

RESOLUTION NO. 5832

RESOLUTION AUTHORIZING NEGOTIATIONS WITH AMERICAN RESIDENTIAL GROUP, LTD AND TRIBUNE ACQUISITION, LLC FOR THE SUBSTITUTION OF SECURITY FOR EXISTING INDEBTEDNESS TO TULSA UPTOWN REDEVELOPMENT CORPORATION AND TRIBUNE BUILDING REDEVELOPMENT CORPORATION WITH AN IRREVOCABLE STANDBY BANK LETTER OF CREDIT – TRIBUNE LOFTS II/METRO LOFTS AT BRADY

WHEREAS, Tulsa Uptown Redevelopment Corporation and Tribune Building Redevelopment Corporation, as wholly owned subsidiaries of the Tulsa Development Authority (TDA) have previously loaned funds to Tribune Acquisition, LLC in the amount of Four Million Dollars (\$4,000,000.00) which loan is evidenced by a promissory note dated October 15, 2009 payable to the order of Tulsa Development Authority as Payee Agent for Mortgagees; and

WHEREAS, said promissory note is presently secured by a second real estate mortgage of even date in the original principal amount of Four Million Dollars (\$4,000,000.00) from Tribune Acquisition, LLC, as mortgagor in favor of Tulsa Uptown Redevelopment Corporation and Tribune Building Redevelopment Corporation, as mortgagees; and,

WHEREAS, TDA has received a proposal from Tribune Acquisition, LLC for substitution of security for said promissory note by replacing the said second mortgage with an irrevocable standby bank letter of credit in the amount of \$4,000,000.00; and

WHEREAS, the Board of Commissioners of the TDA has determined that it is in the best interest of the TDA, the City of Tulsa and the citizens of the City of Tulsa, that the TDA authorize the Executive Director and its General Counsel to negotiate, on behalf of Tulsa Uptown Redevelopment Corporation and Tribune Building Redevelopment Corporation, as wholly owned subsidiaries of the Tulsa Development Authority, with Tribune Acquisition, LLC, for the substitution of security for said promissory note by replacing the said second mortgage with an irrevocable standby bank letter of credit in the amount of \$4,000,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TULSA DEVELOPMENT AUTHORITY, that:

Section 1. The Board of Commissioners of the Tulsa Development Authority does hereby authorize its Executive Director and General Counsel of the Authority negotiate, on behalf of Tulsa Uptown Redevelopment Corporation and Tribune Building Redevelopment Corporation, as wholly owned subsidiaries of the Tulsa Development Authority, with Tribune Acquisition, LLC, for

the substitution of security for said promissory note by replacing the said second mortgage with an irrevocable standby bank letter of credit in the amount of \$4,000,000.00.

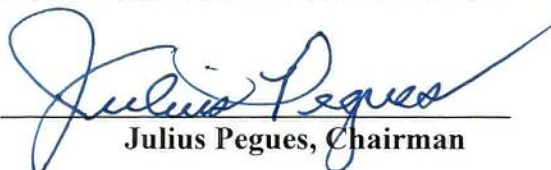
Section 2. That this authorization to negotiate for the substitution of security as herein described is contingent and conditioned upon the prior receipt by the Tulsa Development Authority of the written acknowledgement and agreement by Tribune Acquisition, LLC on behalf of itself, its owners, officers, managers and members:

- (1) That no Agreement for substitution of security or other contract with Tulsa Development Authority resulting from such negotiations shall be valid, enforceable or in effect unless and until any such Agreement or other contract shall have been approved by a majority vote of the Tulsa Development Authority Board of Commissioners in a public meeting; and
- (2) That either Tulsa Development Authority or Tribune Acquisition, LLC shall have the right to terminate the negotiations at any time without cause and without any further liability to the other, including within such exclusion of liability, without limitation, any costs, fees or other expenses incurred by either party in the course of preparation for and/or participation in such negotiations.


Section 3. This Resolution shall take effect immediately.

PASSED and **ADOPTED** this 13th day of March, 2013.

TULSA DEVELOPMENT AUTHORITY

By: 
Julius Pegues, Chairman

Approved as to legal form and adequacy:


Jot Hartley, General Counsel
The Hartley Law Firm, PLLC