

## 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 – May 5, 2016

8:30 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  
Clay Bird  
Ken Busby  
Linn Cain  
Stephen Carr  
Andrew Coffey  
Jim Coles  
Jim East  
Derek Gates  
Rebecca Jimerson  
Norman Kildow  
Tyrone Lofton  
Jean Lu  
Joshua Lyon  
Julie Miner

#### **Also Present:**

Lottie Nealy  
Greg Oliphant  
Michael Patton  
Brant Pitchford  
Leon Rollerson  
Gary Schellhorn  
Cynthia Stewart  
Mike Thedford  
Dennis Whitaker  
David Wilson  
Chris Wollard  
J Sherri Wright  
NaTasha Bunch-Everly  
Jane Malone

**The regular meeting was called to order at 8:32 a.m. by Chairman Peters. Decisions will be made, votes and action taken. A quorum was established. The Agenda will be followed as printed. 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, Commissioner Bracy, and Commissioner Roberts were present. A quorum was present.

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

- a. Minutes of April 7, 2016 Regular Meeting
- b. Minutes of April 7, 2016 Executive Session Meeting

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

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

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

The project is complete and a Certificate of Occupancy was issued.

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

The project completion date is scheduled for the end of June, 2016. The Redeveloper would like to schedule a tour for the Board prior to opening.

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

The property closed on April 15, 2016. TDA will remit all proceeds to City of Tulsa, less TDA expenses.

G. **YMCA Lofts Project:**

The Redeveloper will appear before the Board at the June meeting for another draw request.

H. **River City Development LLC:**

The Redeveloper will appear before the Board at the June meeting for another draw request.

I. **Blue Dome Box Yard:**

The Redeveloper is currently in the permit stages of the process. The City of Tulsa Permit Department is being cautious, due to the use of shipping containers.

**J. Drexel Academy:**

On April 12, 2016, representatives with Drexel Academy appeared before The City of Tulsa Board of Adjustments, to seek a special exception to allow modular structures to be located on the site. General Counsel Hartley recommends Drexel Academy return to the TDA Board for approval of the suggestions made by the Board of Adjustments.

**K. First Street Lofts:**

Mayor Bartlett approved and signed the 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> Amendments. Approval of the 9<sup>th</sup> Amendment is on today's Agenda. Once the 9<sup>th</sup> Amendment is approved and signed by all parties, we will schedule a closing and coordinate the commencement of construction.

**3. Sector Plan Updates**

City of Tulsa review staff is currently conducting a technical review of the preliminary recommendations of the Sector Plans. Houseal Lavigne is awaiting the submittal of comments from some City Departments before making edits to the recommendations and preparing the complete draft plan. Chairman Peters requested Houseal Lavigne Associates appear before the Board at the June meeting with a status update.

Commissioner Roberts and Executive Director Walker attended Holland Hall School where they presented a presentation about Downtown Development. Approximately 300 students, comprising of grades 7 through 12, attended the presentation. The students were engaged in the presentation and asked insightful questions.

**Executive Director's report was accepted by the Board.**

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

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

- **Blue Dome Lighting Project: Fund No. 6967** – Fixtures on Elgin between First Street and railroad tracks are out to bid. At least 2 vendors have submitted pricing to COT purchasing. The contract award should take place next week and the completion of the project is estimated next month.
- **Proposed streetscape improvements to Cameron Street: Fund No. 6963** – Plans are being finalized for bidding. Estimated overall costs is approximately \$380,000.00. A formal request for TDA to approve the expenditure is on the Agenda for today. Estimated completion of the project is October 2016.
- **Elgin streetscape improvements: Fund No. 6967** – No new information.

- b. North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner’s packets:** Mr. Derek Gates and Councilor Jack Henderson met on April 29, 2016 to discuss the process the Lacy Park Council went through for their lists of projects. Mr. Gates and Councilor Henderson also discussed other concerns and projects in the North Peoria TIF area. Councilor Henderson agreed to help solicit additional stakeholders in the TIF area and to provide assistance in funding the lighting project on North Peoria. Councilor Henderson and Derek Gates will meet on a regular basis. Mr. Gates scheduled a tentative Community meeting for May 20, 2016, to provide an update on the status of the potential TIF projects. Mr. Gates has also been meeting with local advertising businesses to discuss signage on Highway 75 to advertise and direct travelers to the Shoppes on Peoria. The Commissioners and Counsel Hartley recommended Mr. Gates meet with Mr. Jim Coles to discuss the appropriate signs for an allowable TIF expenditure.
- c. TIF Report Updates – Jim Coles: A copy of the report is included in the Commissioner’s packets:** Mr. Jim Coles stated this is an annual review of the TIF funds for projects that have a balance remaining, but funds have not been expended for over one year. Mr. Coles is requesting the report be accepted and the attached summary of funds are cleared and return to the respective TIF accounts. After discussion, Vice Chairman Mitchell moved to accept the TIF Report Updates and approve **Resolution No. 6206**, authorizing a budget Amendment to transfer remaining TIF balances from inactive projects and return the funds to unobligated cash status within the respective TIF Districts for redistribution for new TIF projects. The motion was seconded by Commissioner Pegues. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

- d. 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 stated 11 owners have indicated their desire to sell 14 properties located in the plan area. The next step is to have the appraisals approved by a qualified Review Appraiser. Mr. Acebo stated two options are available to solidify a qualified Review Appraiser for this project. The first option is for TDA to contract a qualified Review Appraiser and the second option is to modify the existing Agreement with Universal Field Services to allow for a qualified Review Appraiser. Mr. Acebo recommends TDA contract with a Review Appraiser to assist with this project, as well as future projects. After discussion, Commissioner Bracy moved to approve **Resolution No. 6207**, authorizing the contracting of a Review Appraiser for implementing the Elm Creek/6<sup>th</sup> Street Project. The motion was seconded by Vice Chairman Mitchell. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

**5. General Counsel**

- a. Pending Litigation Report was included in the Commissioner packets:** General Counsel Hartley provided the monthly pending litigation report. 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:**  
Depositions of representatives of East End Village and MGT Construction Management are on hold pending motions to quash subpoenas.

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

- **East End Village, LLC v. MGT Construction Management, Inc., et al:**  
Depositions of representatives of East End Village and MGT Construction Management are on hold pending motions to quash subpoenas.

**Other:**

- **Novus Homes (Wilkins)**  
This is an Agenda item for the Executive Session today and further discussion will occur at that time.

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

- a. March 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 Bracy moved to accept the Tulsa Development Authority Financial Report for March 2016 and Comparative Financial Statements for March 2016, and approve

**Resolution No. 6208**, seconded by Commissioner Pegues. The vote was recorded as follows:

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

**The motion passed unanimously.**

- c. **City of Tulsa Invoices (January 2016 – March 2016) – included in the Commissioner’s packets:** Norman Kildow stated the invoice is for the Planning and Development Department, Asset Management Department, and Economic and Development Department for the months of January – March 2016. He provided an overview of the Invoice.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6209**, approving payment of Invoice from the City of Tulsa Planning and Development, Asset Management, and Economic Development Departments in the amount of \$1,738.35 for services rendered January 1, 2016 – March 31, 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.**

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

- a. **Discussion, consideration, and vote to approve a Resolution authorizing expenditure of funds from Fund No. 3122 to provide Tornado Relief assistance to under-served families affected by the March 30, 2016, storm in Tulsa, Oklahoma:** Executive Director Walker stated the City of Tulsa WIN Department and TDA are partnering to provide assistance to the under-served affected by the tornado in North Tulsa. Brant Pitchford, a representative with the WIN Department was present and provided an overview. He stated the source of funding for \$100,000.00 is through HUD (Housing and Urban Development). Executive Director Walker and Mr. Pitchford answered questions and concerns from the Board. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6210**, approving expenditure of TDA funds to provide Tornado Relief assistance to under-served families affected by the March 30, 2016 storm. 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 approve a Resolution authorizing TDA Chairman to negotiate and enter into an Agreement for Professional Services with EverMore Services, LLC to draft the TDA Operational Plan in accordance with the TDA Strategic Plan:** Executive Director Walker stated Ms. Cynthia Stewart met with Chairman Peters, Counsel Hartley, and himself to negotiate the terms of the Agreement. Cynthia Stewart submitted an updated version of the proposal, which is included in the Commissioner's Packets. Ms. Stewart was present and stated, she will be focusing on Strategic Initiatives, Outcomes and Actions and working directly with Chairman Peters and Executive Director Walker, for completion of the Operational Plan. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6211**, authorizing TDA Chairman to finalize and sign a Contract with Evermore Services, LLC to provide services for the preparation of an Operational Plan for the Tulsa Development Authority. Commissioner Bracy 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 to approve a Resolution to amend an existing Lease Agreement between TDA and Leon Rollerson for TDA owned property located at 1216 North Lansing Avenue, Suite B, Tulsa, Oklahoma:** Executive Director Walker stated this request is to review the lease agreement with Leon Rollerson, as well as increase the rent to fair market value of \$6.50 per square foot or \$433.33 per month. Mr. Rollerson's lease agreement is for 800 square feet of space, but he is currently utilizing the entire suite, and the electric and gas utilities are not operating. Mr. Leon Rollerson was present and stated he is willing to pay the increase in rent, but would like additional time to gather the funds. Chairman Peters stated the board will waive the delinquent rent amount and wait to increase the rent until July 1, 2016, provided Mr. Rollerson meet the requirements by June 3, 2016, as follows:

1. Clean and restore any portion of Suite B previously used which is not within the 800 square feet.
2. Re-establish all utilities to the leased premises.

Chairman Peters will inspect the suite to ensure compliance. If the requirements are not met, the Board will proceed with eviction. After discussion, Commissioner Pegues moved to approve **Resolution No. 6212**, approving Amendment of Existing Lease Agreement with Leon Rollerson for TDA owned property located at the Lansing Center, Suite B. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

- d. **Discussion, consideration, and vote to authorize a Resolution to amend the terms and conditions of an existing Redevelopment Agreement between Bennie Oulds and TDA for property located at 2010 North Harford Avenue, Tulsa, Oklahoma (Dirty Butter – Heritage Hills Expansion):** Executive Director Walker stated Mr. Bennie Oulds is requesting an extension of time to begin construction and he provided a letter detailing the rationale for the request. The letter was included in the Commissioner's packets. After discussion, Commissioner Pegues moved to approve **Resolution No. 6213**, approving Amendment of Redevelopment Contract with Bennie Oulds for the purchase and redevelopment of 2010 North Hartford Avenue, 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.**

- e. **Discussion, consideration, and vote to approve a Resolution authorizing the expenditure of Brady District TIF funds in the amount of \$380,000.00 for streetscape improvements on the South side of East Cameron Street, between North Detroit Avenue and North Cincinnati Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this item will be tabled today until next month's TDA meeting. Mr. Clay Bird stated, the TIF collected more in ad valorem tax and not enough collected in sales tax. Mr. Jim Coles stated, Ms. Leslie Batchelor, a consultant for the City of Tulsa, is exploring a new interpretation of TIF projections, and until clarity can be obtained, this action cannot proceed. After discussion, Commissioner Bracy moved to table the request until the TDA June meeting. Commissioner Pegues seconded the motion. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

- f. **Discussion, consideration, and vote to approve a Resolution authorizing the issuance of a Request for Qualifications (RFQ) and letter of interest for Professional Engineering Services for the North Peoria TIF Street Lighting Design along North Peoria Avenue, between East Pine Street and East Apache Street, Tulsa, Oklahoma:** Executive Director Walker stated this request is for authorization to release a Request for Qualifications for the lighting design on North Peoria Avenue, between East Pine Street and East Apache Street, Tulsa,



Oklahoma. After discussion, Commissioner Pegues moved to approve **Resolution No. 6214**, authorizing the issuance of a Request for Qualification (RFQ) and letter of interest for Engineering Services for the North Peoria TIF Street Lighting Design along North Peoria Avenue, between East Pine Street and East Apache Street, Tulsa, Oklahoma. Vice Chairman Mitchell 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 the expenditure of the Brady District TIF funds for the development of a sculpture in the Vest Pocket Park located North of East Archer Street, between North Main Street and North Boulder Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this item will also be tabled until controversy surrounding the TIF's are clarified. Mr. Ken Busby, Mr. Greg Oliphant, Mr. Davis Wilson, and Mr. Chris Wollard provided an innovative visual presentation of the sculpture to be created for the Vest Pocket Park. The sculpture will be interactive and will accentuate the entrance of the park. After discussion, Commissioner Roberts moved to table the request. 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 authorizing a Resolution approving an amendment to the existing Redevelopment Agreement between Tulsa North Community Development Corporation (TNCDC) for TDA owned property located on the Northeast corner of East Latimer Street and North Main Street, Tulsa, Oklahoma:** Executive Director Walker stated the representatives for TNCDC are not present today and recommends the Board not Amend the Agreement extending the term for an additional three years. Executive Director Walker also stated the request for extension is to allow additional time for funding. After discussion, Commissioner Roberts moved to approve **Resolution No. 6215**, denying requested Amendment to Contract with Tulsa North Community Development Corporation (TNCDC) for an extension of Contract deadlines for Redevelopment of TDA owned property located on the Northeast corner of East Latimer Street and North Main Street, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

**Nays: Pegues**

**The motion passed with a majority vote.**

**Commissioner Bracy moved to go into Executive Session at 10:18 a.m., seconded by Commissioner Pegues. The vote was recorded as follows:**

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

**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 TDA General Counsel regarding consideration of a proposed Ninth Amendment to the Redevelopment Agreement with FSL 2, LLC (successor to First Street Lofts, LLC) for the First Street Lofts project, located at 310 E. First Street, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
  - b. 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).]
  - c. Confidential communication with Counsel regarding request from Redeveloper for 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 and retention of special counsel for TDA. [25 O.S. §307(b) (4) and §307(c) (10).]
  - d. Confidential communication with Counsel regarding a proposal for the loan of TDA unrestricted funds in support of the purchase of real property and subsequent redevelopment to support an economic development

initiative impacting the development of Downtown Tulsa, Oklahoma. [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 11:05 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.**

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. **First Street Lofts** – Approve or Deny proposed Ninth Amendment to the Redevelopment Agreement with FSL 2, LLC (successor to First Street Lofts, LLC) for the First Street Lofts project, located at 310 E. First Street, Tulsa, Oklahoma. After discussion, Commissioner Pegues moved to approve **Resolution No. 6216**, approving and authorizing execution of the Ninth Amendment to the Redevelopment Agreement between the Tulsa Development Authority and FSL 2, LLC (First Street Lofts), seconded by Commissioner Bracy. The vote was recorded as follows:

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

**The motion passed unanimously.**

- 8.c. **Wilkins** – Approve or Deny request from Redeveloper for 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. After discussion, Vice Chairman Mitchell moved to approve **Resolution No. 6217**, approving preparation of Response by General Counsel and Special Counsel of the Tulsa Development Authority to objections and matters raised by Redeveloper as the result of termination of Redevelopment Contract - Wilkins, seconded by Commissioner Pegues. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

**Wilkins** – Approve or Deny request to retain Special Counsel. After discussion, Commissioner Pegues moved to approve **Resolution No. 6218**, approving retention of Special Counsel for the Tulsa Development Authority - Wilkins Matters, seconded by Commissioner Bracy. The vote was recorded as follows:

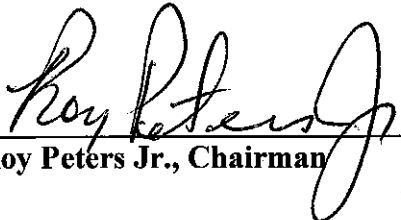
**Ayes: Peters, Mitchell, Pegues, Bracy, and Roberts**

**Nays: None**

**The motion passed unanimously.**

12. **New Business:** Executive Director Walker stated the Downtown Coordinating Council invited Jeff Spager to Tulsa to discuss ways in which to make downtown more walkable by decreasing lanes and adding bicycle lanes. Approximately 300 people attended the event and the Downtown Coordinating Council would like to hire Mr. Spager to conduct a survey on walkability in Downtown Tulsa.
13. **Adjournment:** Chairman Peters adjourned the meeting at 11:11 a.m.

**Tulsa Development Authority**

  
\_\_\_\_\_  
Roy Peters Jr., Chairman

**Approved as to legal form and adequacy:**

  
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Jot Hartley, Esq., General Counsel

[5-5-2016 – Regular Meeting Minutes - (nbe-)]