
**TULSA DEVELOPMENT AUTHORITY
STAFF REPORT**

MEETING DATE: February 2, 2017
TO: Chairman and Board Members
FROM: O.C. Walker, Executive Director
SUBJECT: Family Dollar Store
LOCATION: 1553 North Peoria Avenue, Tulsa, Oklahoma.

Background:

Developer:	Triple C Development, LLC
Owner:	Antonio Perez and Eugenia Perez
Location:	1553 North Peoria Avenue, Tulsa, Oklahoma
Size of Tract:	N/A
Number of Lots:	One (1) Lot
Development Area:	North Peoria TIF
Fair Market Value	N/A
Executive Director:	O.C. Walker II

This item appeared before the TDA Board of Commissioners on January 5, 2017 to discuss a request from Triple C Development LLC, the primary Developer for Family Dollar Stores, headquartered in Centre, Alabama. The request is for the TDA Board of Commissioners to allow property located at 1553 North Peoria Avenue, Tulsa, Oklahoma, to be used as a Family Dollar Store. In accordance with the Special Warranty Deed dated November 20, 2011, Section (a) “That the land herein conveyed be devoted only to, and in accordance with the uses specified in the Urban Renewal Plan, as the same may be amended pursuant to proper City procedures from time to time.”

During the TDA Regular meeting, it was determined that this proposal should be vetted with area residents before the Board of Commissioner take formal action. The TDA Executive Director and North Peoria TIF Consultant Derek Gates scheduled a meeting on January 24, 2017 at Rudisill Library to have an open discussion with the Redevelopers Representative and (CJ See) and Real Estate Broker of Record (Tony Aaronson). There were seven (7) area stake holders representing the North Tulsa Community in attendance. The purpose was to achieve the following:

- Is the proposal a “Use by Right”
- Is the proposal an allowable use according to TDA
- Use of the North Peoria TIF funds to offset construction cost
 - Infrastructure
 - Streetscaping

- Landscaping

The meeting was as follows:

- The Redeveloper presented the plans to the Community
- In-depth discussion about the proposal

Community Concern

- Healthy Food vs. Processed Food
- Health Disparity in North Tulsa is 11 years less than other parts of Tulsa
- This store is located less than one half mile away from the existing Family Dollar Store
- Did this store cannibalize the existing grocery store
- There is no grocery store in the area
- The area is stigmatized by low end retail establishments.
- The community was not made aware of this project, and if they had been, there would have been opposition to it

Redevelopers Comments

- North Tulsa currently has no new construction projects
- This store will generate between \$1.2 to \$1.5 million per year
- The valuation of the construction will range between \$1.5 to \$2 million
- Building will be a full brick façade
- Bigger/newer store in Tulsa
- Willing to provide commitments to the Community
- The store will meet a community need and provide merchandise and food that people need.

The Area Residents made the following recommendations:

- The consensus of the committee was that the community does not want another Family Dollar store

Attachments: Special Warranty Deed dated November 20, 2011
Family Dollar's Mission
Meeting minutes from Family Dollar dated August 29, 2016
Schematic Drawing
Construction Budget

Recommendation: Staff recommends the TDA Board of Commissioners not approve this request as presented.

Reviewed By: O.C. Walker II

NORTH TULSA Tax Increment Fund (TIF) COMMITTEE MEETING REPORT

The meeting was held promptly at 6:30 PM at the Rudisil Library in the Pine Room. In attendance were the following committee members:

Community Committee

Lamar Guillory
Jerod Widemon
Vanessa Hall-Harper
Kristi Williams
Cordell Dement
Tim Smallwood
Mike Reed

Representing the Family Dollar Store

Cee Jay See Triple C Development?
Tony Aaronson CBE Richard Ellis

Representing Tulsa Development Authority

Executive Director OC Walker
Consultant Derek Gates

The meeting started with introductions of all attendees. After the introduction, OC walker defined the purpose of the meeting, which was as follows:

1. To allow the committee to see the plans and meet the developers.
2. To make a recommendation to the TDA Board on the following:
 - A. Does the project have "Use by Right"
 - B. Is the project in compliance with TDA Standards
 - C. Does the committee approve of the aesthetics of the projects
Are TIF funds appropriate for assisting the project.

Developer Presentation

The developer presented documents, drawings and photographs showing the proposed Dollar General Store and mentioned the size of the store and the products that would be sold. A brief history of the project was presented, with the developer stating they did not know until recently TDA approval was required for the project. It was stated the project costs was estimated to be \$ 1.5 million and they estimate sales to be \$1.1 million per year. It was also mentioned that they had agreed to upgrade the exterior from a metal façade to a masonry (brick) structure. The exact nature of the covering was not defined at this time.

Community Discussion

A discussion of the merits of the project then ensued for approximately an hour. While some concepts about the store were appreciated, the overwhelming opinions were negative, in regards to moving forward with this project on this site. The common points were as follows:

- There are too many Dollar Stores in the area and Dollar Store at Pine and MLK is not well maintained or well thought of by community members. It was mentioned that by the developer representative that that store has a different owner.
- The community was not made aware of this project, and if they had been, there would have been opposition to it.
- There is no grocery store in the area (with the exception of Gateway Market, which, in the opinion of the committee, does not provide a quality shopping experience).
- The area is stigmatized by low end retail establishments.

The developer representative countered with the following:

- Dollar Stores are not negative entities and she has developed many such stores in small towns and big cities and they always improve commerce and economic conditions.
- The area demographics in regards to number of households and income distribution would not be acceptable to many of the types of developments desired by the committee.
- It was difficult getting approval for the project because of the high crime rate in the area.

- The stores will meet a demonstrable community need and provide merchandise and food that people need.
- There aren't any other significant projects being proposed for this particular site.
- If it weren't for special language on the plat concerning grocery stores, due to the previous relationship with Albertsons, they wouldn't have to get TDA approval.

After around an hour of discussion, with the same points being made, a vote was made on the items needed action. The consensus of the committee was that the community does not want another Dollar Store and the community needs to have more advance notice on developments.

The vote was as follows:

Does the Project have Use by Right?

The committee said that were in agreement with this contention.

Is the Project in Compliance With TDA Standards?

A motion was made stating that even though it may meet zoning and other standards, if the community doesn't want it, it does not meet those standards. The vote passed overwhelmingly.

The issues of aesthetics and TIF funding were not addressed.

Conclusion

The North Peoria TIF Committee that convened on 1/24/17 wishes to convey to the Tulsa Development Authority Board of Directors the following:

They are in agreement that the Dollar Store Projects does have Use By Right.

They do not feel the project is in compliance with TDA Standards and do not approve of the project. The basis of this disapproval is their belief the community does not want it.

