

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 – April 6, 2017

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
Kevin Anderson
Thomas Baker
Rocky Bright
Linn Cain
Steve Carr
Andrew Coffey
Jim Coles
Mike Dickerson
Derek Gates
Vanessa Hall-Harper
Jill Hoyt
Norman Kildow
Jean Lu
Kim MacLeod

Also Present:

Joyce McClellan
Rhett Morgan
Charles Okyere
David Puckett
Daniel Regan
EC Richards
Eric Richards
Mike Thedford
Theron Warlick
Dawn Warrick
Richard Winton
NaTasha Bunch-Everly
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. 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, and Commissioner Roberts was present via teleconference. A quorum was present.

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

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

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

Ayes: Peters, Mitchell, Pegues, and Bracy

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

On February 24, 2017, the TDA office forwarded a version of the Redevelopment Agreement to Pine Place Development, LLC. TDA is waiting for a written response from Pine Place Development, LLC. TDA and the City of Tulsa's Economic Development team are discussing how the North Peoria TIF could be expanded 5% to include the Morton Site.

B. **Peoria Realty Investments, Inc.:**

On March 21, 2017, Chairman Peters, Counsel Hartley, and the Executive Director met with Peoria Realty Investments, Inc. to discuss the proposed development. Items of discussion included: Rezoning, Comprehensive Plan Amendment, Amending the Unity Heritage Neighborhoods/Greenwood Heritage Neighborhoods Plan, BRT, lighting and buffering to existing neighborhood, no curb cuts along Pine Place, Ingress and Egress along Peoria Avenue and Pine Street, Voluntary acquisition vs. Condemnation. A copy of the Agreement between Peoria Realty and the Proposed Redeveloper will be provided to City of Tulsa Officials, as requested. Peoria Realty provided a letter acknowledging receipt of Earnest Money Deposit and TDA's General Counsel indicated the letter was sufficient. Executive Director Walker stated, all the appraisals for the properties have been received in the TDA office.

- C. **Dollar General Store/Rupe Helmer Group:**
The Redeveloper plans to submit schematic drawings and specifications for the May 2017 TDA Regular meeting. Executive Director Walker stated a protest was held in opposition to the Dollar Store; however, the land has been vacant since 1979. Chairman Peters requested clarification of the Board approving the development in a Public Meeting. General Counsel Hartley stated, there were two public meetings regarding this development.
- D. **Ogan's Circle/Capital Homes, LLC:**
There was a Groundbreaking on March 9, 2017, and approximately 85 people have registered on the interest list. Ten people have completed the application process with Capital Home's preferred lender. The first house is under construction and should be completed by May 2017. The goal is to have a house built for the Tulsa Parade of Homes 2017.
- E. **Firestation No. 1 – CORE Associates, LLC:**
CORE has requested to meet with the TDA Board of Commissioners in Executive Session at the April 6, 2017 Board meeting.
- F. **The Flats on Archer:**
The Flats on Archer closed on March 23, 2017. The Redeveloper plans to mobilize on the site the week of April 3, 2017. Tentative groundbreaking is scheduled for April 10, 2017. General Counsel Hartley stated he received all the documents requested from TDA.
- G. **Blue Dome Anchor, LLC:**
The Redeveloper will appear before the Board next month for approval of the plans.
- H. **The Meridia, LLC- River City Development, LLC:**
This is an Agenda item today for the final Draw Request No. 11. The project is complete.
- I. **Tulsa Boxyard:**
This project is complete and will not appear on the Report next month.
- J. **First Street Lofts:**
Painting has started on the 2nd level and will go up to the 5th level. All framing is complete on the 2nd and 3rd floors. All rough electrical is complete throughout the building. Interior steel staircase is complete from the 1st to the 4th floor. Cabinets are installed throughout the building.
- K. **The Village at Central Park:**
Pearl Development – The Redeveloper plans to meet with the City of Tulsa Parks Department on April 4, 2017 to review the existing Lease Agreement for Centennial Park.
VCP, LLC - All units on the first floor are framed and the Redeveloper is starting the second floor. Framing should be complete by mid-April.

- L. **Hampton Inn and Suites/One Place Hospitality, LLC:**
The project is complete. The hotel opened on March 1, 2017, in time for the NCAA Tournament at the BOK Center.
- M. **Tulsa Urban Development Group, LLC/Urban8:**
The TDA Chairman, General Counsel, and Executive Director met with Ms. Hovell, at her request. The purpose of the meeting was to respond to a request from Ms. Hovell requesting a \$2 million loan to alleviate interest payment with the bank, and return of the Good Faith Deposit. Chairman Peters made it clear to Ms. Hovell that TDA is not making a commitment and that she must follow the RFP guidelines. Executive Director Walker informed Ms. Hovell, a Certificate of Completion for all 8 units, must be received prior to the Return of the Good Faith Deposit. General Counsel Hartley stated, he would review the terms of the Contract for possible adjustments.
- N. **The Edge at East Village (Hartford Commons, LLC):**
The project is complete. The Good Faith Deposit will be returned.
- O. **YMCA Lofts**
This project is complete. The Redeveloper received the final Draw Request in March 2017.
- P. **1216 North Lansing Avenue, The Lansing Centre**
TDA plans to receive bids for repairing the guttering system.
- Q. **Carland Group**
Executive Director Walker stated an internal meeting was held with the Public Works Department, Human Rights Department, Mayor's Office, and TDA regarding this development. The Public Works Department gave an estimate of \$100,000.00 to fix the curbs and install driveways. The City of Tulsa's position is the drive is a private drive and cannot enforce the developer to fix it. General Counsel Hartley stated, several attempts have been made to meet with the Carland Group to no avail, and the site plans TDA approved depicted driveways, not continuous curbing. The plans submitted to The City of Tulsa for permits were different than the plans TDA approved. This switch in plans allows TDA to enforce the contractual right which states any change in plans must be brought back to the TDA Board for approval.

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 April 2017. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

4. **Tulsa County Housing Study – David Puckett, Senior Vice President, JLL Valuation and Advisory Services:** Executive Director Walker stated Mr. Puckett is here to provide a housing study at the request of Ms. Kathy Taylor. Mr. Puckett presented a PowerPoint presentation detailing housing needs and statistics for Tulsa County and the State of Oklahoma, coupled with Affordable Housing Needs. At the request of Chairman Peters, the study will be made available on the TDA website before the end of the day.

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. Engineering Design – Pre-Bid Meeting was on March 20, 2017 and Bid opening on March 30, 2017. Construction will begin after contract is awarded. Estimated 6 to 8 weeks. The Santa Fe block was not included in the Bid and another Bid will need to be obtained for the Santa Fe Block. Chairman Peters suggested including the Developer for the Santa Fe Block in the process.
- **Proposed streetscape improvements to Cameron Street: Fund No. 6963** – Streetscape enhancements meeting Brady District Standards - Bid was awarded to Crossland Construction. Construction was scheduled to begin last week, but was delayed because of the weather. Will find out when construction will start.
- **Brady District Streetscape Improvements: Fund No. 6963** – Streetscape Enhancements matching Downtown Streetscape Master Plan guidelines. IDP still under review with City of Tulsa, but should be wrapping up in April and prepare for bid. Review and construction process is approximately 120 days once submitted.

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

b. **North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner’s packets:** Mr. Gates stated, due to Spring Break activities and other absences, the meeting with the City of Tulsa Economic Development Department was postponed. The meeting will be rescheduled to accommodate all participants’ schedules, including City Councilor Vanessa Hall-Harper. Ms. Rose Washington with TEDC is requesting a commitment for infrastructure funding to be available for potential clients wishing to build in the Shoppes on Peoria. Plans for lighting on Peoria Avenue, between Apache Street and Pine Street were bid, and 3 bids were received. The apparent low and best bidder was

Third Generation Electric with a bid of \$381,611.43. The bids were evaluated and the recommendation is to accept the bid from Third Generation Electric. Chairman Peters questioned who will be responsible for maintaining and operating the lights. Mr. Gates stated, former City Councilor Jack Henderson said he would make sure funds were allocated for the maintenance and operations. Mr. Gates will forward the cost estimates to current City Councilor Vanessa Hall-Harper to ensure funds are allocated. The TDA Board of Commissioners accepted this recommendation. Mr. Gates answered questions and concerns from the Board. After discussions, Commissioner Pegues moved to approve **Resolution No. 6328**, selecting of the Third Generation Electric bid in response to request for bids for North Peoria Street lighting project, and authorize negotiations for contract of installation of lighting improvements on North Peoria Avenue, between East Pine Street and East Apache Street, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

- c. **Elm Creek/6th 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 6th Street/Elm Creek project. The Report stands as presented.

6. General Counsel

- a. **Pending Litigation Report was included in the Commissioner packets:** General Counsel Hartley provided the monthly pending litigation report and 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:**
No new developments in lawsuits. Certificate of Completion has been issued by TDA to East End Village.

Breach of Contract and Lien Foreclosure Counterclaims:

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

Foreclosure:

- **TDA v. Donald Jackson, et al:**
TDA Counsel has been contacted by Counsel for borrower regarding reinstatement of first mortgage and resumption of payments on TDA note and mortgage.

Other:

- **Novus Homes (Wilkins).**
Parties are conducting interrogatory and documents discovery in advance of depositions to be taken in April, 2017. This item will be further discussed in Executive Session.

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

- a. **February 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 provided a Two Year Cash Flow Summary from July 1, 2015 through February 28, 2017. This report was prepared at the request of Commissioner Roberts. Mr. Kildow provided details and explanations regarding the report and answered questions and concerns from the Board. At the request of the Commissioners, Mr. Kildow agreed to provide an updated 5 Year Cash Flow Projection to the Board in July or August, 2017.

After discussion, Commissioner Bracy moved to accept the Financial Report and Comparative Financial Statements for February 2017, **Resolution No. 6329**, approving TDA Financial Report for February 2017, and the Comparative Financial Statement, seconded by Commissioner Pegues. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously.

- c. **City of Tulsa Invoice:** Mr. Kildow stated the invoice is for all departments, minus the Finance/Accounting Departments, and answered questions from the Board. After discussion, Commissioner Pegues moved to approve **Resolution No. 6330**, approving payment of invoice from the City of Tulsa Planning and Development, Asset Management, and Economic Development Departments in the amount of \$1,903.04 for

services rendered July 1, 2016 through December 31, 2016, seconded by Vice Chairman Mitchell. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously.

8. Receive, Discuss, and Vote:

- a. **Discussion, consideration, and vote to approve a Resolution authorizing Draw Request No. 11 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 the final draw request for the project. The draw request is for \$52,000.00 which represents 100% completion. Mr. Richard Swinton, representative for The Meridia, LLC, provided a status update of the project. The apartments are 33% leased and they are hopeful to be 100% leased in one year. There is interest in commercial space in the basement and street level. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6331**, approving payment of Advance Number Eleven to the Meridia, LLC pursuant to Redevelopment Agreement for the Meridia Project. Commissioner Pegues seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

- b. **Discussion, consideration, and vote to release a Request for Proposals 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:** Mr. Theron Warlick and Mr. Roger Acebo, with the City of Tulsa Planning Department stated the two components the Board requested to be added to the RFP are included in the Revised RFP. The appraisal value for the property is \$790,000.00 and the Phase I Environmental Study are included in the RFP. The Communications Department will reformat the document to be aesthetically pleasing and will include general information about Tulsa. The RFP will be released before the end of April. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6332**, authorizing issuance of a Request for Proposals (RFP) for the Sale and Redevelopment of TDA owned property located between South Quincy Avenue and South Rockford Avenue and between 7th and 8th Streets, Tulsa, Oklahoma, former Laura Dester Site. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

- c. **Discussion, consideration, and vote to enter into a Redevelopment Agreement between Pine Place Development and TDA for the former Morton Hospital site located at 605 East Pine Street, Tulsa, Oklahoma:** Executive Director Walker stated a draft of the Agreement was sent to the Redeveloper; however, TDA has not received feedback and suggested no action be taken today on this Agenda item.
- d. **Discussion, consideration, and vote to expand the boundaries of the North Peoria TIF District No. 4 to include an additional 5.342 acres (1.04%) to increase the size from 507.52 acres to 512.862 acres, to include the former Morton Hospital site:** Executive Director Walker stated this relates to the former Agenda Item and the Morton Hospital Site. Mr. Jim Coles, representative for the Mayors Economic Development Department stated, this is a minor amendment to expand the North Peoria TIF area to include the Morton Hospital Site. Expanding the boundaries of a TIF district is allowable without engaging all the Taxing Authorities if the requested amendment is less than 5% and this request is for an increase of 1.04% or 5.342 acres. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6333**, approval of minor amendment of boundaries of the North Peoria Avenue Tax Increment District Number Four, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

- e. **Discussion, consideration, and vote to approve a Resolution of Support for a Tax Abatement from TDA for the First Place, LLC, project located at 410 South Boston Avenue (Tulsa Place Garage):** Mr. Jim Coles stated this request is for a Resolution of Support of the Tax Abatement request for First Place, LLC. The property is located at 410 South Boston Avenue and will consist of a parking garage on floors 2 – 5 and 13,000 square feet of restaurant/retail space on the first floor. Mr. Daniel Regan, representative with First Place, LLC, was present to express excitement to bring jobs and retail activity to downtown Tulsa. After discussion, Commissioner Pegues moved to approve **Resolution No. 6334**, approving Resolution of Support for a Tax Abatement from Tulsa Development Authority for the First Place, LLC, project located at 410 South Boston Avenue - Tulsa Place Garage. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

Nays: None

The motion passed unanimously

Commissioner Bracy moved to go into Executive Session at 10:33 a.m., seconded by Commissioner Pegues. The vote was recorded as follows:

Ayes: Peters, Mitchell, Pegues, and Bracy

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 an existing Redevelopment with CORE Associates, LLC for the Redevelopment of Fire Station No. 1, located at 411 South Frankfort Avenue, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
 - b. Confidential communication with Counsel regarding the Redevelopment of TDA land located on the Northwest corner of North Elgin Avenue and East Archer Street, Tulsa, Oklahoma. (Block 44). [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 and the Tulsa Development Authority. [25 O.S. §307(b) (4) and §307(c) (10).]
 - d. 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).]

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

Ayes: Peters, Mitchell, Pegues, and Bracy

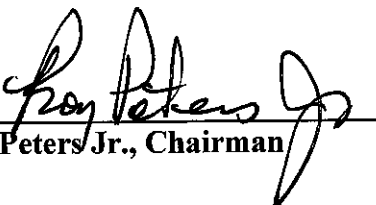
Nays: None

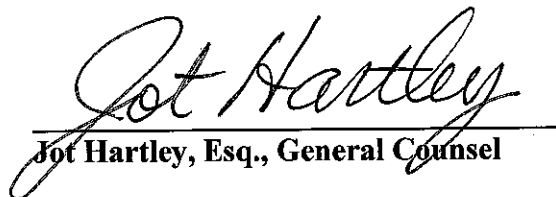
The motion passed unanimously.

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:**
None.
12. **New Business:** None.
13. **Adjournment:** The meeting adjourned at 11:12 a.m.

Tulsa Development Authority

Approved as to legal form and adequacy:


Roy Peters Jr., Chairman


Jot Hartley, Esq., General Counsel

[4-6-2017 – Regular Meeting Minutes - (nbe-)]