

REGULAR MINUTES

**Tulsa Development Authority Board of Commissioners
Regular Meeting**

One Technology Center
175 East 2nd Street
Tulsa, OK 74103
10th Floor North Conference Room

Thursday – November 2, 2017

9:00 a.m.

Present:

Roy Peters, Chairman
Steve Mitchell, Vice Chairman
Carl Bracy, Commissioner
Nancy Roberts, Commissioner
Thomas Boxley, Commissioner
O.C. Walker II, Executive Director
Jot Hartley, General Counsel

Absent:

Also Present:

Roger Acebo
Kevin Anderson
George Birt
Clarence Boyd
Rocky Bright
Linn Cain
David Charney
Andrew Coffey
Leon Davis
Doug DeJarnette
Mike Dickerson
Levi Frost
Derek Gates
Jennifer Griffin
Vanessa Hall-Harper
Kelley Hrabe
Kristin Hughes
Norman Kildow
Steve Larry
Charity Marcus
Aaron Meek
Julie Miner

Also Present:

Rhett Morgan
Matt Newman
Emma Oakes
JT Paganelli
Michael Patton
Nathan Pickard
Stan Pinkham
Warren Ross
Charles Scoceehoul
Marvin Shirley
Addison Spradlin
Casey Stowe
Kathy Taylor
Mike Thedford
Amber Wagoner
Theron Warlick
Rose Washington
Charles Wilkes
Dennis Whitaker
NaTasha Bunch
Jane Malone
Carol Young

The Regular Meeting was called to order at 9:00 a.m. by Chairman Peters. Decisions will be made, votes and action taken. Reports and supporting documentation were distributed for this meeting and will be incorporated by reference to the minutes and filed with the meeting packet.

1. **Roll Call:** Jane Malone called roll: Chairman Peters, Commissioner Bracy, Commissioner Roberts, and Commissioner Boxley were present. Vice Chairman Mitchell arrived at 9:01 a.m. A quorum was present.

2. Routine, Repetitive Items for Action:

- a. Minutes of October 5, 2017 Regular Meeting
- b. Minutes of October 5, 2017 Regular Executive Session Meeting

After discussion, Commissioner Bracy moved to approve the minutes, Agenda Items 2.a., and 2.b., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously

3. **Executive Director's Monthly Report - A copy of this report was included in the Commissioner's packets. Copies of the Report were available at the table in the rear of the room.**

1. **Project Status Update**

A. First Place Parking Garage, LLC:

The project will be a minimum of a 500 space multi-level parking garage, with space for 3,000 square feet of commercial/retail space on the ground floor at the corner of Main Street and East 4th Street, Tulsa, Oklahoma. On October 5, 2017, the TDA Board of Commissioners reviewed and approved Resolution approving revisions to the Redevelopment Agreement. General Counsel Hartley stated there is an issue with the legal description, but it is being worked out.

B. Morton's Reserve, d/b/a Pine Place Development, LLC:

On October 5, 2017, the TDA Board of Commissioners reviewed and approved a Resolution approving the Second Amendment to the Redevelopment Contract. The Amendment modified the terms and conditions of the Redevelopment Contract to be extended until December 15, 2017, for submission of Construction Financial Documentation.

C. Peoria Realty Investments, Inc.:

TDA staff plans to ramp up the acquisition process of the four subject structures upon deposit of the agreed escrow funds by the Redeveloper. This project is seeking GAP financing for the retail/commercial portion of the project. TDA staff believes the GAP financing could be in the form of a 2% loan of \$480,000.00 over a ten (10) year period. This is an Executive Session Agenda item today.

D. Dollar General Store/Rupe Helmer Group:

The Dollar General store is currently under construction. Rupe Helmer Group's anticipated completion date is February 1, 2018. This is an Executive Session Agenda item today.

E. Ogan's Circle/Capital Homes, LLC:

Six more homes are scheduled to close in November 2017. Note and Mortgage documents have been finalized, allowing for TDA down payment assistance to potential homeowners. The Redeveloper is working with the City of Tulsa to finalize landscape easements and install landscaping elements. The project is a huge success.

F. East Latimer Lots/Capital Homes, LLC:

Capital Homes, LLC has met with INCOG regarding revision of zoning and confirmed the vision of the proposed project. General Counsel Hartley stated the issues with the down payment assistance with the Ogan's Circle project are being resolved, and the changes will be included with this project.

G. The Flats on Archer:

October's construction activities have been focused on the preparation required to pour the "slab on deck" for the second floor. Coordination of electrical, mechanical, plumbing, and other trade work in preparation for pouring the next key construction element. To date, the construction time is 216 days completed out of 327 calendar days. The project is approximately 30% complete.

H. Blue Dome Anchor, LLC:

The Redeveloper is installing the window glass. The front windows have been fitted with brackets and the aluminum window awnings will be installed. Interior common space has been painted and decorative lighting is being installed.

I. The Village at Central Park (Darin Ross):

Pearl Development – The Redeveloper is currently finalizing their budget and associated costs for the scale of the project. The other priority is securing another investor if they proceed with a larger project.

J. VCP, LLC (Sam Rader):

The Redeveloper is in the process of installing insulation. Sheet rock has been ordered and installation should commence by November 2017. The Redeveloper did not take the additional 25 lots option.

K. The Village at Central Park (Jamie Jamieson):

The TDA office received notice from the Redeveloper that the potential Assignee has not exercised its option to purchase 25 lots. TDA has not received written confirmation or a release of option from the potential Assignee. A more detailed discussion can take place if Redeveloper brings documents to the TDA Board for a new agreement to assign Redevelopers development rights in part, or all of the lots in question.

L. Carland Group:

This item will be discussed in Executive Session.

M. Block 44 – The Ross Group:

TDA's Executive Director and General Counsel met with the Ross Group to discuss the terms and conditions for the Redevelopment Agreement. The discussion centered on relocation of the overhead power lines. The location of the power lines will determine the scope of the overall project. This is an Executive Session Agenda item today.

N. Mayfield, LLC:

The TDA office received the first year interest payment for the Mayfield project in the amount of \$50,000.00. The terms of the loan are \$2,000,000.00 at 2.5%. The income on the Mayfield property is rental income. The expenses consisted of the insurance premium, legal and professional fees, due diligence inspections for Phase I and II, and standard maintenance expenses.

O. Annual Report 2017:

Contractor is working on Current Project section, based on the projects charted and submitted by the TDA office. Contractors have a draft of (1) TDA: Change Agent; (2) TDA: Short History; and (3) TDA's Role for the Annual Report. A photographer is present today to take current pictures of the Board.

P. Dirty Butter – Heritage Hills:

Mr. and Mrs. Tease house is under construction – 1860 North Hartford Avenue.

Chairman Peters requested General Counsel Hartley to explain why items are placed on the Executive Session Agenda. Counsel Hartley stated, under the statutory exceptions to the Open Meeting Act, personnel matters and certain economic development project information is permitted to be discussed in executive session in order to maintain confidentiality. He also stated that while discussions occur in Executive Session, all votes on those matters are taken in Open Session.

Executive Director Walker responded to comments and concerns from the Board members. After discussion, Commissioner Bracy moved to accept TDA's Executive Director Report for November 2017. Commissioner Roberts seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously

4. Presentation from the University of Notre Dame Graduate Urban Design Studio. The Study Area is an extension of the Unity Heritage Neighborhoods Plan and the area is bounded by the following:

South: I-244

North: East Pine Street

West: L.L. Tisdale Expressway

East: HWY 75

Jennifer Griffin, representative with J Griffin Design, introduced Nathan Pickard, representative with TRC, and Clarence Boyd, representative with Bank SNB, as Community Supporters of the project. Ms. Griffin provided a brief history and status update of the project. Community participation was excellent, over 80 people attended the Community meetings. The Graduates will return to Tulsa on December 8, 2017 to give a final presentation.

5. Staff Reports and Discussion – City of Tulsa (C.O.T.)

a. TIF Report Updates – Mike Thedford: A copy of the report is included in the Commissioner's packets:

- **Blue Dome Lighting Project: Fund No. 6967** – Approximately 150 lights throughout Blue Dome District. Construction commenced on Friday, August 25, 2017, and is ongoing. First phase is on northeastern portion of the Blue Dome District along First Street. Contractor has issued PO for light fixtures. Color samples have been approved. Regular meeting to be held once a month. Next meeting is on November 14, 2017. Project is scheduled for completion March 2018.
- **Brady District Streetscape Improvements: Fund No. 6963** – Streetscape Enhancements matching Downtown Streetscape Master Plan guidelines. Construction start is set for November 6, 2017. Meeting was held with the business group to discuss the timeline, initial coordination, and introduction to Magnum. Communication for scheduling and coordination will be ongoing.

- **TDA – Lansing Center: Roof/Gutter Work** – Confirmation of pricing for sceptor/gutter boxes for the north and west side parapets is pending. This will help with the overall roof drainage issues. Working on exterior paint pricing. A meeting has been scheduled with a Contractor for the TDA building.

- b. **North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner’s packets:** The Contractor for the North Peoria Lighting project is planning to do the work in two phases, with the first phase being from Pine to Virgin, and the second phase from Virgin to Apache. The Contractor is still receiving parts. All major equipment is to be in by November 15, 2017. A conclusion has not been reached for the costs of maintaining the lights; however, discussions are ongoing for creating a fund for maintenance, as well as discussions of the City of Tulsa budgeting the maintenance in the next fiscal year budget.

- c. **Elm Creek/6th Street Drainage Detention and Conveyance Plan – Roger Acebo: A copy of the report is included in the Commissioner’s packets:** Roger Acebo gave an update regarding the relocation efforts in the 6th Street Infill Project. He provided a list of Elm Creek Properties that should be transferred back to the City of Tulsa and stated the City is waiting for TDA to execute the Deed.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6385**, authorizing transfer of certain property from TDA to the City of Tulsa, located in the Elm Creek/Pearl District Neighborhood area, located at 1120 East 5th Street South. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously

6. General Counsel

- a. **Pending Litigation Report was included in the Commissioner packets:** General Counsel Hartley provided the monthly pending litigation report and Counsel Hartley reported that any changes or new items are indicated in “**BOLD**” print. He also provided a status and overview of the report.

Lien Foreclosure:

- **Alpine Roofing, LLC v. MGT Construction Management, East End Village, LLC; Larson Development, TDA and others:**

Claims of Alpine Roofing dismissed by the Court in September, 2017. Court granted extension of time until after mediation to file motions in limine. Case remains pending.

Breach of Contract and Lien Foreclosure Counterclaims:

- **East End Village, LLC v. MGT Construction Management, Inc., et al:**
See discussion of consolidated case above.

Other:

- **Novus Homes (Wilkins).**
Arbitrator submitted his Final Award denying all of the Wilkins claims and ruling in favor of TDA.

Hall-Harper et. al v. TDA

Plaintiff's amended their Petition on October 4, 2017. TDA General Counsel has filed an Entry of Appearance for all named Defendants. TDA will proceed with discovery requests and a Motion for Summary Judgment. This is an Executive Session Agenda item and will be discussed at that time.

7. Discussion, consideration, and vote to accept Financial Reports

- a. **September 2017 - Income and Expenditure Report - included in the Commissioner packets:** Norman Kildow provided an updated report and an overview of the Income and Expenditure Report to the Commissioners and answered questions.
- b. **Comparative Financial Statements - included in the Commissioner's packets:** Norman Kildow provided an updated report, gave an overview of the Comparative Financial Statements, and answered questions from the Board.

After discussion, Commissioner Bracy moved to accept the Financial Report and Comparative Financial Statements for September 2017 and, **Resolution No. 6386**, approving TDA Financial Report for September 2017, and the Comparative Financial Statement, seconded by Vice Chairman Mitchell. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

- c. **City of Tulsa invoice from July 2017 to September 2017 – included in the Commissioners packets: Discussion, consideration and vote for TDA to pay City of Tulsa invoice as presented:** The invoice is for services rendered by the Planning and Development, Asset Management,

and Economic Development Departments of the City of Tulsa. After discussion, Commissioner Boxley moved to approve **Resolution No. 6387**, approving City of Tulsa invoice in the amount of \$1,555.60 for services rendered by the Planning and Development, Asset Management, and Economic Development Departments, seconded by Commissioner Roberts. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

- d. **Draft Annual Audit 2016 – 2017 – included in the Commissioners packets:** Kristin Hughes, representative with RSM US LLP, presented a draft Audit to the Board of Commissioners. Norman Kildow presented the draft Financial Statements for the Audit. Ms. Hughes and Mr. Kildow answered questions and concerns from the Board. The Board issued compliments to Norman Kildow and his team for their continued excellence with assisting TDA. No votes will be taken until the final Audit is complete.

8. Receive, Discuss, and Vote:

- a. **Discussion, consideration, and vote to authorize a Resolution approving the TDA Monthly Meeting Calendar for 2018:** Executive Director Walker stated the schedule for 2018 is in the Board packets. The Commissioners discussed the July meeting and decided it would be beneficial to change that meeting day to the 2nd Thursday instead of the 1st Thursday. After discussion, Commissioner Boxley moved to approve **Resolution No. 6388**, approving the Tulsa Development Authority Board Meeting Schedule for 2018. Commissioner Roberts seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

- b. **Discussion, consideration, and vote to approve a Resolution to enter into a Special Projects Agreement – Sector Plan 2017, with the City of Tulsa for the creation of the Tulsa Development Authority Sector Plans for the following:**

- The Crutchfield Area Neighborhood
- The Pearl Area Neighborhood
- Crosbie Heights Neighborhood

Executive Director Walker stated all parties have reviewed and approved the Special Projects Agreement. General Counsel Hartley stated, TDA should enter into a Special Projects Agreement for each new joint project between TDA and City of Tulsa. After discussion, Commissioner Boxley moved to approve **Resolution No. 6389**, approving and authorizing Execution of a Special Projects Agreement – Sector Plan 2017 with the City of Tulsa for the creation of Sector Plans as a Supplement to the Services Agreement between the City of Tulsa and the Tulsa Development Authority. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

- c. Discussion, consideration, and vote to receive response to the Request for Proposals (RFP) for property bounded by East 7th Street South to East 8th Street South, between South Quincy Avenue and South Rockford Avenue, Tulsa, Oklahoma, former Laura Dester Site. The respondent is as follows:**

- Prairie Fire // Nelson+Stowe // The Ross Group

Executive Director Walker stated one response was received for the Pearl District/Laura Dester Site RFP. The response is a combined effort of Prairie Fire, Nelson+Stowe, and the Ross Group. Mr. Matt Newman and Mr. Warren Ross, representatives with The Ross Group, Mr. Casey Stowe, representative with Nelson+Stowe, Mr. Kelley Hrabe, representative with Prairie Fire, and Mr. George Birt, representative with CDP, LLC, gave a presentation of the proposed apartment building they wish to develop. The prospective Redevelopers stated they will be seeking tax credits through OHFA and will also need GAP financing from available public sources, including donation of the land to build the project. This item will be discussed further in Executive Session.

- d. Discussion, and possible vote to authorize TDA Chairman to execute a Release of Notice of Redevelopment Contract and Caveat for AMARIS ENTERPRISES INC., recorded in Book 6620 at Pages 1372-1373, for land described a Lots 1 thru 12, Block 1, MELROSE ADDITION to the City of Tulsa:** General Counsel Hartley stated the owners are attempting to sell the property and provided rationale for the Board to approve a Release of Notice of Redevelopment Contract and Caveat. After discussion, Commissioner Bracy moved to approve **Resolution No. 6391**, approving Execution of Release of TDA Caveat for property owned by AMARIS ENTERPRISES INC. - MELROSE ADDITION to the City of Tulsa. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

Commissioner Bracy moved to go into Executive Session at 10:27 a.m., seconded by Commissioner Roberts. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously

9. **Executive Session: Discussion, consideration and vote to go into Executive Session as authorized by 25 O.S. §307(b)(4) for confidential communications with TDA General Counsel regarding a pending investigation, claim or action upon determination by the TDA Board of Commissioners, with the advice of its General Counsel, that disclosure will seriously impair the ability of the TDA Board of Commissioners to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest and/or 25 O.S. §307(c)(10) for the purpose of conferring on matters pertaining to economic development for which public disclosure of the matter discussed would interfere with the development of products or services or if public disclosure would violate the confidentiality of the business:**
- a. Confidential communication with Counsel regarding response to the Request for Proposals (RFP) for property bounded by East 7th Street South to East 8th Street South, between South Quincy Avenue and South Rockford Avenue, Tulsa, Oklahoma, former Laura Dester Site. [25 O.S. §307(b) (4) and §307(c) (10).]
 - b. Confidential communication with Counsel regarding pending litigation for property located at 744 East Pine Street, Tulsa, Oklahoma (Case No. CV-2017-1049) and authorization for TDA General Counsel to provide representation on behalf of TDA, TDA Commissioners and Executive Director named as Defendants in the Petition, as amended. (Rupe Helmer Group/Tulsa 18537, LLC - Dollar General Project). [25 O.S. §307(b) (4) and §307(c) (10).]
 - c. Confidential communication with Counsel regarding the status of the Redevelopment Agreement dated June 30, 1986 between the University Center at Tulsa (UCT) and the Tulsa Development Authority (TDA) and possible issuance of notice of default to UCT for failure to redevelop subject property in compliance with terms and conditions of Redevelopment Agreement for University Center at Tulsa dated June 30th, 1986. [25 O.S. §307(b) (4) and §307(c) (10).]

- d. Confidential communication with Counsel regarding the status of action to enforce contract rights following termination of Contract for Sale of Land for Private Redevelopment with The Carland Group for redevelopment of the Cherokee Meadows Senior Housing Addition, located east of Gateway Plaza, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
- e. Confidential communication with Counsel regarding approval of Contract for Sale of Land for Private Redevelopment with Ross Group Development, LLC for the redevelopment of TDA land located on the Northwest corner of North Elgin Avenue and East Archer Street, Tulsa, Oklahoma and described as Lots 1, 2 and 3, Block 44, City of Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
- f. Confidential communication with Counsel regarding possible amendment of the Redevelopment Agreement with Peoria Realty Investment, Inc., to make provisions for the acquisition of certain properties on the north side of E. Pine Place, between N. Peoria Avenue, and N. Norfolk Avenue within the Unity Heritage Neighborhood Sector Plan/Greenwood Heritage Neighborhoods Sector Plan. [25 O.S. §307(b) (4) and §307(c) (10).]
- g. Confidential communication with Counsel regarding a request from the Tulsa Economic Development Corporation (TEDC) and Honor Capital for the use of North Peoria TIF funds for a proposed Save A Lot grocery store, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]

10. **Vote to Return to Open Session:** Commissioner Boxley moved to return to Open Session at 12:06 p.m., seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

11. **Statement of the Executive Session:** During Executive Session, all Commissioners of the Authority who were present for this meeting were present for the Executive Session. The Authority maintained a quorum. During the Executive Session, the items on the published Agenda were the only items discussed. No votes were taken during the session. This will constitute the minutes of the Executive Session.

12. **Discussion, consideration, and vote on items discussed in Executive Session:**

9.a. **Pearl District/Laura Dester RFP Response**

After discussion, Commissioner Boxley moved to approve **Resolution No. 6390**, acknowledging Receipt of Response to RFP for the Sale and Redevelopment of TDA owned property located between Quincy and Rockford Avenues, and between 7th and 8th Streets, Tulsa, Oklahoma – Pearl District Neighborhood, and Appointment of Review Committee.

Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

9.b. Dollar General Project

After discussion, Commissioner Roberts moved to approve **Resolution No. 6392**, approving and authorizing representation of TDA Commissioners and Staff in pending litigation as Amended – Case No. CV-2017-1049, Tulsa County District Court. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

9.c. UCT

After discussion, Commissioner Roberts moved to approve **Resolution No. 6393**, to direct Issuance of a Notice of Default pursuant to the Redevelopment Agreement for University Center at Tulsa (UCAT) with Tulsa Development Authority dated June 30, 1986, for land located in the City of Tulsa, Tulsa, Oklahoma. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

9.e. Block 44/Ross Group

After discussion, Commissioner Boxley moved to approve **Resolution No. 6394**, approving Contract for Sale of Land for Private Redevelopment substantially in the form presented, and subject to the conditions set forth in the previous Resolution approving negotiations, with Ross Group Development, LLC for the redevelopment of TDA land located on the Northwest corner of North Elgin Avenue and East Archer Street, Tulsa, Oklahoma – Block 44. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

Peoria Realty Investment, Inc.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6395**, approving Second Amendment to Contract for Acquisition and Sale of land for Private Redevelopment of Privately owned land – Peoria Realty and Charney Properties. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, Roberts, and Boxley
Nays: None

The motion passed unanimously.

13. New Business: None.

14. Adjournment: Chairman Peters adjourned the meeting at 12:13 p.m.

Tulsa Development Authority



Roy Peters Jr., Chairman

Approved as to legal form and adequacy:

Jot Hartley, Esq., General Counsel

[11-2-2017 – Regular Meeting Minutes - (nbc-)]