

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 – December 7, 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
Tom Baker
Linn Cain
Jim Coles
Derek Gates
Vanessa Hall-Harper
Norman Kildow
Steve Larry

Also Present:

Matt Martin
James Tyler McHenry
Kathy Taylor
Mike Thedford
Theron Warlick
Dennis Whitaker
NaTasha Bunch
Jane Malone
Carol Young

The Regular Meeting was called to order at 9:02 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, Vice Chairman Mitchell, Commissioner Bracy, Commissioner Roberts, and Commissioner Boxley were present. A quorum was present.

2. Routine, Repetitive Items for Action:

- a. Minutes of November 2, 2017 Regular Meeting
- b. Minutes of November 2, 2017 Regular Executive Session Meeting

After discussion, Commissioner Bracy moved to approve the minutes, Agenda Items 2.a., and 2.b., seconded by Vice Chairman Mitchell. 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 Redeveloper is in agreement with the terms and conditions of the Redevelopment Agreement. The project will consist of 500-space multi-level parking garage, with 3,000 square feet of commercial/retail space. The amount of the loan for the project is \$1,670,000.00. General Counsel Hartley stated the original executed contract was delivered to TDA on December 6, 2017, and TDA is waiting for the Title Policy to proceed to closing.

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. This will be an Agenda item for the January TDA Board Meeting.

C. Peoria Realty Investments, Inc.:

The Redeveloper is making two requests of TDA. The first is assistance in acquiring additional property, and the second is for gap financing in the amount of \$480,000. The Redevelopers could not be present 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:

Nine homes have closed in the Ogan's Circle project. There are five vacant lots that will be developed.

F. East Latimer Lots/Capital Homes, LLC:

The Redeveloper has completed an application for re-zoning and re-platting. The public hearing will be in January. Construction should commence in February 2018.

G. The Flats on Archer:

This is an Agenda item today for the 2nd Draw Request.

H. Blue Dome Anchor, LLC:

New windows and awning brackets over windows on front façade are installed. Currently installing exterior wall insulation and sealing around the new windows from the interior.

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

Pearl Development – The Redeveloper is working to complete a Pro Forma for the project. They are finalizing some agreements. The Redeveloper would like a meeting with TDA and City of Tulsa staff to discuss a possible tax abatement.

J. VCP, LLC (Sam Rader):

The Redeveloper is in the process of hanging sheet rock in the interior of the project. The brick masons are on site and laying brick on the exterior.

K. Carland Group:

This item will be discussed in Executive Session.

L. Block 44 – The Ross Group:

On November 2, 2017, the TDA Board of Commissioners reviewed and approved a Resolution approving a Contract for Sale of Land for Private Redevelopment with the Ross Group Development, LLC for the Sale and Redevelopment of the northwest corner of West Archer Street and North Elgin Avenue, Tulsa, Oklahoma. General Counsel Hartley stated the contract is in final form and ready for signature. Commissioner Bracy reminded the Board that funds were set aside for the Darven Brown memorial.

M. Annual Report 2017:

The Contractor has been working diligently on the Annual Report, and the Report is near completion.

N. Dirty Butter – Heritage Hills:

The Tease family plans to complete construction and move in during the first quarter of 2018. Mr. Larry Crawford and the White Family have completed construction on their homes, and are inhabiting the homes. Mr. Bennie Oulds was granted an extension until May 18, 2018. New Contracts were executed for the Roberts Family, and Sheila Thompson and Steven Murrell.

TGOV Discussion: Chairman Peters stated a meeting was held earlier this week with Tom Baker, Matt Martin, Counsel Hartley, Executive Director Walker, and himself to discuss TDA meetings broadcasting on TGOV. The cameras are already positioned around the room and are operated remotely. City Council meetings and other City government meetings are televised on TGOV. Mr. Tom Baker and Mr. Matt Martin provided further explanation for televising TDA Board meetings. The vision for TGOV has always been to televise all government meetings and programs. The Board provided comments and agreed televising the Board meetings would add an additional form of transparency to the community. The Board meeting in January will be broadcasted on TGOV.

Commissioner Roberts stated, there is an article in the Wall Street Journal regarding the Dollar General Stores and the benefits to the communities the Dollar General Stores provide. She will distribute the article to the Commissioners via email.

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

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

The motion passed unanimously

4. 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. Attended the November 14, 2017 project meeting, and no significant issues were reported. In attendance were representatives from Crossland Construction, Cyntergy, and City of Tulsa. Topics of discussion included: construction timing, project submittals, and the replacement of 5 fixtures on Elgin. It was proposed that the 5 lights that were eliminated on Greenwood be used on Elgin, and this was the best solution. 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

27, 2017. Initially the contractor set up fencing for construction and staging and construction. There was concern raised from the businesses in the area and Magnum re-evaluated the phasing and work plan. A feasible plan is now in place for construction. Concurrent to these changes, COT development services had to work through some confusion with the IDP permit.

- **TDA – Lansing Center: Roof/Gutter Work** – No new information.
- 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 continuing work on the lighting project. At this time, the contractor has completed the underground conduit system and will be installing pole bases next. There was a meeting held on November 28, 2017 with City of Tulsa Traffic and Engineering to discuss recommended practices to prevent the theft of wire on lighting systems. It was decided to use aluminum wire instead of copper to deter theft. Because of this change, an additional expense will be incurred. The Commissioners discussed the possibility of utilizing solar lights to deter theft, as well as reduce the need for monthly electric maintenance. A change order was presented to the Commissioners for consideration and vote under the New Business Agenda item.
- 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 reported that the Phase II Environmental Study for 414 S. Owasso was received and will be distributed to TDA. Commissioners Roberts and Boxley gave an update of status of the Laura Dester RFP Response. Meetings were held with City of Tulsa representatives, the RFP responders, and the Commissioners. The Commissioners explained to the RFP Responders, the City of Tulsa’s long term vision for the property in relation to the drainage ponds, and access to affordable housing. The Commissioners also extended to the RFP Responders the opportunity to revise the submitted response to include the items discussed and resubmit at the January TDA Board meeting.

5. 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.

Breach of Contract:

- **TDA v. Carland Group, LLC; Cherokee Meadows, LP; Carland Properties, LLC and Omega Alpha Development, LLC:**

Petition filed On November 13, 2017. Judge Caroline Wall assigned to the case. Hearing on TDA Application for Appointment of Receiver set for December 14, 2017. TDA is seeking to obtain remediation for removal of improper installation of “integral curbing” across the front of driveways leading to elderly and mobility impaired housing constructed as the Cherokee Meadows project.

Breach of Contract and Lien Foreclosure Counterclaims:

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

Court granted extension of time until after mediation to file Motions in Limine. Case remains pending.

- **East End Village, LLC v. MGT Construction Management, Inc., et al:**

See discussion of consolidated case above.

Other:

- **Novus Homes (Wilkins).**

Arbitrator granted TDA’s Motion for Summary Judgment on October 5, 2017. Arbitration hearing set for November 7, 2017 was cancelled. Counsel for Wilkins has filed a Motion for New Trial in response to the granting of TDA’s Motion for Summary Judgment.

Hall-Harper et. al v. TDA

Case remains pending. This is an Executive Session Agenda item and will be discussed at that time.

Kathy Taylor entered the meeting at 9:42 a.m.

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

- October 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.
- 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. Norman Kildow responded to the question from Executive Director Walker regarding the administrative fee for the First Place, LLC project. Mr. Kildow stated the funds were placed in Fund No. 3101.

After discussion, Commissioner Boxley moved to accept the Financial Report and Comparative Financial Statements for October 2017 and, **Resolution No. 6396**, approving TDA Financial Report for October 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. **Annual Audit 2016 – 2017 – included in the Commissioners packets:** Norman Kildow stated a few minor changes were made to the language in the Audit, and no changes were made to the numbers in the Audit. After discussion, Commissioner Bracy moved to approve **Resolution No. 6397**, approving the Annual Audit 2016 - 2017, seconded by Commissioner Boxley. The vote was recorded as follows:

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

Nays: None

The motion passed unanimously.

7. Receive, Discuss, and Vote:

- a. **Discussion, consideration, and vote to enter into a Redevelopment Agreement between Sunstone Construction, LLC and TDA for the purchase and redevelopment of TDA land located at 1213 North Boston Avenue, Tulsa, Oklahoma:** Executive Director Walker stated Sunstone Construction is interested in purchasing the property to build a new home. The market value of the property is \$4,500.00. Sunstone Construction has made an earnest deposit of \$225.00, and are ready to proceed. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6398**, approving entering into a Redevelopment Agreement with Sunstone Construction, LLC for redevelopment of land located at 1213 North Boston Avenue, Tulsa, Oklahoma. 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 enter into a Redevelopment Agreement between Capital Homes, LLC and TDA for the purchase and redevelopment of TDA land located as follows:

- 111 East Latimer Street, Tulsa, Oklahoma
- 1307 North Boston Place, Tulsa, Oklahoma

Executive Director Walker stated Capital Homes is interested in these properties because they are near Capital Home's East Latimer project. General Counsel Hartley stated the contracts for these two properties will be the standard contract for individual lot sales opposed to a Redevelopment Agreement. After discussion, Commissioner Boxley moved to approve **Resolution No. 6399**, approving entering into a Redevelopment Agreement between Capital Homes, LLC and TDA for the redevelopment of 111 East Latimer Street and 1307 North Boston Place, Tulsa, Oklahoma. 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 authorize a Resolution approving the selection of candidates to serve on the Citizens Advisory Team for the Crutchfield Area Neighborhood Sector (Crutchfield-CAT) Crutchfield Neighborhood Sector Plan: Executive Director Walker stated this a standard procedure in the Sector Plan Process. The names submitted were vetted by City of Tulsa Staff, as well as Councilor Vanessa Hall-Harper. After discussion, Commissioner Bracy moved to approve **Resolution No. 6400**, authorizing a Resolution approving the selection of candidates to serve on the Citizens Advisory Team for the Crutchfield Area Neighborhood Sector (Crutchfield-CAT). Commissioner Boxley seconded the motion. The vote was recorded as follows:

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

Nays: None

The motion passed unanimously

d. Discussion, consideration, and vote to approve a Resolution for the Second Draw Request from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma: Executive Director Walker stated this is the second draw request for Flats on Archer for the amount of \$79,500.00, which represents an additional 10.60% for a total of 29.59% completion. After discussion, Commissioner Boxley moved to approve **Resolution No. 6401**, approving the Second

Draw Request from the Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma. 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 9:57 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

8. 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 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 re-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).]
- b. Confidential communication with Counsel regarding the status of action to enforce contract rights and 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).]
- c. Confidential communication with Counsel regarding negotiation with Redevelopers responding 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).]

- d. 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).]

9. **Vote to Return to Open Session:** Commissioner Roberts moved to return to Open Session at 10:34 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:

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

The motion passed unanimously.

10. **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.

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

- 8.a. **UCAT**

After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6402**, authorizing Re-Issuance of Notice of Default to UCAT. Commissioner Roberts seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

12. **New Business: North Peoria Lighting Change-Order:**

Mr. Derek Gates explained the City of Tulsa staff voiced concerns for making the North Peoria Lighting less susceptible to theft, and suggested installing aluminum wiring instead of copper. Due to the change from aluminum to copper, an additional cost will be incurred and is reflected in the change order. After discussion, Commissioner Roberts to approve **Resolution No. 6403**,

approving a Change Order for the North Peoria Lighting Project. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows

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

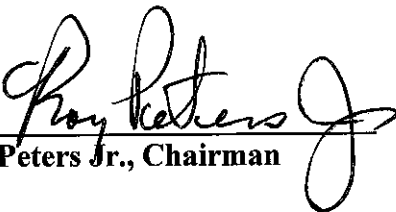
Nays: None

The motion passed unanimously

13. Adjournment: Chairman Peters adjourned the meeting at 10:43 a.m.

Tulsa Development Authority

Approved as to legal form and adequacy:



Roy Peters Jr., Chairman



Jot Hartley, Esq., General Counsel

[12-7-2017 – Regular Meeting Minutes - (nbe-)]