer Re-imbursement. As the TIF Committee and the Board continue to plan and look ahead, we will need to balance the ‘financing’ of projects or waiting until funds are available.

MOTION: A motion was made by Mai and seconded by Chinnici to approve a Marina Project Agreement between Humphrey’s Partners 2009, LLC, the Town of Carlton Landing and Carlton Landing Economic Development Authority for the development and certain improvements of the Marina.

AYE: Myrick, Chinnici, Brule, Mai, Chapman
NAY: None

8. Consider, discuss and possibly approve, amend, revise or deny the Acknowledge and Consent to Collateral Assignment of Concession Agreement (Marina Lease) between the Town of Carlton Landing, Carlton Landing Enterprises, LLC., and Crossfirst Bank for the development and certain improvements of the Marina, or take any other appropriate action.

Exhibit: Acknowledge Consent Agreement

Through continued discussion the terms of the original draft, presented in January, have changed and worked to incorporate the comments from the Corps. In addition, improvements to be made as part of the Marina Development Project Agreement and re-imbursed by the Town are not eligible to be claimed by the Lender if there is a default on the loan.

The Phase 1 of the Marina Center has been designed in accordance with the requirement of the Eufaula Lakeshore Management Plan Revisions and Master Plan Supplemental Final Environmental Impact Statement, Lease No. DCW56-1-15-268. The Developer, Humphrey’s Partners 2009, LLC. is wanting to move forward with the relocation of the Marina and docks to its final identified location, per the Lease agreement. The Marina Concession Lease is with Carlton Landing Enterprises, LLC. This process is intertwined with the Marina Development Agreement which contracts with the Humphrey’s Partners 2009 to perform the Marina improvements.

The Collateral Assignment allows Crossfirst Bank to take a first security interest in the Marina Lease Agreement. Under the Town’s Master Lease Agreement with the U.S. Corps of Engineers, the Corps has to also agree to any amendment, changes or assignments related to any sub-lease Agreement. Town Administrator has submitted the proposed Agreement to the Corps. The Corps provided a couple amendments to the proposed Agreement, which incorporates the Town and the Corp’s approval on an assignment of the lease based on a default of the loan.

Carlton Landing Enterprises and Crossfirst Bank were provided the Corps language changes and are evaluating those changes.

If the Trustees approve the proposed Collateral Assignment of Concession Agreement, it would be submitted to the Corps for their approval.

MOTION: A motion was made by Mai and seconded by Chapman to approve, acknowledge and consent to Collateral Assignment of Concession Agreement (Marina Lease) between the Town of Carlton Landing, Carlton Landing Enterprises, LLC., and Crossfirst Bank for the development and certain improvements of the Marina.

AYE: Myrick, Chinnici, Brule, Mai, Chapman

NAY: None

9. Consider discuss and possibly award, amend, revise, or deny a contract to the lowest and best proposal for clearing a portion of easement and installation of base rock material creating six (6) foot wide path within the easement along Ridgeline Road for a walking trail, or take any other appropriate action.

The Ridgeline Trail is progressing with the Developer, Grant Humphreys, providing an additional ten (10) foot easement adjacent to the Ridgeline Road right of way. The additional easement will provide a sixteen (16) foot wide path for the trail which will allow the path to meander around large trees and large rocks/boulders. At the May 15, 2021 Board meeting the Trustees approved accepting the additional easement. Trustee Chapman and Trustee Mai have been assisting in laying out the trail, reviewing materials, and visiting with possible contractors for the construction of the trail.

The project has two basic parts: clearing the easement and rough cutting the ground for the trail; and installing the final trail material. Currently, concrete appears to be the best long-term option. Other options considered was asphalt/chip and seal and a natural gravel/rock trail support by a plastic grid system. The current proposal award would be to clear the easement path; rough cut the trail to a width of six-(6) feet and six (6) inches deep; and install and compact a three (3) in base rock layer. The next phase would be the installation of the concrete path. The Town will need to obtain proposals for the installation of the concrete path and bring back to the Board for approval. In essence the Town is serving as the General Contractor for this project, which is intended to save on the overall project cost.

MOTION: A motion was made by Chinnici and seconded by Chapman to strike this item because the bids were not all in.

AYE: Myrick, Chinnici, Brule, Mai, Chapman

NAY: None

10. Reports
 - a. Financial Reports (See attachment)
 - b. Town Administrator Report (See attachment)
 - c. Legal Reports, Comments, and Recommendations to the Governing Body

Kay Wall worked on the collateral assignment and expressed pleasure on agreement.

11. Recognize Citizens wishing to comment on non-Agenda Items
None

12. Comments and questions by Governing Body members regarding items for future consideration.
None

13. Adjournment

There being no further business, a motion was made and seconded to adjourn the meeting at 8:35 a.m., May 15, 2021

Mayor

Attest:

Town Clerk

Draft

MARINA PROJECT DEVELOPMENT AGREEMENT

May __, 2021

THIS MARINA PROJECT DEVELOPMENT AGREEMENT (this "Agreement") is entered into this ___ day of May, 2021, by and between **Humphreys Partners 2009, LLC**, an Oklahoma limited liability company or permitted assigns as provided for herein (the "Developer"), and **The Town of Carlton Landing** (the "Town") and **Carlton Landing Economic Development Trust** (the "Trust") (the Town and the Trust collectively "Grantors") (Developer, Town and Trust sometimes collectively referred to herein as the "Parties").

RECITALS

- A. The Parties have entered into that certain Carlton Landing Master Development Agreement dated January 20, 2018 (the "MDA") whereby, the Parties have agreed to work together towards implementation of projects beneficial to the Town.
- B. Consistent with the MDA, the Grantors wish to enter into this Agreement specifically for development of certain marina improvements impacting the property described on **Exhibit "A"** attached hereto as a part hereof (the "Property".)
- C. The purpose of this Agreement to outline certain agreements regarding the oversight of the development and construction of marina improvements on the Property (the "Project").

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1

DEVELOPMENT AND CONSTRUCTION

- 1.1 Scope of Project: The Developer shall construct or cause the construction of the Marina Development Project ("Project") shall consist of: the installation of the road from the end of Water Street to the Marina and parking area; extension of water, sewer, fiber, and electric utilities to the Marina; construction of the gangway and appropriate appurtenances to the floating dock and common area of the dock. Work and costs to relocate the Marina from the existing location to the new location and any expansion of private docks shall not be a part of this project or Agreement. The road shall be constructed to a gravel road in accordance with the Street Standard, as provided in Exhibit "B". The gangway and public dock area shall be constructed per plans and specifications attached hereto as Exhibit "C".

**ACKNOWLEDGMENT AND CONSENT TO
COLLATERAL ASSIGNMENT OF CONCESSION AGREEMENT a/k/a
MARINA LEASE**

THIS AGREEMENT (the “Agreement”) is executed to be effective as of the 14th day of May, 2021, by and between the **TOWN OF CARLTON LANDING**, a public municipality (herein “Town”), **CARLTON LANDING ENTERPRISES, LLC**, an Oklahoma limited liability company (“CLE”), and **CROSSFIRST BANK**, a Kansas state-chartered bank (“Lender”) located at 5001 Gaillardia Corporate Place, Oklahoma City, OK 73142.

RECITALS:

A. Through Lease DACW 56-1-15-268 dated June 23, 2015 (the “Master Lease”), the Town leased 420 acres of federal land and water (the “Leased Premises”) from the United States Army Corps of Engineers (the “Corps”). The Leased Premises is generally depicted on Exhibit A attached hereto.

B. The Master Lease obligates the Town to provide certain facilities and services according to the Use Plan and Development Plan detailed herein, and the Master Lease further provides that the facilities and services may be provided by the Town directly or through Concession Agreements approved by the Corps.

C. The Town and CLE entered into that certain Concession Agreement dated effective May 20, 2017, (the “Marina Lease” or “Concession Agreement”). The Marina Lease covers the same Leased Premises that is the subject of the Master Lease.

D. The Marina Lease was approved by the Corps on June 19, 2017.

E. The Marina Lease generally provides that for the period May 20, 2017 through June 14, 2040, CLE will operate a marina business in accordance with the Use Plan of the Master Lease and provide the following minimum services:

1. Furnish facilities for mooring and docking privately owned boats;
2. Service, repair, maintain, and care for privately owned boats;
3. Sell gasoline and oil;
4. Sell food, refreshments, fishing tackle, bait, fishing licenses and other supplies; and
5. Provide a marine sanitary boat pump-out system.

F. The consideration payable by CLE to the Town pursuant to the Marina Lease is \$1.00 per year for the term of the Marina Lease.

G. CLE has obtained a \$2,150,000.00 loan from Lender (the “Lender’s Loan”), for the purposes of expanding the existing facilities and services, and operating the marina business, including, but not limited to, providing the minimum services required by the Master Lease as detailed above.

F:\WPDOC\CrossFirst Bank\102930039 - Carlton Landing Enterprises, LLC\Acknowledgment and Consent to Collateral Assignment of Concession Agreement (KB Redline 20210401).docx

Statement of Revenue and Expenditures

Acct	Current Period Apr 2021 Apr 2021 Actual	Year-To-Date Jul 2020 Apr 2021 Actual	Annual Budget Jul 2020 Jun 2021	Annual Budget Jul 2020 Jun 2021 Variance	Jul 2020 Jun 2021 Percent of Budget
Revenue & Expenditures					
Revenue					
Non-Departmental Revenues					
3999 Fund Balance Carryover	0.00	0.00	1,039,846.81	1,039,846.81	0.0%
4015 Pittsburgh County Sinking Fund	0.00	0.00	793,000.00	793,000.00	0.0%
4050 Tax Increment from County	56,887.50	671,185.48	0.00	(671,185.48)	0.0%
4350 Revenue Bond (TIF)	0.00	0.00	670,000.00	670,000.00	0.0%
4450 Investment Income	0.00	55.89	0.00	(55.89)	0.0%
Non-Departmental Revenues Totals	\$56,887.50	\$671,241.37	\$2,502,846.81	\$1,831,605.44	
TIF Projects					
9000 Transfer IN from General Fund	0.00	1,873.48	0.00	(1,873.48)	0.0%
TIF Projects Totals	\$0.00	\$1,873.48	\$0.00	(\$1,873.48)	
Revenue	\$56,887.50	\$673,114.85	\$2,502,846.81	\$1,829,731.96	
Gross Profit	\$56,887.50	\$673,114.85	\$2,502,846.81	\$0.00	
Expenses					
General Government					
8100 2018 Revenue Bond	0.00	0.00	211,187.50	211,187.50	0.0%
8101 2018B Revenue Bond	0.00	0.00	123,012.50	123,012.50	0.0%
8102 2019 Revenue Bond	0.00	3,000.00	184,925.00	181,925.00	1.6%
8103 2020 Revenue Bond	0.00	0.00	55,000.00	55,000.00	0.0%
8500 Interest Expense	0.00	101,631.25	0.00	(101,631.25)	0.0%
9500 Transfer OUT to General Fund	0.00	78,450.80	105,364.55	26,913.75	74.5%
General Government Totals	\$0.00	\$183,082.05	\$679,489.55	\$496,407.50	
TIF Projects					
7100 2018 Rev Bond Alley Improv	3,388.59	200,599.42	316,859.99	116,260.57	63.3%
7101 2018 Rev Bond - Playground	0.00	0.00	10,000.00	10,000.00	0.0%
7102 2018 Rev Bond Pavilion	0.00	1,000.00	160,300.00	159,300.00	0.6%
7103 2018 Rev Bond - Mailboxes	0.00	1,354.69	10,000.00	8,645.31	13.5%
7121 2018B Rev Bond-Camp Bus Inc	0.00	0.00	1,170.98	1,170.98	0.0%
7122 2018B Rev Bond- Schl Building	0.00	0.00	123,600.00	123,600.00	0.0%
7131 2019 Rev Bond- Comm Cntr	0.00	0.00	350,000.00	350,000.00	0.0%
7132 2019 Rev Bond-Camp Bus Ince	0.00	0.00	67,305.84	67,305.84	0.0%
7150 2020 Bond - Pavilion	225,106.56	225,106.56	339,700.00	114,593.44	66.3%
7151 2020 Rev Bond- Rdgline Trail	0.00	0.00	125,000.00	125,000.00	0.0%
7152 2020 Rev Bond- Camp Bus Ince	0.00	0.00	6,523.18	6,523.18	0.0%
7153 2020 Rev Bond- Alley Improv	0.00	0.00	76,750.01	76,750.01	0.0%
7154 2020 Rev Bond- Park Lot 10	19,794.23	19,794.23	20,000.00	205.77	99.0%
7155 2020 Rev Bond- Future Projects	0.00	0.00	17,146.81	17,146.81	0.0%
8100 2018 Revenue Bond	0.00	1,873.48	0.00	(1,873.48)	0.0%
TIF Projects Totals	\$248,289.38	\$449,728.38	\$1,624,356.81	\$1,174,628.43	
Expenses	\$248,289.38	\$632,810.43	\$2,303,846.36	\$1,671,035.93	
Revenue Less Expenditures	(\$191,401.88)	\$40,304.42	\$199,000.45	\$0.00	
Net Change in Fund Balance	(\$191,401.88)	\$40,304.42	\$199,000.45	\$0.00	
Fund Balances					
Beginning Fund Balance	810,540.86	578,834.56	0.00	0.00	0.0%
Net Change in Fund Balance	(191,401.88)	40,304.42	199,000.45	0.00	0.0%
Ending Fund Balance	619,138.98	619,138.98	0.00	0.00	0.0%

Town Administrator's Report – May 15, 2021

- Declaration of Emergency – Governor Stitt has rescinded the Declaration of Emergency related to COVID-19. While the Legislature passed legislation that allowed virtual meetings under modified rules until February 2022 or until 30 days after the rescinding of the Declaration of Emergency. Governor Stitt rescinded the Emergency effective May 4, 2021 which make June 4, 2021 the last day the special provisions of Public Meetings will expire. We will need to go back to regular in person meetings after June 4, 2021.
- Alley Improvements – The SWH Construction is working to finish the last pieces of the project. The sidewalks were to be replaced have been installed; however, upon a preliminary walk through we did not accept the sidewalks. SWH has agreed to replace those sections of sidewalk they installed.
- Sales Tax Revenue– The past several months has been very strong and have been some of the highest sales tax months ever received by the Town. April Financials shows April 2021 was the highest April receipts comparing April year to year. May's collection is almost 2X higher than the previous highest month. May's receipts are \$32,227.87, the previous highest monthly sales tax was \$18,444.22. Very exciting, but I think this will go back down as material costs correct themselves and until Phase 6 opens.
- Wastewater Treatment Plant – The RWD received three bids for the construction of the Plant. The RWD Board is scheduled to award the Bid at their May 15, 2021 Board meeting.

Thank you.