



On September 6, 2022, in an ad published by the Spirit of Okoboji, in the Lakes News Shopper, the public and City of Milford were given a response to the city's counter proposal to the sale of the Fuller Field Airport. It wasn't until around 4:00 pm the same day that the city received notification by an email from the Spirit Of Okoboji's legal counsel on their plans to withdraw from their proposal. As Mayor, I wanted to address the questions I have received and try to explain the cities side of the situation. I will first remind you that when selling anything, negotiations always occur to ensure the fairest situation for both parties.

Just as the City of Milford does with any developer, we work out an agreement with the developer based on the City Code Subdivision Regulations for site development. The Spirit of Okoboji verbally promised updated baseball fields, new soccer fields, a sport complex that would house multiple basketball and volleyball courts, 400 new houses and other items. These promises relayed to the city for community betterment needed to be proposed in a written agreement. This would ensure transparency to the public and accountability through the end of the project. The City required that the four baseball fields and four soccer fields be built according to Iowa High School standards with storage facilities, restrooms and a concession stand. The City required that the sports complex be operational with a minimum size of what was proposed by the Spirit of Okoboji for basketball and volleyball areas. The City also wanted 300 of the 400 homes built on the land proposed to be developed by the Spirit of Okoboji and annexed into the City of Milford before development would begin. Once those items were met, the City would then transfer the City's property over to the Spirit of Okoboji. This would ensure the Spirit of Okoboji would be held accountable to follow through with the promises to the citizens of the community and the Milford City Council.

One of the larger questions is, where did the City of Milford come up with the cost of \$21 million for the airport. That number came from Mr. Tim Kinnetz. Mr. Kinnetz hired Mr. Terry Lutz, an engineer to do an update to a study Mr. Lutz did in 2003. Mr. Kinnetz did the study without the City of Milford. On page four of the study, Mr. Lutz addresses the range for the cost of a new airport between \$20.5 and \$21.8 million dollars. The Spirit of Okoboji's offer of \$1 million is for the land only. I don't know anyone who would sell their home or their business for the value of the land only. If you sell property it is sold for the value of the land and the structures on it or in the case of the airport, its operations. The airport in Milford is recognized by the Iowa Department of Transportation and the Federal Aviation Administration (FAA) as an operational airport that is fully permitted. The fact that this is an operational airport places value on its operations. The city can't just give up that value. Furthermore, when selling or purchasing property, the buyer wants to get the lowest cost possible for the land and the seller wants to get the most, this is generally negotiated to a comfortable number for both parties. In this instance, there were no negotiations between the City of Milford and The Spirit of Okoboji. They chose to withdraw their proposal after the City's counteroffer.

The proposal put forth by the City of Milford is to ensure accountability for the promises made at the City Council meetings and to the local citizens. It ensures the land is annexed into the City

of Milford and that the City of Milford gets the best value for not just the land, but for the value of the operational airport. To see the document between the City of Milford and the Spirit of Okoboji and the airport study completed by Mr. Terry Lutz please visit the City of Milford's website and scroll down to news on the main website or visit <https://milford.ia.us/spirit-of-okoboji-milford-fuller-airport-information/>