

## WORK STUDY SESSION MINUTES

### Tulsa Development Authority Board of Commissioners

One Technology Center  
175 East 2<sup>nd</sup> Street  
Tulsa, OK 74103  
10<sup>th</sup> Floor North Conference Room

Thursday – July 2, 2015

8:30 a.m.

**Present:**

Julius Pegues, Chairman  
Roy Peters, Vice Chairman  
Carl Bracy, Commissioner  
Nancy Roberts, Commissioner  
Steve Mitchell, Commissioner  
O.C. Walker II, Executive Director  
Jot Hartley, General Counsel

**Absent:**

**Also Present:**

Kevin Anderson  
Andrew Coffey  
Jim Coles  
Mike Dickerson  
Reuben Gant  
Steve Ganzkow  
Yvonne Hovell  
Norman Kildow  
Mark Larson  
Jean Lu

**Also Present:**

Matt Newman  
Warren Ross  
Michael Sager  
Cynthia Stewart  
Mike Thedford  
Theron Warlick  
NaTasha Bunch-Everly  
Jane Malone  
Carol Young

The meeting was called to order at 8:31 a.m. by Chairman Pegues. Chairman Pegues welcomed everyone to the monthly Tulsa Development Authority Work Study Session and stated no votes would be taken at this meeting. The Board will receive reports and information on projects. All Reports and supporting documentation were distributed for the July 2, 2015 Tulsa Development Authority Work Study Session and will be incorporated by reference to these minutes. The agenda will be followed as filed.

1. **Roll Call:** Jane Malone called roll; Chairman Pegues, Vice Chairman Peters Commissioner Bracy, Commissioner Roberts, and Commissioner Mitchell were in attendance. A quorum was present.

2. **Executive Director's Monthly Report-**

1. **Project Status Update**

- **Tulsa Urban Development Group, LLC, d/b/a Urban8:** 8 single family dwellings. On June 22, 2015, the TDA Board of Commissioners approved a Resolution approving an Agreement between TDA, Tulsa Open Space Alliance, Inc., Tulsa Urban Development Group, Hartford Commons, LLC, and Greenwood Avenue Partners, LLC for consent to sell and transfer land subject to a contract for sale of land for private redevelopment between TDA and Tulsa Open Space Alliance, Inc. TDA was informed on June 24, 2015 of a need for an additional utility easement to be assigned on Lot One (1) Block One (1), Third and Greenwood Subdivision for Public Service Company of Oklahoma. The Utility Easement is an agenda item for today. The project was featured in the Tulsa Home Builders Association's Parade of Homes, June 13-21, 2015. [Location of the property: North of 3<sup>rd</sup> Street, between Greenwood Avenue and Kenosha Street.]
- **The Edge at East End Village (Hartford Commons, LLC):** 162 apartments. Storm sewer installation has stopped because the excavation contractor discovered three (3) fuel storage tanks. The site will be remediated after the fuel storage tanks have been removed. The foundation for the site utilities has been installed. The structural contractor is setting forms to pour columns and beams for the second floor. General Counsel Hartley requested this item be placed on the Agenda for the TDA Board Regular meeting for approval of the Agreement. [Location of property: SE corner of Greenwood Ave. and E. 2<sup>nd</sup> Street.]
- **100 Boulder, formerly Maplevue Associates, Inc.:** 18 Condominium units. The project is complete. The redeveloper is working with the City of Tulsa Permit Center for a Certificate of Occupancy. The redeveloper reported three units have been sold. [Location of the property: Southwest Corner of 1<sup>st</sup> Street and Boulder Ave.]
- **Fire Station No. 1/CORE Associates, LLC:** Core Associates has concluded the Due Diligence as required by the Redevelopment Agreement and will submit schematic plans for the August Work Study meeting. The City of Tulsa is currently storing historic fire trucks in the garage bays. [Location of the property is 411 South Frankfort Ave.]

- **Hogan on Greenwood, LLC:** Office Building. The Redeveloper indicates the HVAC has been started in order to condition the interior of the building for finishes and exterior streetscaping, paving, and parking. Late September is the target completion date. [Location of property: Northeast corner of South Greenwood Avenue and East 1<sup>st</sup> Street.]
- **Wilkins Project:** Mixed-use 160 unit hotel. The redevelopers plan to take two weeks to evaluate two proposals from investors/partners and will make a decision. The redeveloper is drafting the financing/operating structure and would like to present to the TDA Board for comment prior to formalizing the agreements. General Counsel Hartley requested this item be added to the Executive Session Agenda for TDA's Regular meeting. [Location of property: Northwest corner of Archer and Elgin Avenue.]
- **The Flats on Archer:** 140 unit apartment building. The Redeveloper is waiting to complete the repurchase of the subject property from the previous owner, Metro Plains, LLC. Parking for the site remains a challenge. General Counsel Hartley requested this item be added to the Executive Session Agenda for TDA's Regular meeting [Location of property: 110 N. Boston Avenue.]
- **East End Village:** 64 unit apartments. In light of the June 16, 2015, Tulsa World News article, Chairman Pegues, Vice-Chairman Peters, General Counsel Hartley, and Executive Director met with Mark Larson and Brad Skaggs to discuss the status of the project. This is an Agenda item for the Executive Session today. [Location of property: 401 and 405 South Elgin Avenue, 408 and 418 South Frankfort Avenue, 414 East 4<sup>th</sup> Street, and 415 East 5<sup>th</sup> Street.]
- **Blue Dome Anchor, LLC:** Mixed-use with 128 unit apartment building. The Redeveloper is in negotiations to secure a lease for the first floor. The second and third floors are slated for Office Space. The Redeveloper is considering wrapping the entire building with a porch façade. The proposed apartment units to be constructed on the west, are being redesigned and will be a new six (6) story structure. Blue Dome is considering having Hartford Avenue designated as a One Way Street. [Location of the property: 110 South Hartford Avenue.]
- **YMCA Lofts:** Mixed-use with 45 unit apartments. The Redeveloper applied for the National Register for Historic Places and anticipates the process should be complete in six (6) months. All units have been framed and sheetrock will be installed. The existing windows have been replaced with windows that were originally designed for the building. The project should be complete by December 2015. [Location of the property: 515 South Denver Avenue.]

- **Vandever Lofts:** 40 apartment units. This project is complete. All units are leased. The first floor is being leased and filling with commercial tenants. The Redeveloper has a final draw remaining. [Location of the property: 16 East 5<sup>th</sup> Street South.]
  - **River City Development, LLC:** The TDA Board of Commissioners previously approved an Agreement with River City Development, LLC. The TDA Board also approved an additional Resolution to negotiate and administer a Redevelopment Agreement. The terms and conditions set forth by the City of Tulsa is for a \$1.3 million loan over a seven (7) year period. [Location of the property: 522 South Boston, Tulsa, Oklahoma]
  - **The Ross Group:** The TDA Board of Commissioners approved a Resolution to negotiate and administer a Redevelopment Agreement with the Ross Group, LLC for the redevelopment of the International Harvester Building. The terms and conditions of the agreement is for a \$700,000.00 loan over a five (5) year period. [Location of the property: 510 East 2<sup>nd</sup> Street, Tulsa, Oklahoma.]
  - **The Petrous Group:** Retail - Dollar General. On May 14, 2015, the TDA Board of Commissioners approved Resolution No. 6095, approving Redevelopment Contract with the Petrous Group, Inc. for the sale and redevelopment of TDA owned property located East of Martin Luther King Jr. Blvd., between East Queen Street and East Reading Street, Tulsa, Oklahoma. TDA's General Counsel has been in conversation with the Redeveloper, discussing the terms and conditions of the Redevelopment Agreement. This is an Agenda item for today's meeting. [Location of property: East of Martin Luther King, Jr. Blvd., between East Queen Street and East Reading Street.]
2. **Sector Plan Update:** Houseal Lavigne will return to Tulsa on July 14 - 16, 2015 to facilitate workshops with the community and Citizens Advisory Teams. They will also meet with the Tulsa City Council and the Tulsa Metropolitan Area Planning Commission (TMAPC). Houseal Lavigne is a Platinum Sponsor for the American Planning Association Quad State Conference being held October 21-23, 2015 in Kansas City, MO. The representatives with Houseal Lavigne believe a great topic would be the relationship between TDA, Growing Together, George Kaiser Family Foundation, and City of Tulsa in the Kendall-Whittier neighborhood, for the presentation at the American Planning Association Quad State Conference.
  3. **City of Tulsa Zoning Code Update:** The Zoning Update Committee has received feedback from the Public regarding a review draft and they have incorporated the edits. A meeting was held on Friday, June 12, 2015, to

discuss clean-up and edit requirements. Theron Warlick is present today to provide a presentation to the TDA Board.

4. **Lansing Centre-Suite A:** Suite "A" is vacant, clean, and ready to lease. The space appraises for \$7.00 per sq. ft., and the space is approximately 1941 sq. ft. TDA is advertising in two publications, The Tulsa World and The Oklahoma Eagle. The Board suggested advertising in a Commercial Leasing publication and adding it to the TDA Website. The Commissioners also suggested reviewing the current rates for the occupied offices. The Executive Director will update the Board accordingly.

5. **TDA Website:** All contact information has been updated on the existing TDA Website.

6. **Project Updates:**

- Tulsa North Community Development Corporation - Northeast corner of North Main Street and East Latimer Street. Resolution No. 5763 approved on July 12, 2012, extended time for 24 additional months. Time has expired and TDA's General Counsel will contact the Redevelopers Counsel.
- Omega Alpha Development/Carland Group - One quarter mile North of East Pine Street and one quarter mile East of North Peoria Avenue. Resolution No. 6008 extended the proposed project until November 20, 2015 to obtain tax credits from the Oklahoma Housing Finance Agency. If tax credits are not obtained, the project shall terminate.
- Dirty Butter – Heritage Hills Extension - West of Hartford Avenue, between East Seminole Place and East Virgin Street. Sold seven (7) Dirty Butter lots on behalf of the City of Tulsa to families that want to live in north Tulsa.

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

a. **TIF Report Update – Jim Coles:** A copy of the report is included in the Commissioner's packets: Mr. Jim Coles presented a TIF Report Update for the Brady Village, Central Park, Technology, North Peoria, and Blue Dome TIF areas, and answered questions and concerns from the Board.

b. **Zoning Code Update – Theron Warlick:** A copy of the report is included in the Commissioner's packets: Mr. Warlick explained the Zoning Code for the City of Tulsa has not been updated since 1970. He explained the process and advised the Board an updated version, including comments from the public, will be submitted in August.

c. **TIF Report Update – 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 the Blue Dome District. Mike Thedford met with Cynergy on June 22, 2015 to discuss the preliminary layout and specifications for the lights. Final adjustments to the specs and power requirements for each block are being done and plans are proceeding. A presentation will be made at next month’s TDA Work Study Meeting.
- **Proposed streetscape improvements to Cameron Street: Fund No. 6963** – No new information.
- **Elgin streetscape improvements: Fund No. 6967** – The project is complete and the City of Tulsa has done a final walk-thru and noted a deviation with one ADA ramp. The ramp was field adjusted based on City of Tulsa inspections and the landscape architect has provided a letter to request approval. Final payment has been issued.

#### 4. 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.

#### Condemnation:

- **City of Tulsa v. Ira E. Wixon and TDA:**  
Condemnation action by City of Tulsa to condemn an easement for construction of the North Lewis, 36<sup>th</sup> to 46<sup>th</sup> Street Project. TDA is named as a Defendant to cure title defect. TDA will not be participating in this case.

#### Alley Vacation:

- **IH-Landlord, LLC v. The Public:**  
Case filed to vacate alleyway in Block 110 of the Original Town site of Tulsa. This is the International Harvester Building being renovated by the Ross Group. TDA was served as owning

property within 300 feet of the alley to be vacated. TDA will not be participating in this case.

**Lien Foreclosure:**

- **Alpine Roofing, LLC v MGT Construction Management, East End Village, LLC; Larson Development, TDA and others:**  
Lawsuit to foreclose subcontractor lien on East End Village project. TDA will enter its appearance in the lawsuit and will defend its mortgage lien position. This is an Agenda item for today and will be discussed in Executive Session.

**Damages – Relocation Assistance:**

- **Plaintiff – Markus English:**  
TDA has filed another Motion to Dismiss the case since Summons has been served. The University of Tulsa has also filed a Motion to Dismiss. The Court has not yet ruled on the Motions to Dismiss.

**Other:**

- **Novus Homes (Wilkins)**  
TDA is waiting on Redevelopers to provide financial ability to construct documentation.
- General Counsel Hartley requested an Annual meeting following the Board Meeting next week for the TDA's two subsidiaries, Tulsa Uptown Redevelopment Corporation and Tribune Building Redevelopment Corporation. Counsel Hartley explained an Annual meeting is necessary for election of officers and that the subsidiaries hold the loan for the Metro Brady Lofts.

**5. Financial Reports**

- a. **May 2015 - 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. The report stands as presented. Executive Director Walker explained the billing regarding Complete Household, and provided copies of his report to the Commissioners. Mr. Kildow also requested this item be placed on the Agenda for TDA's Regular Board Meeting.
- b. **May 2015 - Program Income Report - included in the Commissioner packets:** Norman Kildow provided an updated report and an overview of the Program Income Report for Fund No. 5540 to the Commissioners and

answered questions. The report stands as presented. Mr. Kildow also requested this item be placed on the Agenda for TDA's Regular Board Meeting.

- c. **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 requested this item be placed on the Agenda for TDA's Regular Board Meeting.
6. **Discussion and consideration to review a request to enter into a Contract with David Green for the sale of TDA owned property located at 312 East Xyler Street, Tulsa, Oklahoma:** Executive Director Walker explained David Green is interested in purchasing the property for the fair market value of \$8,000.00. Executive Director Walker requested the Board to authorize a Resolution to enter into an Agreement with Mr. Green. This item will be placed on the Agenda for TDA's Regular Meeting.
7. **Discussion and consideration to review a request to enter into a Redevelopment Agreement with the DG TUL MLK, LLC for TDA owned property located East of Martin Luther King Jr., Blvd., between East Queen Street and East Reading Street, Tulsa, Oklahoma (The Petrous Group):** Executive Director Walker stated a meeting was held between TDA's Chairman, General Counsel, and Executive Director and Mike Mantle, a representative with Petrous Group, regarding incorporating additional language in the Redevelopment Agreement. The language stipulates the design requirements necessary to construct the Dollar General Store. This item will be placed on the Agenda for TDA's Regular Meeting.
8. **Discussion and consideration to review a request to allow a utility easement between Tulsa Urban Development Group, LLC, d/b/a Urban8, on TDA property located East of South Greenwood Avenue, between East 2<sup>nd</sup> Street and East 3<sup>rd</sup> Street, Tulsa, Oklahoma:** Executive Director Walker explained this additional utility easement was an oversight on behalf of PSO and the Redeveloper. Once the oversight was determined, the Redeveloper contacted TDA to sign this utility easement. This item will be placed on the Agenda for TDA's Regular Meeting.
9. **Discussion and consideration to review a request to accept the 2015 – 2021 Strategic Plan, Growing Tulsa - Enriching Communities, drafted by Cynthia Stewart:** Cynthia Stewart gave a summary of the Stakeholders comments collected for the Strategic Plan. Executive Director Walker will email the latest revised copy of the Strategic Plan to the Commissioner's for feedback. This item will be placed on the Agenda for TDA's Regular Meeting.



**Commissioner Roberts moved to go into Executive Session at 9:58 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:**

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

**Nays: None**

**The motion passed unanimously.**

- 10. 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 update regarding the East End Village project located at 401 and 405 South Elgin Avenue, 408 and 418 South Frankfort Avenue, 414 East 4th Street and 415 East 5th Street, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
- b. Confidential communication with Counsel regarding an update on the First Street Lofts project, located one-quarter (¼) mile East of Detroit Avenue, and South of 1st Street, (310 E. First Street) Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
- c. Confidential communication with Counsel regarding annual evaluation of TDA Executive Director. [25 O.S. §307(b) (4) and §307(c) (10).]

**Commissioner Mitchell exited the meeting at 11:20 a.m.**

- 11. Vote to return to Open Session: Commissioner Bracy moved to return to Open Session at 11:22 a.m., seconded by Commissioner Roberts. The vote was recorded as follows:**

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

**Nays: None**

**The motion passed unanimously.**

12. **Statement of the Executive Session:** During the 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

13. **Discussion and consideration on items discussed in Executive Session:**

**Agenda Items for July 9, 2015 Regular Meeting:**

- 2. Sale of Lot 10 - Agreement with Greenwood Avenue Partners/Hartford Commons
- 5(abc). May Financial Reports
- 6. David Green – Contract for Sale of 312 East Xyler, Tulsa, OK.
- 7. DG TUL MLK, LLC - Redevelopment Agreement
- 8. Utility Easement- Tulsa Urban Development Group, LLC
- 9. Strategic Plan – Cynthia Stewart

**Executive Session Items**

- Flats on Archer- Discussion
- Wilkins Project- Discussion
- 10(a). East End Village
- 10(b). First Street Lofts- Amendment
- 10(c). Executive Director Evaluation

14. **New Business:** None.


15. **Adjournment:** Commissioner Bracy moved to adjourn at 11:28 a.m., seconded by Commissioner Roberts. The vote was recorded as follows:

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


**Nays: None**

**The motion passed unanimously.**

**Tulsa Development Authority**

  
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**Julius Pegues, Chairman**

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

  
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**Jot Hartley, Esq., General Counsel**

[7-2-2015 – Work Study Minutes (nbe-)]