

## REGULAR MINUTES

### Tulsa Development Authority Board of Commissioners Regular Meeting

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

Thursday – December 1, 2016

9:00 a.m.

#### Present:

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

#### Absent:

#### Also Present:

Roger Acebo  
Linn Cain  
Stephen Carr  
Jillian Childress  
Andrew Coffey  
Jim Coles  
Leon Davis  
Neal Foster  
Derek Gates  
Vanessa Hall-Harper  
Jack Henderson  
Ross Heyman  
Bob Jack

#### Also Present:

Norman Kildow  
Jean Lu  
Julie Miner  
Rhett Morgan  
Lottie Nealy  
Charles Okyere  
Bennie Oulds  
Linda Oulds  
Marvin Shirley  
Mike Thedford  
NaTasha Bunch-Everly  
Jane Malone  
Carol Young

**The Regular Meeting was called to order at 9:01 a.m. by Chairman Peters. Decisions will be made, votes and action taken. A quorum was established. 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, Vice Chairman Mitchell, Commissioner Pegues, and Commissioner Bracy were present. Commissioner Roberts arrived at 9:25 a.m. A quorum was present.

Chairman Peters recognized TDA staff member Jane Malone. She will receive an award for Community Civic Service from the Historic Greenwood Chamber of Commerce on Friday, December 2, 2016. Chairman Peters highlighted Mrs. Malone's work with Chamberlain Area Neighbors and service to the North Tulsa community.

**2. Routine, Repetitive Items for Action:**

- a. Minutes of November 3, 2016 Regular Meeting
- b. Minutes of November 3, 2016 Regular Executive Session Meeting

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

**Ayes: Peters, Mitchell, Pegues, and Bracy**

**Nays: None**

**The motion passed unanimously**

- 3. Tulsa City Councilor, District No. 1, Jack Henderson:** Councilor Henderson thanked the TDA Board for their openness to him as Councilor, as well as for their work to improve North Tulsa. The Board of Commissioners commended Councilor Henderson for his 14 years of service.

Chairman Peters also recognized the presence of the newly elected Councilor for District 1 – Vanessa Hall-Harper.

- 4. 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. Tulsa Urban Development Group, LLC, d/b/a Urban8:**

The build-out for unit two (2) is under way. They began working on the grading, drainage, and landscaping of the common areas on Greenwood, in front of unit No. 1 and 2. The utility work is ongoing in the common areas. The final grading in the rear of the common areas has begun. The irrigation system is being installed.

**B. The Edge at East Village (Hartford Commons, LLC):**

The project will be completed by the end of the year. The Redeveloper is working to complete the punch list of items. The leasing process is progressing at a steady pace. The Redeveloper has invited the TDA Board of Commissioners to tour the site.

C. **Fire Station No. 1 - CORE Associates, LLC:**

The Redeveloper continues to make progress under the terms and conditions of the Redevelopment Agreement.

D. **The Flats on Archer:**

IDP permits for the multi-family project were submitted to the City of Tulsa for approval. Associated "License Agreements" are being obtained for execution with related parties. Agreements with the construction contractor details are in the final legal review. Rupe Construction estimates 12 – 15 months from the date of "ground-breaking" to complete the project. This item will be on the January 2017 Agenda for a request of a low interest loan.

E. **Blue Dome Anchor, LLC:**

Chairman Peters requested Bob Jack, a representative with TDL Now, come forward to provide a status update on the Blue Dome Anchor Project. Mr. Jack commented that a breakfast meeting is scheduled for Friday morning with the Redevelopers and a more adequate update will be obtained at that time. Chairman Peters requested Executive Director Walker to schedule a meeting with the Redevelopers.

F. **YMCA Lofts:**

This is an Agenda item today for Draw Request No. 12. Mr. Bob Jack, representative for YMCA Lofts is present to provide a project update.

G. **The Meridia, LLC - City Development LLC:**

This is an Agenda item today for Draw Request No. 8. Chairman Peters and General Counsel Hartley commented on a recent tour of the property.

H. **Tulsa Box Yard:**

The project is progressing smoothly. The Redeveloper has submitted all the necessary documentation to receive the TIF Funds Draw Request, authorized by TDA Resolution No. 6187 in the amount of \$203,762.00, for the project. Estimated completion date is December 10, 2016.

I. **First Street Lofts:**

The Redevelopers indicated that rough mechanical, and plumbing continues on all floors. Drywall has been installed on the 2<sup>nd</sup>, 3<sup>rd</sup>, and partially on the 4<sup>th</sup> and 5<sup>th</sup> floors. Framing on interior apartments and stairs continue on 4<sup>th</sup> and 5<sup>th</sup> floors.

2. **The Village at Central Park:** Pearl Development, LLC is working with a new Project Architect to develop a revised schedule. Representatives with Pearl Development would like to meet with TDA in mid-December to discuss the revised scope of the project. VCP, LLC is waiting for ONG to move lines for Lots 12-16 and ONG committed to have this process completed by November 30, 2016. Mr. Sam Rader is waiting on more specific cost to come in with respect to the other construction.

**3. Hampton Inn and Suites/One Place Hospitality, LLC**

All mechanical, electrical, and plumbing rough-ins are complete through the 9<sup>th</sup> floor. The roof is complete, minus the copper metal. Sheetrock is scheduled to be completed by December 1, 2016. Painters are working on the 6<sup>th</sup> floor and tile is being installed on the 4<sup>th</sup> floor. Otis Elevators is on site installing the elevator. Once the scaffold is down to the first floor, the Redeveloper will begin to install the modular brick store fronts. Construction to start on the pool area the week of Thanksgiving. The Redeveloper anticipates opening by March Madness 2017.

**5. Sector Plan Update**

On September 7, 2016, the TMAPC reviewed and recommended approval for the adoption of both sector Plans by Resolution, rather than ordinance. Two public hearings were held with the City Council on October 12, 2016 and October 26, 2016. On November 3, 2016, the TDA Board of Commissioners reviewed and approved the Greenwood Heritage Neighborhood Plan/Unity Heritage Neighborhood Sector Plan and the Kendall-Whittier Neighborhood Sector Plan. The Sector Plans have been fully adopted.

**6. Project Updates**

**A. Carland Group:**

The brick masons are finishing Buildings E and F; Building G is nearing completion. The framers are placing the roof over the debris wall and started framing the pavilion. All buildings have been fully tiled. The utility crew laid the 2" water line in Building I.

**B. Dirty Butter –Heritage Hills Extension:**

**3. 2010 North Hartford Avenue - \$12,500.00 – Bennie Oulds**

Spoke with Mr. Oulds on November 14, 2016 and he requested an extension until December 2017. On May 5, 2016 the TDA Board of Commissioners approved Resolution No. 6213 to amend the Redevelopment Contract with Bennie Oulds by extending the time for completion to May 18, 2017. This is an Agenda item for today and Mr. Oulds is present to provide rationale for the extension request.

Executive Director Walker responded to comments and concerns from the Board members. The Executive Director Report was accepted as presented.

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

**a. COT Disposition – Leon Davis: A copy of the report is included in the Commissioner’s packets:**

- i. Discussion, consideration, and vote to approve a Resolution authorizing the acceptance and negotiating a Redevelopment Agreement for the disposition of the Morton building located at 660 East Pine Street, Tulsa, Oklahoma.**

Leon Davis provided history of the Morton Building, history of the Brownfield Clean-Up, and a history of the RFP process and selection of Morton's Reserve Properties, LLC. Mr. Davis stated the City of Tulsa wants to convey the property to TDA for the purpose of negotiating a Redevelopment Agreement with Morton's Reserve Properties, LLC and management of the Redevelopment project. Mr. Davis responded to questions and concerns of the Board. After discussion, Chairman Peters stated, no action will be taken today; however, Counsel Hartley will prepare a Redevelopment Agreement and this item will be on the January Agenda.

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

- **Blue Dome Lighting Project: Fund No. 6967** – Waiting for final City/Utility company coordination – being sent for advertisement with expectation that final letter from utility review will be received. Bid advertising pending, potentially December. Fixtures on Elgin, between 1<sup>st</sup> Street and railroad tracks have bid, PO number has been issued, fixtures were delivered and installation has begun. Estimated completion December 2016.
- **Proposed streetscape improvements to Cameron Street: Fund No. 6963** – Project bid advertising and bids are due December 2, 2016.
- **Elgin streetscape improvements: Fund No. 6967** – Plans for Main Street are at 75%. Revisions are required based on City Planning comments. Revised cost estimate and additional services are underway to submit for IDP process.
- **TDA Lansing Centre Parking Lot (Front)** – Two contractor quotes were received and are included in the Commissioner's packets. The Commissioners requested further clarification of the estimates.

Mr. Thedford responded to questions and concerns from the Board regarding the above mentioned projects.

Chairman Peters disclosed that during his meeting with Ms. Kathy Taylor, the incoming Economic Director for the City of Tulsa, that she wanted TDA to relocate offices to the 15<sup>th</sup> floor of City Hall.

- c. North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner's packets:** A community meeting was held on November 3, 2016 at Rudisill Library to discuss past and current TIF projects. Several proposals about using the TIF funds to support the Shoppes on Peoria were presented, but it was suggested TEDC Director, Rose Washington, meet with the TDA Board members to determine

whether such support is appropriate. Mr. Gates also discussed the North Peoria Lighting design with the community and the necessity to add new poles to get the required lighting levels and lighting consistency. The lighting design will be complete by December 5, 2016. The Board of Commissioners encouraged Mr. Gates to prepare a master plan for the North Peoria TIF area and present the plan to the TDA Board.

- d. **WIN's Department – Neal Foster: A copy of the report is included in the Commissioner's packets:** As of November 17, 2016, 50 applications have been received, 4 applications were canceled, 10 applications are in progress, and 10 applications are being processed. The amount of \$197,372.00 has been allocated and \$2,628.00 is the balance available for projects.
- e. **Elm Creek/6<sup>th</sup> Street Drainage Detention and Conveyance Plan – Roger Acebo: A copy of the report is included in the Commissioner's packets:** Mr. Roger Acebo provided an update and information on the 6<sup>th</sup> Street/Elm Creek project. One property has a tenant to be relocated by December 5, 2016, and 3 other properties were scheduled to close by the end of November, but has been rescheduled to December 21, 2016. Mr. Acebo also reported the Laura Dester site is currently being reviewed by City Council for surplus to TDA, allowing TDA to develop a RFP, select a proposal that conforms to the Elm Creek/6<sup>th</sup> Street Infill Plan, execute a Redevelopment Agreement, and monitor and manage the project. He also answered questions and concerns from the Board. Chairman Peters appointed Commissioner Roberts to work with Roger Acebo and Executive Director Walker on the Laura Dester project.

## 6. General Counsel

- a. **Pending Litigation Report and Top TDA Issues was included in the Commissioner packets:** General Counsel Hartley provided the monthly pending litigation report and stated the Top TDA Issues were requested by Chairman Peters for a meeting with City of Tulsa Officials. The Report was prepared by Counsel Hartley and reflect his judgement of the most pertinent issues for TDA. General 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:** Additional lien claimants continue to dismiss their claims as they are settled. East End Village and MGT Construction Management continue with discovery requests.

**Breach of Contract and Lien Foreclosure Counterclaims:**

- **East End Village, LLC v. MGT Construction Management, Inc., et al:**  
See discussion of consolidated case above.
- **Sunbelt Fire Protection, Inc. v. MGT Construction Management, Inc. et al:**  
Both East End Village, LLC and MGT Construction Management, Inc. (the general contractor) have filed motions to dismiss the claims – motions remain pending.

**Other:**

- **Novus Homes (Wilkins).**  
TDA General Counsel and Special Counsel are proceeding with Arbitration as requested by Wilkins. Counsel for Wilkins submitted a letter dated October 24, 2016 listing six arbitrators acceptable to Wilkins. TDA responded with approval of two of the arbitrators listed. TDA Counsel requested a response from the Counsel for Wilkins and a schedule for the proceedings.

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

- a. **October 2016 - 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 Pegues moved to accept the Financial Report and Comparative Financial Statements for October 2016, **Resolution No. 6287**, approving TDA Financial Report for October 2016, and the Comparative Financial Statement, seconded by Commissioner Bracy. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**Nays: None**

**The motion passed unanimously.**

- c. **City of Tulsa Quarterly Invoices July - September 2016 - included in the Commissioner's packets:** Norman Kildow provided an overview of the City of Tulsa Quarterly Invoice and requested approval.

After discussion, Commissioner Pegues moved to approve, **Resolution No. 6288**, approving payment of Invoice from the City of Tulsa Planning and Development, Asset Management, and Economic Development Departments in the amount of \$3,413.34 for services rendered July – September 2016, seconded by Commissioner Bracy. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**Nays: None**

**The motion passed unanimously.**

**8. Receive, Discuss, and Vote:**

- a. **Discussion, consideration, and vote to authorize a Resolution accepting the 2015 – 2016 TDA Annual Audit:** Norman Kildow stated the Annual Audit did not change from the Draft Audit. The information and the figures remained the same. After discussion, Commissioner Bracy moved to approve **Resolution No. 6289**, approving Audit Report by RSM US LLP for fiscal year 2015 – 2016. Commissioner Pegues seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**Nays: None**

**The motion passed unanimously**

- b. **Discussion, consideration, and vote to authorize a Resolution approving the TDA Calendar for 2017:** Executive Director Walker stated this is a routine item and the information is in the Commissioners packets. After discussion, Commissioner Bracy moved to approve **Resolution No. 6290**, approving the TDA Board Meeting Schedule for January 2017 to January 2018. Commissioner Pegues seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**Nays: None**

**The motion passed unanimously**

- c. **Discussion, consideration, and vote approve an amendment to the Offer of Purchase by Michael Jackson for the sale of 1310 North Olympia Avenue, Tulsa, Oklahoma:** Executive Director Walker stated the TDA office has not received any recent communication from the proposed purchaser and requested this item be placed on the January agenda. Chairman Peters stated no action will be taken until Mr. Jackson has contacted the TDA office.



- d. **Discussion, consideration, and vote to approve an amendment to existing Redevelopment Agreement with Bennie Oulds for property located at 2010 North Hartford Avenue, Tulsa, Oklahoma:** Executive Director Walker stated Mr. Bennie Oulds is present today to request an extension. Mr. Oulds expressed continued interest in building a house on the property and explained the difficulties in selling a home in Virginia, as the rationale for requesting an extension. After discussion, Vice Chairman Mitchell moved to approve Resolution No. 6291, approving Second Amendment of Redevelopment Contract with Bennie Oulds for the purchase and Redevelopment of TDA owned property located at 2010 North Hartford Avenue, Tulsa, Oklahoma. Commissioner Roberts seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**Nays: None**

**The motion passed unanimously**

- e. **Discussion, consideration, and vote to enter into a Redevelopment Agreement with Capital Homes, LLC for the Redevelopment of TDA property located on East Latimer Street, between North Boston Avenue and North Main Street, Tulsa, Oklahoma:** General Counsel Hartley stated terms of the contract are still being negotiated with Capital Homes and he provided the most recent draft Agreement with redlined revisions. After discussion, Chairman Peters stated no action will be taken today and requested Commissioner Pegues review the plans and provide approval and/or feedback to the Board. This item will be placed on the Agenda for the January meeting.

- f. **Discussion, consideration, and vote approving a Resolution authorizing the Eighth Draw Request from The Meridia, LLC in accordance with the terms and conditions of the Downtown Development Redevelopment Fund Committee for property located at 522 South Boston Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this is a routine item. The request is for \$52,000.00 which represents 84% completion and to-date, the approved draw requests for this project is \$1,040,000.00. After discussion, Commissioner Pegues moved to approve Resolution No. 6292, approving payment of Advance Number Eight to The Meridia, LLC pursuant to Redevelopment Agreement for the Meridia Project - 522 South Boston Avenue, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**Nays: None**

**The motion passed unanimously**

**g. Discussion, consideration, and vote to approve a Resolution authorizing Draw Request No. 12 from TDL NOW, LLC from the Downtown Development and Redevelopment Fund for the YMCA Lofts Project, located at 515 S. Denver Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this is a routine item. The request is for \$87,500.00 which represents 95% completion and to-date, the approved draw requests for this project is \$1,575,000.00. Mr. Bob Jack provided a status update on the project. He stated they have 79 units available for move-in in January, and have received over 80 applications. He expressed the necessity for affordable housing in downtown Tulsa. After discussion, Commissioner Pegues moved to approve **Resolution No. 6293**, approving payment of Advance No. 12 from TDL Now, LLC pursuant to Redevelopment Agreement for the YMCA Lofts Project, located at 515 S. Denver, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**Nays: None**

**The motion passed unanimously**

**h. Discussion, consideration, and vote to approve a Resolution authorizing payment of invoice to Hall Estill regarding Brady District Tax Increment Financing:** General Counsel Hartley explained this expense occurred as a result of the controversy surrounding the possibility of terminating the Brady District TIF and appropriate expenditures for TIF funds. Counsel Hartley explained TDA is not legally required to pay the expense; however, the expense is a proper administration expense. Marvin Shirley, representative with Brady Arts District Owners Association, was present and thanked the Board for their support. After discussion, Commissioner Roberts moved to approve **Resolution No. 6294**, approving payment of legal fees due to Hall Estill Law Firm as Administrative expense for legal services performed for the benefit of the Brady Village Tax Increment District No. 1. Commissioner Bracy seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**Nays: None**

**The motion passed unanimously**

**Commissioner Pegues moved to go into Executive Session at 10:34 a.m., seconded by Vice Chairman Mitchell. The vote was recorded as follows:**

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**  
**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 a Redevelopment Agreement opportunity with Peoria Realty Investments for the acquisition of certain properties located within the Unity Heritage Neighborhood Sector Plan/Greenwood Heritage Neighborhoods Sector Plan. [25 O.S. §307(b) (4) and §307(c) (10).]
- b. Confidential communication with Counsel regarding a Redevelopment Agreement with Capital Homes Residential Group, LLC and the Tulsa Development Authority for the purchase and Redevelopment of Ogan's Circle located South of East Virgin Street, between North Lansing Avenue and the Osage Prairie Trail, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
- c. Confidential communication with Counsel regarding the status of arbitration of Redeveloper's objection to termination of the Contract for Sale of Land for Private Redevelopment dated April 13, 2013, as amended, between William (Will) Wilkins, Cecilia Wilkins, Novus Homes, LLC and W3 Development, LLC, (Redeveloper) and the Tulsa Development Authority.. [25 O.S. §307(b) (4) and §307(c) (10).]

10. **Vote to Return to Open Session:** Vice Chairman Mitchell moved to return to Open Session at 11:10 a.m., seconded by Commissioner Roberts. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**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. Peoria Realty Investments

After discussion, Commissioner Pegues moved to approve Resolution No. 6295, authorizing negotiations with Peoria Realty Investments for the acquisition of privately owned land located at 1128, 1132, 1136, and 1140 East Pine Place, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**Nays: None**

**The motion passed unanimously.**

9.b. Capital Homes/Ogans Circle

After discussion, Commissioner Bracy moved to approve Resolution No. 6296, approving Redevelopment Contract with Capital Homes Residential Group, LLC for the Sale and Redevelopment of Fourteen (14) TDA owned lots located at Ogans Circle Subdivision, Tulsa, Oklahoma. Commissioner Pegues seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

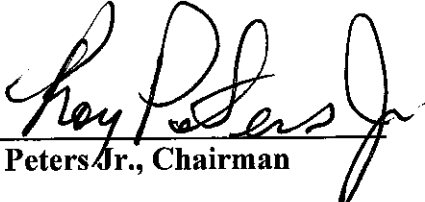
**Nays: None**

**The motion passed unanimously.**


13. **New Business:** Executive Director Walker stated two Responses were received for the Art Work RFP, and the respondents will present to the Brady Property Owners Association tomorrow. The respondents will appear before the TDA Board at the January meeting.

14. **Adjournment:** Chairman Peters adjourned the meeting at 11:14 a.m.

Tulsa Development Authority

  
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Roy Peters Jr., Chairman

Approved as to legal form and adequacy:

  
\_\_\_\_\_  
Jot Hartley, Esq., General Counsel