

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 – February 1, 2018

9:00 a.m.

Present:

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

Absent:

Steve Mitchell, Vice Chairman
Nancy Roberts, Commissioner

Also Present:

Kevin Anderson
Annette Bess
Cheryl Black
Nathan Buck
Linn Cain
David Charney
Leslie Christopher
Jim Coles
Mike Dickerson
Derek Gates
Vanessa Hall-Harper
Preston Jones
Norman Kildow

Also Present:

Rhett Morgan
Michael Patton
Charles Sceechow
Mark Swiney
Kathy Taylor
Mike Thedford
Amber Wagoner
Theron Warlick
Dennis Whitaker
Kajeer Yar
NaTasha Bunch
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. 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, and Commissioner Boxley were present. Vice Chairman Mitchell, and Commissioner Roberts were absent. A quorum was present.

2. Routine, Repetitive Items for Action:

- a. Minutes of January 4, 2018 Regular Meeting
- b. Minutes of January 4, 2018 Regular Executive Session Meeting

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

Ayes: Peters, Bracy, 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:

On January 9, 2018, TDA's General Counsel provided First Place, LLC with a Promissory Note and Mortgage for the loan. TDA is waiting for the Title Policy.

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

On January 4, 2018, the TDA Board of Commissioners reviewed and approved a Resolution approving the Third Amendment to the Redevelopment Contract. The Amendment modified the terms and conditions of the Redevelopment Contract to be extended for 90 days, for submission of Construction Financial Documentation.

C. Peoria Realty Investments, Inc.:

This item will be discussed in Executive Session.

D. Dollar General Store/Rupe Helmer Group:

The Contractor is in the process of installing interior fixtures. The brick masons are on site and are bricking the exterior façade. Rupe Helmer Group expected completion date is March 2018.

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

Capital Homes continues to market the project and help interested families with credit repair. There is a new lender that is aggressive with underserved families.

F. East Latimer Lots/Capital Homes, LLC:

This item appeared on the January 24, 2018, City Council agenda for the first reading to approve the re-zoning. The Second reading will be held

on February 7, 2018 and should be approved as presented. The marketing campaign will commence after City Council's final approval.

G. The Flats on Archer:

The Redeveloper indicates they have reached the fourth level of the project's construction. Construction crews are building the floor decking with framing of the walls scheduled to follow next. The Third draw request is an Agenda item for today.

H. Blue Dome Anchor, LLC:

The Redeveloper continues to make progress on the project and meet with potential tenants and market the property for lease.

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

Pearl Development – On January 4, 2018, the Third Amendment to the Redevelopment Agreement, amending the dates for the Redeveloper to submit Construction documents until July 20, 2018, was approved.

J. VCP, LLC (Sam Rader):

The contractors are installing counter tops and connecting the HVAC units. Interior painting should take place soon. The Redeveloper plans to market the properties the first part of February.

K. Carland Group:

This item will be discussed in Executive Session.

L. Block 44 – The Ross Group:

The Redevelopers have indicated that they are willing to sign the Agreement, once the TDA's General Counsel reviews Section 10 of the Agreement. TDA's General Counsel is drafting the final Agreement. Valley National Bank would like to close on Block 44 soon.

M. Annual Report 2017:

The Write Company is compiling all contents of the Annual Report. The Graphic Designer is in the process of page layout for the Report. The TDA office should have the first draft by mid-February. A draft will be available for the TDA Board of Commissioners for the March 2018 Regular meeting.

N. Crutchfield Sector Plan:

The Project Consultant (Fregonese Associates and Tharp Planning Group) will be in Tulsa on Thursday, February 1, 2018, for the kick-off of the Citizens Advisory Team (CAT) meeting. A site tour is scheduled for Thursday afternoon. The CAT meeting will be held on Friday, February 2, 2018 at 8:30 a.m. The Project Consultants plan to meet with the City of Tulsa GIS team to fully vet all maps and background information.

O. Laura Dester Site:

A pre-bid demolition meeting was held on-site on January 19, 2018. After the pre-bid meeting, it was determined that a Phase II Analysis should be

completed to determine the amount of asbestos that will need to be removed. The City of Tulsa will release the Request for Demolition bids for the Laura Dester site, once the analysis is complete.

P. Dirty Butter – Heritage Hills:

The Roberts Family, and Sheila Thompson and Steven Murrell are on the Agenda today for approval of Construction plans.

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 February 2018. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, 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. There has been ongoing coordination for overhead utility companies to eliminate conflict. Underground utility work is nearing completion. Final light fixture order is in the works to add fixtures which were previously eliminated. Discussions will occur concerning priority installation schedule for fixtures on Elgin between 1st Street and the railroad tracks. Monthly update meetings are ongoing. Project is scheduled for completion March 2018.
- **Brady District Streetscape Improvements: Fund No. 6963** – Streetscape Enhancements matching Downtown Streetscape Master Plan guidelines. Construction has commenced and 3 sidewalk pours are complete. Coordinating with WRT Realty, Wallace, and Magnum for repair to the brick façade on the 3G (Hanson) building. Magnum is pricing the fix to prepare for owner approval and payment by WRT. So far, coordination with tenants has gone smoothly. Impact to business operations has been minimized.
- **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 plans to have the new lighting system complete and functioning by the end of February 2018. Light pole base locations have been coordinated with the plans for the new BRT bus stations. Contractor is planning to do work in two phases, with the first phase being from Pine to Virgin and the second phase from Virgin to Apache. Pole and fixtures have been received. The City of Tulsa will coordinate with the contractor to receive spare parts.

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:**

Defendants permitted to join architect firm as third party defendant. Order to re-set hearing on TDA’s application for appointment of a receiver has been delivered to Judge Wall, awaiting a date to be set.

Breach of Contract and Lien Foreclosure Counterclaims:

- **Alpine Roofing, LLC v. MGT Construction Management, East End Village, LLC; Larson Development, TDA and others:**
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. Wilkins Motion for New Trial denied. TDA has filed a Motion to Confirm the Arbitration decision in the District Court case. TDA Counsel has filed a Motion for Summary Judgment. No hearing date set. No ruling issued. Case remains pending.

Hall-Harper et. al v. TDA

Judge has overruled Plaintiff's procedural motions. TDA is proceeding with discovery requests and will pursue a Motion for Summary Judgement. Case remains pending. This is an Executive Session Agenda item and will be discussed at that time.

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

- a. **December 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. Mr. Kildow also introduced new members of the Financial/Accounting Staff, Linn Cain, Cheryl Black, and Annette Bess.

After discussion, Commissioner Boxley moved to accept the Financial Report and Comparative Financial Statements for December 2017 and, **Resolution No. 6410**, approving TDA Financial Report for December 2017, and the Comparative Financial Statement, seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley
Nays: None

The motion passed unanimously.

- c. **City of Tulsa invoice from October 2017 to December 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 Bracy moved to approve **Resolution No. 6411**, approving City of Tulsa invoice in the amount of \$761.01 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, Bracy, and Boxley
Nays: None

The motion passed unanimously.

7. Receive, Discuss, and Vote:

- a. Discussion, consideration, and vote to approve a Resolution for the Third 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 Third Draw Request in the amount of \$77,250.00, which represents 39.89% completion. After discussion, Commissioner Bracy moved to approve Resolution No. 6412, approving payment of Advance Number Three to The Flats on Archer, LLC pursuant to loan agreement for the Flats on Archer Project – 110 N. Boston Avenue, Tulsa, Oklahoma. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley

Nays: None

The motion passed unanimously.

- b. Discussion, consideration and vote to approve construction plans and specifications in accordance with the Contract for sale of land for Private Redevelopment, Section 5: Plans, Specifications, Mortgage, Financing and Equity Capital from Floyd Roberts and Kuma Roberts, for the purchase of TDA owned property located at 1980 North Hartford Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this is a property located in Dirty Butter-Heritage Hills. The request is to approve the construction plans submitted by Floyd and Kuma Roberts. After discussion, Commissioner Boxley moved to approve Resolution No. 6413, approving construction plans and specifications in accordance with Contract for the Sale of Land for Private Redevelopment of TDA owned lot located at 1980 North Hartford Avenue, Tulsa, Oklahoma - Floyd Roberts and Kuma Roberts. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley

Nays: None

The motion passed unanimously.

- c. Discussion, consideration and vote to approve construction plans and specifications in accordance with the Contract for sale of land for Private Redevelopment, Section 5: Plans, Specifications, Mortgage, Financing and Equity Capital from Shelia Thompson and Steven Murrell for the purchase and redevelopment of TDA owned property located at 1960 North Hartford Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this is a property located in Dirty Butter-Heritage Hills. The request is to approve the construction plans submitted by Shelia Thompson and Steven Murrell. After discussion, Commissioner Bracy moved to approve Resolution No. 6414, approving construction plans and specifications in accordance with the Contract for Sale of Land for Private Redevelopment to TDA owned lot located at 1960 North Hartford

Avenue, Tulsa, Oklahoma – Shelia Thompson and Steven Murrell. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley
Nays: None

The motion passed unanimously.

- d. **Discussion, consideration and vote to approve an amendment for extension of timelines provided in an existing Redevelopment Agreement between GreenArch, LLC and TDA for the GreenArch project located on the Southeast Corner of North Greenwood Avenue and East Archer Street, Tulsa, Oklahoma:** Kajeer Yar, representative with GreenArch, LLC was present and distributed renderings of the project to the Board. Mr. Yar is requesting an extension of timelines until December 2018. After discussion, Commissioner Bracy moved to approve **Resolution No. 6415**, approving Second Amendment of Amended and Restated Redevelopment Agreement between TDA and GreenArch, LLC – Block 53. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley
Nays: None

The motion passed unanimously.

- e. **Discussion, consideration and vote to authorize the TDA Chairman Peters (with the advice and consent of TDA Executive Director and General Counsel) to negotiate the terms of and enter into an engagement letter with Leslie Batchelor, and the Center for Economic Development Law, for professional services for the creation and drafting of economic development strategies, one or more Project Plans and associated Tax Increment Finance (TIF) District(s) within an area of North Tulsa located north of the Inner Dispersal Loop to East 56th Street North, between North Martin Luther King, Jr. Blvd. and North Harvard Avenue, Tulsa, Oklahoma:** General Counsel Hartley stated this a request to engage Ms. Leslie Batchelor in the development of a new North Tulsa TIF district. General Counsel Hartley explained, a meeting is scheduled today with Ms. Batchelor to negotiate the terms of the Engagement Letter. After discussion, Commissioner Bracy moved to approve **Resolution No. 6416**, approving retention of Special Counsel for the Tulsa Development Authority – North Tulsa TIF matters. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley
Nays: None

The motion passed unanimously.

- f. **Discussion, consideration and vote to approve a request from the Performing Arts Center Trust to release from the restrictions contained in the City of Tulsa's 1965 Urban Renewal Plan as it relates to the Performing Arts Center owned land located between East 2nd and East 3rd Streets, and between South Cincinnati and South Detroit Avenues to facilitate the closing of the sale of said land:** Mark Swiney, Assistant Senior Attorney for the City of Tulsa Legal Department was present. He provided a history of the Urban Renewal Plan and the restrictions included in the Plan. General Counsel Hartley explained the Urban Renewal Plan has expired and the action for today would be to recognize the Plan has expired and cannot be enforced or does not have any effect. After discussion, Commissioner Bracy moved to approve **Resolution No. 6417**, confirming Release of Restrictions contained in City of Tulsa 1965 Urban Renewal Plan for real property owned by the City of Tulsa Performing Arts Center Trust and located between East 2nd and 3rd Streets, and between South Cincinnati and South Detroit Avenues, City of Tulsa, Oklahoma. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley

Nays: None

The motion passed unanimously.

Commissioner Bracy moved to go into Executive Session at 9:59 a.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, Bracy, 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 Tulsa Development Authority's Executive Director Annual Evaluation. [25 O.S. §307(b) (4) and §307(c) (10).]
- b. 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).]
- c. Confidential communication with TDA General Counsel and TDA Special Counsel regarding status of negotiations, interpretation of contract rights and possible litigation relating to a Redevelopment Agreement dated June 30, 1986 ("Agreement") between the University Center at Tulsa (UCT) and the Tulsa Development Authority (TDA), and failure of UCT to redevelop the subject property, as described in the Agreement in compliance with terms and conditions of the Agreement. [25 O.S. §307(b) (4) and §307(c) (10).]
- d. 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).]
- e. Confidential communication with Counsel regarding pending litigation for property located at 744 East Pine Street, Tulsa, Oklahoma (Case No. CV-2017-1049). (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 Bracy moved to return to Open Session at 10:44 a.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, Bracy, 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, with the exception of Vice Chairman Mitchell, whom exited the meeting at 10:33 a.m. 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.b. Peoria Realty

After discussion, Commissioner Boxley moved to approve Resolution No. 6418, approving Third Amendment to Contract for Acquisition and Sale of Land for Private Redevelopment of Privately owned land. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, and Boxley

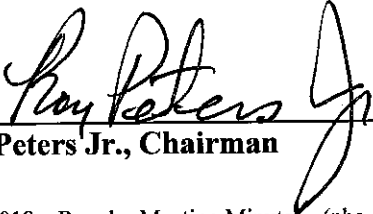
Nays: None

The motion passed unanimously.

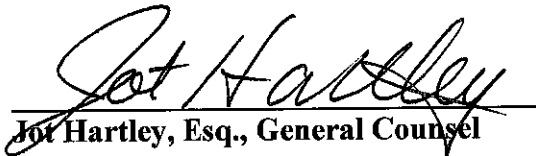
- 12. New Business:** Commissioner Bracy thanked Kathy Taylor for working with Tulsa Development Authority to spur economic development and development in downtown Tulsa during her term in the Mayor's office.
- 13. Adjournment:** The meeting adjourned at 10:47 a.m.

Tulsa Development Authority

Approved as to legal form and adequacy:



Roy Peters Jr., Chairman



Jot Hartley, Esq., General Counsel

[2-1--2018 – Regular Meeting Minutes - (nbe-)]