

The Ardmoreite



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ARDMORE

ARDMORE AIRPARK

City, ADA sign off on agreement

By Michael Pineda
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At 6:17 p.m. Monday evening, a heavy burden was released from the City of Ardmore and Ardmore Development Authority.

With a 4-0 vote during a special meeting, the commission approved a resolution to consent to Part I and Part II of the Interim Development Agreement and Supplement to lease between the ADA, Sovereign Oklahoma Development, LLC and Sovereign Fund I, LLC and authorize the mayor to execute necessary docu-

ments after review by the city attorney. Commissioner Bob Geurin was unable to attend.

That action, combined with Sovereign's \$4.1 million purchase of land owned by Highway 53, LLC, ends a legal action that lasted more than a year and cost hundreds of thousands of dollars in legal fees. It also allows the development of the airpark to begin in earnest.



MARTIN DYER

The ADA approved a similar resolution during a special meeting earlier Monday.

"I think it will be a workable agreement," Mayor Martin Dyer said. "The whole mission is to develop the airpark.

"I never did like the lease we had. I had some concerns and I think what we have is better than what we had."

ADA attorney Dan Batchelor said the development agreement addresses the entire property of the lease, which is over 800 acres. Overall, the airpark encompasses over 1,800 acres. Sovereign will

pay \$5,000 annually to lease the property.

Under the new lease, the city maintains control over the airpark. Batchelor said the agreement provides ultimate control and authority with the city. It also provides for the development of an airpark master plan, which is initially expected to cost in the



DAN BATCHELOR

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AIRPARK

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neighborhood of \$200,000 to \$300,000 with Sovereign paying 25 percent and the ADA paying 75 percent. There will also be a phasing plan to determine a timeline for airpark development. The city will have the authority to approve project plans and serve as a legal um-

brella. The city will also have authority to approve a TIF project and approve amendments to the agreement.

The ADA will approve separate development agreements with individual tracts. It will be able to sublease tracts, approve financing and approve specific plans for property. The ADA will provide an additional \$500,000 to Sovereign for the right-of-way Highway 53, LLC

owned in July.

Batchelor hailed the agreement as a state milestone and said the city will have the ability to approve performance benchmarks. There were no performance benchmarks in the original sublease.

"The agreement assures the city will get development provided or it will be able to terminate the agreement," Batchelor said.

He also said the agree-

ment provides for public revenue with payments in lieu of taxes and that Sovereign will pay taxes on undeveloped property. There is revenue sharing involved in which the ADA would receive 50 percent of revenues should it provide infrastructure.

"This provides a sound, functional and legal structure," Batchelor said. "The airpark has development potential of \$300 million to \$500 million."