

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 – August 3, 2017

9:00 a.m.

Present:

Julius Pegues, Commissioner
Nancy Roberts, Commissioner
Carl Bracy, Commissioner
O.C. Walker II, Executive Director
Jot Hartley, General Counsel

Absent:

Roy Peters, Chairman
Steve Mitchell, Vice Chairman

Also Present:

Roger Acebo
James Alexander Jr.
Kevin Anderson
Tom Baker
Brian Beam
Linn Cain
David Charney
Leslie Christopher
Leon Davis
Derek Gates
Regina Goodwin
Vanessa Hall-Harper
Norman Kildow
Charity Marcus

Also Present:

Joyce McClellan
Rhett Morgan
James Murnane
Charles Okyere
Michael Smith
Terry Smith
Kathy Taylor
Mike Thedford
Bill White
Kandy Whitley-White
NaTasha Bunch
Jane Malone
Carol Young

Prior to Call to Order, General Counsel Hartley stated in the absence of Chairman Peters and Vice Chairman Mitchell, Commissioner Roberts will act as Chairman for the meeting. The Regular Meeting was called to order at 9:00 a.m. by Commissioner Roberts. 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: Commissioner Roberts, Commissioner Pegues and Commissioner Bracy were present. Chairman Peters and Vice Chairman Mitchell were absent. A quorum was present.

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

- a. Minutes of July 6, 2017 Regular Meeting
- b. Minutes of July 6, 2017 Regular Executive Session Meeting

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

Ayes: Roberts, 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 July 6, 2017, the TDA Board of Commissioners reviewed and approved Resolution No. 6358, authorizing the First Amendment to the Redevelopment Agreement by allowing a 30 day extension to provide Schematic Drawings and Specifications. The Redeveloper is present today to present Schematic Drawings and Specifications. This is an Agenda item today.

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

The Redeveloper submitted two Site plan sketches for review and consideration. Both plans have significant elements for commercial use of property starting from the edge of East Pine Street and North Peoria Avenue, with a blend of urban residential component mixed in the program. The Redeveloper is present and will present in the Executive Session.

C. **Dollar General Store/Rupe Helmer Group:**

Construction drawings and Building Specifications have been submitted to the City of Tulsa and Health Department for permitting. The final Building Permit is expected to be issued by September 2017.

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

Capital Homes continues to move rapidly with construction. One model home is complete, four houses have been framed and roofed, and two foundations are ready to be poured. The first two homes are scheduled to close in September. The Redeveloper is working with the City of Tulsa on finalizing the landscape easement along Virgin Street. Included in the Board of Commissioners Board Packets was an article in Tulsa World regarding the Ogan's Circle Development and disparity in home ownership rates between African Americans and Caucasian counterparts.

E. East Latimer Lots/Capital Homes, LLC:

Capital Homes, LLC has executed the Redevelopment Agreement, and is working with the City of Tulsa and INCOG to revise zoning. The Redeveloper is currently having the property re-platted. After the property is re-platted, the Redeveloper will apply for Building Permits.

F. The Flats on Archer:

The project is currently on work day 124 to 327 of construction day schedule. There was a 15 day non-scheduled delay due to a change order to excavate and import select fill for the building pad, and storm drain conflict.

G. Blue Dome Anchor, LLC:

The Redeveloper is still in lease term negotiations with one potential tenant and will keep TDA updated on the status of the other tenants. The schedule for the next 3 months include: window installation, façade resurfacing, painting, and HVAC. The Redeveloper invited the TDA Board to tour the property on August 8, 2017 at 3:00 p.m.

H. First Street Lofts:

First Street Lofts should receive their Certificate of Occupancy by the first week of August. The first tenant is scheduled to move in the first week of August. The project will have an official name change to "Jacobs Lofts on First." The Redeveloper has scheduled a tour of the property for August 8, 2017 at 4:00 p.m.

I. The Village at Central Park:

Pearl Development – The project engineers are still in the process of redesigning the existing infrastructure. The Redeveloper is working with a Construction Management team to provide a construction estimate. The Redeveloper would like to have the City of Tulsa and TDA consider providing Central Park TIF funds for Infrastructure improvements. A meeting has been scheduled with the Redeveloper for next Tuesday at 2:00 p.m. at the TDA office.

J. VCP, LLC (Sam Rader):

Roofing has been completed on all units. Now that the units are “dried in” electrical and insulation work will commence on the interior of each unit.

K. Carland Group:

The Carland Group provided a response to the TDA Notice of Default. This item will be discussed in Executive Session.

L. Block 44:

TDA’s General Counsel is in the process of drafting the Redevelopment Agreement. Staff plans to meet with the Redeveloper to discuss the terms and conditions of the Agreement. The Redeveloper is in the process of finalizing the proposed site plan.

M. Dirty Butter – Heritage Hills:

No new information.

Executive Director Walker also mentioned, the Mayor’s Economic Development Summit held on July 17, 2017. Kathy Taylor provided highlights of the Economic Development Summit and praised Norman Kildow for preparing the financial information for all the Boards and Authorities in Tulsa for the Summit.

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 August 2017. Commissioner Pegues seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy

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. Engineering Design – Mayor signed the Contract. Met with Crossland Construction on July 19, 2017 to review color implementation and pricing. PO for light fixtures is pending clarification of color change. Contractor is being diligent in getting clarification prior to PO being issued. Mr. Tom Baker, representative with the Downtown Coordinating Council stated, the color debate is not settled. The issue is whether the poles and the domes will have the blue color to represent the Blue Dome District. Mr. Baker

sent recommendations from the Downtown Coordinating Council and Tulsa Foundation for Architecture to Mr. Walker. The recommendations were for the blue color to be on the domes only. Mr. Baker also explained there would be an additional cost associated with painting the domes blue. A cost estimate will be prepared for the Commissioner's review and approval at next month's meeting. Counsel Hartley suggested adding the cost estimate as an Agenda item for next month.

- **Proposed streetscape improvements to Cameron Street: Fund No. 6963** – Streetscape enhancements meeting Brady District Standards - The project is complete.
- **Brady District Streetscape Improvements: Fund No. 6963** – Streetscape Enhancements matching Downtown Streetscape Master Plan guidelines. The project has been advertised for bids starting July 21, 2017. Mandatory Pre-Bid meeting was held on July 27, 2017, and three contractors attended. The bid opening will be August 11, 2017.
- **TDA – Lansing Center: Roof/Gutter Work** – Received 3 bids for downspouts. After qualifications on materials, the low bid was \$3,300.00, and the quote was provided for signature. Roofing – Awaiting report from manufacturer's warranty inspection. Some immediate repairs were made under warranty. Long term repairs will be scheduled, pending review of the inspection report.

b. **North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner's packets:** Contractor is continuing to work on the North Peoria Lighting Project between East Apache Street and East Pine Street. Discussions are underway in regard to the level of maintenance and support provided by the City of Tulsa Traffic and Engineering, and how to supplement money for maintenance and energy costs. Ms. Kathy Taylor suggested the Board invite PSO to the next meeting for PSO to explain the costs associated with not using PSO poles. General Counsel suggested TDA proceed with the project since there is a signed contract for the lighting project. Executive Director Walker stated, an Agenda item will be added to next month's meeting for additional poles and PSO will be invited to attend.

c. **Elm Creek/6th Street Drainage Detention and Conveyance Plan – Roger Acebo: A copy of the report is included in the Commissioner's packets:** Roger Acebo gave an update regarding the relocation efforts in the 6th Street Infill Project. He also suggested TDA and City of Tulsa staff meet to discuss deeding property in TDA's name back to the City of Tulsa for the current retention pond design. The Laura Dester RFP deadline is in October and thus far, three Developers have stated intentions to submit proposals.

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.

Lien Foreclosure:

- **Alpine Roofing, LLC v. MGT Construction Management, East End Village, LLC; Larson Development, TDA and others:**
Defendant FE-NIX Construction Group, LLC was granted permission and has filed an Amended Counterclaim and Cross-Claim which named TDA in the Cross-Claim. TDA Counsel has prepared and filed an Answer asserting TDA’s priority over Defendant FE-NIX’s claims. Defendants Ark Wrecking and Prestige Builders have filed motions to Amend Counterclaims and Cross-Claims. Case remains pending.

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.**
Plaintiff U.S. Bank has reinstated loan and has filed a joint dismissal of the foreclosure with TDA. Case closed.

Other:

- **Novus Homes (Wilkins).**
Counsel for Wilkins has filed a Motion for Extension of Time and to continue arbitration hearing; TDA filed a response in opposition to Motion. Phone conference with arbitrator will be conducted on July 27, 2017 to determine whether arbitration hearing will be continued.

Novus Homes (Wilkins).

Motion to Reconsider remains pending.

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

- a. **June 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.

After discussion, Commissioner Bracy moved to accept the Financial Report and Comparative Financial Statements for June 2017 and, **Resolution No. 6359**, approving TDA Financial Report for June 2017, and the Comparative Financial Statement, seconded by Commissioner Pegues. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy

Nays: None

The motion passed unanimously.

- c. **City of Tulsa Invoice from April 2017 to June 2017:** Mr. Kildow stated the invoice is for the Planning and Development, Asset Management, and Economic Development Departments. After discussion, Commissioner Pegues moved to approve **Resolution No. 6360**, approving City of Tulsa Invoice from April 2017 – June 2017 in the amount \$1,038.81, seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy

Nays: None

The motion passed unanimously.

The Board recognized and congratulated Mr. Norman Kildow on his promotion to Controller. Mr. Kildow will continue to assist TDA until he finds a replacement.

7. Receive, Discuss, and Vote:

- a. **Discussion, consideration, and vote to authorize a Resolution approving Schematic Drawings and Specifications for Morton Reserve Properties, LLC, for redevelopment of the former Morton Hospital Site located at 605 East Pine Street, Tulsa, Oklahoma:** Executive Director Walker stated the Redeveloper is present today to present Schematic Drawings. Mr. Walker also stated, the schematic drawings exceed the minimum project requirements outlined in the Redevelopment Agreement. Mr. Michael Smith introduced his team, Ms. Charity Marcus, representative with Avenu Consulting, she will be handling community engagement; Mr. Terry Smith, representative with Smith & Co. Architects, will be the project coordinator; Mr. James Murnane, representative with Commonwealth Funding, will handle funding; and Mr. Derek Gates, representative with D.W. Gates Engineering Services will handle engineering. Mr. Smith provided an

update on the Request for Qualification for a Construction Manager. Mr. Smith also updated the Board regarding a team work session meeting scheduled for this afternoon, and a community meeting scheduled for the evening. Mr. Smith and his team presented the Schematic Drawings and Specifications to the Board and answered questions and concerns of the Board. After discussion, Commissioner Bracy moved to approve **Resolution No. 6361**, approving Schematic Drawings and Specifications for Morton Reserve Properties, LLC for redevelopment of the former Morton Hospital Site located at 605 East Pine Street, Tulsa, Oklahoma. Commissioner Pegues seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy
Nays: None

The motion passed unanimously.

Commissioner Pegues moved to go into Executive Session at 10:29 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Roberts, 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 possible amendment of the Redevelopment Agreement with Peoria Realty Investments for the acquisition of certain properties located within the Unity Heritage Neighborhood Sector Plan/Greenwood Heritage Neighborhoods Sector Plan. [25 O.S. §307(b) (4) and §307(c) (10).]
 - b. Confidential communication with Counsel regarding the status 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 and possible action. [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 (UCT) and the Tulsa Development Authority (TDA) and discussion of possible action to approve and authorize conveyance of title to a portion of the UCT real estate to Langston University Tulsa for the Allied Health Project. [25 O.S. §307(b) (4) and §307(c) (10).]
- d. Confidential communication with Counsel regarding the Tulsa Development Authority's Executive Director Annual Evaluation. [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 12:57 p.m., seconded by Commissioner Pegues. The vote was recorded as follows:

Ayes: Roberts, 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:**

8.a. Peoria Realty

After discussion, Commissioner Pegues moved to approve **Resolution No. 6362**, approving First Amendment to Contract for Acquisition and Sale of Land for Private Redevelopment of Privately Owned Land located at 1128, 1132, 1136, and 1140 East Pine Place, Tulsa, Oklahoma – Peoria Realty Investments, Inc. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy
Nays: None

The motion passed unanimously.

8.b. Cherokee Meadows

After discussion, Commissioner Pegues moved to approve **Resolution No. 6363**, to direct TDA General Counsel to Respond to Carland Group Reply to Notice of Default - Contract for Sale of Land for Private Redevelopment with Carland Group LLC for Cherokee Meadows Project located on property described as Lot 5, Gateway Plaza, a subdivision of City of Tulsa, Tulsa County. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy
Nays: None

The motion passed unanimously

8.d. Executive Director Annual Evaluation

After discussion, Commissioner Bracy moved to approve **Resolution No. 6364**, approving annual employment evaluation of Executive Director and Approving increase in Annual Salary and bonus. Commissioner Pegues seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Pegues, and Bracy
Nays: None

The motion passed unanimously

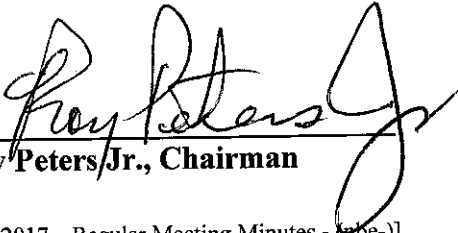
12. New Business: Commissioner Bracy acknowledged the Crossover Community Invitation in the Board packets and Executive Director Walker formally invited TDA Board Members to attend the event on September 14, 2017.

13. Adjournment: Commissioner Bracy moved to adjourn. The meeting adjourned at 1:03 p.m. Commissioner Pegues seconded the motion. The vote was recorded as follows:


Ayes: Roberts, Pegues, and Bracy
Nays: None

The motion passed unanimously

Tulsa Development Authority


Roy Peters, Jr., Chairman

Approved as to legal form and adequacy:


Jot Hartley, Esq., General Counsel