
**TULSA DEVELOPMENT AUTHORITY BOARD MEETING
STAFF REPORT**

MEETING DATE: December 1, 2016
TO: Chairman and Board Members
FROM: Office of Tulsa Development Authority
SUBJECT: Transfer of Old Morton Hospital

Background: **Owner** **City of Tulsa**
 Developer: **Tasha's Development Company**
 Location: **Northeast Corner Greenwood and Pine**
 Development Area: **Old Morton Hospital**
 Purchase Price: **\$35,000.00**
 Executive Director: **O.C. Walker**

Relevant Info: This site, the former Morton Healthcare location has been the object of development for some time. In Sept. 2016, a Memorandum of Understanding (MOU) was executed with Morton's Reserve Properties, LLC (MRP). It is now in the best interests of the City to formally surplus the property and transfer title to the Tulsa Development Authority who will complete the negotiations with MRP to achieve and enforce the best redevelopment agreement attainable for developing a mixed-use project with multifamily housing units and retail space.

Attachments: Executed MOU
 Copy of Proposal provided to Executive Director

Recommendations: Staff recommends this item be approved as presented

Reviewed By: O.C. Walker

REQUEST FOR ACTION: CONTRACT

Version: 01/27/2014

AGENDA FOR: MAYOR COUNCIL AUTHORITY: DATE: August 1, 2016
 Tulsa City Clerk's Office: 596-7513 or 596-7514

FOR INFORMATION CONTACT:

DEPARTMENT: PLANNING & DEVELOPMENT CONTACT NAME: Leon Davis
 ADDRESS: 175 E. 2nd Street 5th Floor TELEPHONE: 918-576-5564
 CONTRACT TYPE: MEMORANDUM OF UNDERSTANDING CONTRACT #: 32868
 CONT. DOC. TYPE: CONTRACT AMOUNT: _____
 PROJECT TITLE: Old Morton Healthcare redevelopment
 CONTRACTOR: Morton's Reserve Properties, LLC
 BID/TAC/PROJECT #: _____ EXTENSION DAYS: _____ COMMODITY CODE: _____
 RENEWAL, AMENDMT, CHNG # _____ of x PERCENT: _____ TOTAL PERCENT: _____ COUNCIL DIST: _____

SUMMARY:

Memorandum of Understand between City of Tulsa and Morton's Reserve Properties, LLC. Clarifies relationship and roles between Respondent and City related to the possible, future redevelopment of Old Morton Healthcare location. Respondent desires to develop mixed-use project on location. Two options were submitted with Respondent's RFP for consideration (attached). Option 1 involved 96 apts, 28k sf office/comm., 21k sf retail, and 12-14k sf historic preservation of original Old Morton Building. Option 2 (if Old Morton building determined structurally unsound) involves 16-20 townhomes, 32k sf office/comm. and 24k sf retail. Respondent is to engage the affected community to discuss project intent and engage in due diligence with intent to negotiate an eventual redevelopment agreement.

APPROVED BY MAYOR
CITY OF TULSA

SEP 21 2016

BUDGET:

FINANCE DIRECTOR APPROVAL:

CHECKLIST	FUNDING SOURCE(S):
<input type="checkbox"/> No Payments Involved	N/A
<input type="checkbox"/> Purchase Order	
<input checked="" type="checkbox"/> Contract Encumbrance	
<input type="checkbox"/> Affidavit Needed?	

REQUEST FOR ACTION:

All department items requiring Council approval must be submitted through Mayor's Office.

Request Mayoral approval of MOU between City of Tulsa and Morton's Reserve Properties, LLC. Please forward copies with original signatures to Bob Edminston, Legal Department, 6th Floor. PDF copy sent to Leon Davis, Jr.

DEPARTMENT HEAD APPROVAL: *Leon Davis* DATE: 9/2/16
 ASST CITY ATTORNEY APPROVAL: *Robert R. Edminston* 9/16-16
 BOARD APPROVAL: _____
 MAYORAL APPROVAL: *[Signature]* SEP 21 2016
 OTHER: _____

FOR CITY COUNCIL OFFICE USE ONLY:

DATE RECEIVED: _____
 COMMITTEE: _____ COMMITTEE DATE(S): _____ FIRST AGENDA DATE: _____
 HEARING DATE: _____ SECOND AGENDA DATE: _____ APPROVED: _____

For City Clerk's Office Use Only (Agenda Date: MMDDYYYY; Sec #; Dept #, Item #, Sub-Item #, Status: S=Synopsis):

09 - 21 - 2016
3
19
02

CITY OF TULSA
LEGAL DEPARTMENT

2016 SEP -2 P 4:02

RECEIVED

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF TULSA AND
MORTON'S RESERVE PROPERTIES, LLC
REGARDING THE OLD MORTON
HEALTHCARE LOCATION**

This Memorandum of Understanding (MOU) is entered into this 1st day of August, 2016, by and between the City of Tulsa, a municipal corporation, hereinafter referred to as the "City", and Morton's Reserve Properties, LLC, a private developer, hereinafter referred to as "Respondent" for the purpose of clarifying the relationship between the Respondent and City related to time to allow Respondent to directly and formally engage the adjacent and local community on the intent and design of their project.

WHEREAS, on June 17, 2015, a Request for Proposal was released to develop the Old Morton Healthcare site located at the 600 block of E. Pine; and

WHEREAS, on July 27, 2015, Pine Place Development, LLC, with Michael E. Smith as its sole member was one of three firms to submit a proposal in response; and

WHEREAS, Michael E. Smith has chosen to proceed in this process through Morton's Reserve Properties, LLC, as its sole member, rather than through Pine Place Development, LLC, and

WHEREAS, the Respondent is being requested to provide the City with additional information prior to entering a Redevelopment Agreement.

IT IS THEREFORE AGREED between the City and Respondent as follows:

1. ROLE OF THE RESPONDENT:

Respondent shall conduct neighborhood/community meeting(s) to discuss their project with the adjacent neighborhood and interested parties. At these meetings, Respondent is expected to provide to those present renderings of the proposed project. This is especially important due to the historical significance of the property. Any feedback provided at the community meetings, such as: 1) level of support; 2) recommended design changes; and 3) extent of participation, shall be presented to the City for consideration.

Respondent shall formally notify the city in writing within 90 days of the date of this MOU the results of their final due diligence involving the community meetings and whether or not Respondent desires to proceed with the project.

2. ROLE OF THE CITY:

Upon receiving the written results of the Respondent's final due diligence efforts, the City's internal review committee shall determine within 30 days of the receipt thereof, whether or not to proceed with the project.

If the City hasn't notified the Respondent within 30 days after receiving the Respondent's written results of its due diligence, then by default, all negotiations are terminated and neither party shall have any obligation to the other.

3. TERM

This MOU automatically expires 90 days from its date if any of the items to be submitted to the City are not provided and accepted. If either party intends to terminate this Agreement prior to the MOU expiration date, a written notice of termination shall be provided to the other party and this Agreement shall terminate.

4. MODIFICATION OF THIS AGREEMENT

The terms of this MOU may be modified in writing by mutual agreement of the parties.

IN WITNESS WHEREOF, the Respondent and the City have executed this Agreement as of the date first written above.

Morton's Reserve Properties, LLC

By:


Michael E. Smith

Manager

Date:

1st, AUGUST, 2016

CITY OF TULSA

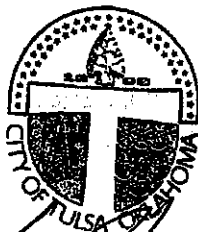
By:


Mayor/Designee

Date:

SEP 21 2016

Attest:




City Clerk


City Attorney

OFFICE OF THE SECRETARY OF STATE



CERTIFICATE

I, THE UNDERSIGNED, Secretary of State of the State of Oklahoma, do hereby certify that I am, by the laws of said state, the custodian of the records of the state of Oklahoma relating to the right of corporations to transact business in this state and am the proper officer to execute this certificate.

I FURTHER CERTIFY that MORTON'S RESERVE PROPERTIES, LLC, was granted a charter on the 9th day of February, 2016, a corporation duly organized and existing under and by virtue of the laws of the State of Oklahoma.

I FURTHER CERTIFY that, MORTON'S RESERVE PROPERTIES, LLC whose address is 248 EAST 49TH STREET NORTH TULSA OK 74126 USA is the registered agent for service of process for said corporation.



IN TESTIMONY WHEREOF, I hereunto set my hand and affixed the Great Seal of the State of Oklahoma, done at the City of Oklahoma City, this 20th, day of July, 2016.

A handwritten signature in cursive script, appearing to read "Chris Benge".

Secretary Of State

OFFICE OF THE SECRETARY OF STATE



**CERTIFICATE OF GOOD STANDING
DOMESTIC LIMITED LIABILITY COMPANY**

I, THE UNDERSIGNED, Secretary of State of the State of Oklahoma, do hereby certify that I am, by the laws of said state, the custodian of the records of the state of Oklahoma relating to the right of certain business entities to transact business in this state and am the proper officer to execute this certificate.

I FURTHER CERTIFY that MORTON'S RESERVE PROPERTIES, LLC whose registered agent is MORTON'S RESERVE PROPERTIES, LLC, with its registered office at 248 EAST 49TH STREET NORTH TULSA 74126 USA Oklahoma is a Domestic Limited Liability Company duly organized and existing under and by virtue of the laws of the state of Oklahoma and is in good standing according to the records of this office. This certificate is not to be construed as an endorsement, recommendation or notice of approval of the entity's financial condition or business activities and practices. Such information is not available from this office.



IN TESTIMONY WHEREOF, I hereunto set my hand and affixed the Great Seal of the State of Oklahoma, done at the City of Oklahoma City, this 20th, day of July, 2016.

Chris Benge

Secretary Of State

OFFICE OF THE SECRETARY OF STATE



CERTIFIED COPY OF ONE PARTICULAR
DOCUMENT

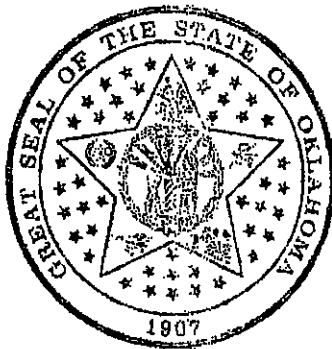
CERTIFICATE

I THE UNDERSIGNED, Secretary of State, of the State of Oklahoma do hereby certify that, to the date of this certificate, the attached is a true and correct copy of the document on file as described below of:

NAME OF ENTITY
MORTON'S RESERVE PROPERTIES, LLC

DOCUMENT TYPE
Articles of Organization

DOCUMENT FILING DATE
February 09, 2016



IN TESTIMONY WHEREOF, I hereunto set my hand and affixed the Great Seal of the State of Oklahoma, done at the City of Oklahoma City, this 20th, day of July, 2016.

Secretary Of State

OKLAHOMA Secretary of State Electronic Orders

Entity Orders Information
 Document Number: 3096360002

Order Items Information

Filing Number	Quantity	Name	Order type
3512541107	1	MORTON'S RESERVE PROPERTIES, LLC	Certificate of Good Standing
3512541107	1	MORTON'S RESERVE PROPERTIES, LLC	Information Printout
3512541107	1	MORTON'S RESERVE PROPERTIES, LLC	Certificate of Fact

Fact Order Item Details
 Registered Agent and Office

3512541107	1	MORTON'S RESERVE PROPERTIES, LLC	Certificate of Fact
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Fact Order Item Details
 Status and Registered agent and office

3512541107	1	MORTON'S RESERVE PROPERTIES, LLC	Certified copies of a record or document
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Order Item Details
 29537460002 Single Copy

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FILED - Oklahoma Secretary of State #3512541107 02/09/2016
OKLAHOMA Secretary of State Electronic Filing

ARTICLES OF ORGANIZATION
DOMESTIC LIMITED LIABILITY COMPANY
Document Number: 29537469002 - Submit Date: 2/9/2016

LIMITED LIABILITY COMPANY NAME

The name of the Limited Liability Company is:
MORTON'S RESERVE PROPERTIES, LLC

PRINCIPAL PLACE OF BUSINESS ADDRESS

8827 CROWN JEWEL DRIVE
RICHMOND, TX 77469 USA
Email - mesmillh@pineplacedev.com

EFFECTIVE DATE

Effective Date:
Same as filing date.

DURATION

Perpetual

REGISTERED AGENT AND REGISTERED OFFICE ADDRESS

Agent Name
MORTON'S RESERVE PROPERTIES, LLC
Address
248 EAST 49TH STREET NORTH
TULSA, OK 74126 USA

ATTACHMENTS

File Label	File Name and Path
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SIGNATURE

I hereby certify that the information provided on this form is true and correct to the best of my knowledge and by attaching the signature I agree and understand that the typed electronic signature shall have the same legal effect as an original signature and is being accepted as my original signature pursuant to the Oklahoma Uniform Electronic Transactions Act, Title 12A Okla. Statutes Section 15-101, et seq.

Dated - 2/9/2016

Signature Names
MICHAEL E. SMITH

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