

## REGULAR MINUTES

### Tulsa Development Authority Board of Commissioners Regular Meeting

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

Thursday – July 12, 2018

9:00 a.m.

#### Present:

Roy Peters, Chairman  
Thomas Boxley, Commissioner  
Carl Bracy, Commissioner  
Nancy Roberts, Commissioner  
O.C. Walker II, Executive Director  
Jot Hartley, General Counsel

#### Absent:

Steve Mitchell, Vice Chairman

#### Also Present:

Kevin Anderson  
Annette Bess  
Cheryl Black  
Linn Cain  
Doug Carter  
Richard Coffey  
Erik Collins  
Nathan Cross  
Amanda DeCort  
Mike Dickerson  
Blake Ewing  
Ranan Gangel  
Nathan Garrett  
Derek Gates  
Vanessa Hall-Harper  
Matt Jones  
Kian Kamas

#### Also Present:

Aaron Meek  
Stephen Meltzer  
Luis Mercardo  
Spencer Mitchell  
Lori Moore  
Rhett Morgan  
Kimberly Norman  
Bobby Patterson  
Mekhi Singleton  
Lacey Taylor  
Mike Thedford  
Luke Westerfield  
Dennis Whitaker  
NaTasha Bunch  
Jane Malone  
Vaness Rahimlabafzadeh  
Carol Young

**The Regular Meeting was called to order at 9:02 a.m. by Chairman Peters. 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: Chairman Peters, Commissioner Bracy, Commissioner Roberts, and Commissioner Boxley were present. Vice Chairman Mitchell was absent. A quorum was present.

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

- a. Minutes of June 7, 2018 Regular Meeting
- b. Minutes of June 7, 2018 Regular Executive Session Meeting

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

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

**Nays: None**

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. **First Place Parking Garage, LLC:**

TDA has an agreement with First Place, LLC to provide a \$1.6 million loan over a 12-year period. TDA has been provided with promissory note and mortgage documentation. First Place, LLC has been provided with the necessary documentation to request construction draws for this project. Plans and Specifications have not been submitted to TDA for approval. The project is currently under construction.

B. **Morton's Reserve, d/b/a Pine Place Development, LLC:**

The site tour scheduled for June 15, 2018 was cancelled. No new information.

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

The Redevelopment Agreement has been executed. An escrow deposit is still required.

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

The annual "Parade of Homes" was held June 14, 2018 through June 24, 2018. The Redeveloper continues to market the remaining lots to complete the redevelopment project. The entry sign to Ogan's Circle redevelopment project is complete, together with the exterior landscaping around the perimeter of the project.

**E. East Latimer Lots/Capital Homes, LLC:**

On May 3, 2018, the TDA Board of Commissioners reviewed and approved a Resolution authorizing the Redeveloper to construct fourteen (14) energy efficient, affordable, owner-occupied, single-family residential homes. The Redeveloper is prepared to close on the property in July 2018. General Counsel Hartley is working to get a medical lien release on one lot and clearing of the title.

**F. The Flats on Archer:**

This is an Agenda item today for a seventh draw request. The project is 70% complete.

**G. Hartford Crossing, LLC/Blue Dome Anchor, LLC:**

Hartford Crossing - No new business. First Phase is completed. Hartford Crossing has not executed the Redevelopment Agreement for the \$490,000.00, non-interest loan for a seven (7) year period.

Blue Dome - Construction plans slated to start the first Quarter 2019. The Amendment to the Existing Redevelopment Agreement also has not been executed, allowing both times to run concurrent timelines for completion of the project. Architect is working to provide initial site plans for Phase 2 of the development, to be shared with TDA in August.

**H. The Village at Central Park (Darin Ross):**

Pearl Development – TDA board provided an extension until July 20, 2018 to provide construction documentation, plans and specifications. A meeting is scheduled for July 19, 2018. Construction documents will be prepared by July 20, 2018, for TDA consideration. Revised plans are being appraised for underwriting purposes, which should be finalized by next week. Construction plans are for the smaller Redevelopment project.

**I. VCP, LLC (Sam Rader):**

The project is complete. Once the City of Tulsa issues the Certificate of Occupancy, TDA will dovetail that process with a Certificate of Completion

**J. The Village at Central Park:**

The Redeveloper is requesting to include Lots 17-20 in the overall partial assignment. On January 4, 2018, the TDA Board of Commissioners reviewed and approved a Partial Assignment from The Village at Central Park, LLC to The Village East Properties, LLC. This is an Agenda item for today regarding the inclusion of 4 additional lots.

**K. Carland Group:**

Mediation was held on June 26, 2018, with Dispute Resolution Consultants, Inc., (DRC). General Counsel Hartley stated we have received a proposal for redesign of the driveways and the proposal was forwarded to engineers to evaluate. This item will be discussed in Executive Session.

**L. Block 44 – The Ross Group:**

On June 7, 2018, the TDA Board of Commissioners approved two Resolutions for reimbursement of costs for utility line relocation for Block 44. The TDA Board also approved the Assignment of Contract for Sale of Land for Private Redevelopment by the Ross Group. TDA closed on the property on June 14, 2018. A Ground-Breaking Ceremony was held on Friday, June 15, 2018.

**M. Urban Renewal Plans/Sector Plan:**

The adoption process is scheduled to commence October 2018. Members of the Crutchfield Area Neighborhood Advisory Committee plan to come before the TDA Board next month for consideration. General Counsel Hartley is working with legal staff to prepare a Blight Study to make sure the Sector Plans include Oklahoma's requirements for an Urban Renewal Plan. Plans are being made to visit Kansas City on August 27, 2018 on a fact-finding mission.

**N. Laura Dester Site:**

On June 20, 2018, the TDA office received one response for the Request for Proposals (RFP) for the former Laura Dester site. The response was from O'Fallon Properties, LLC, Group M Investment, INC and Good Day Properties. The Response will be reviewed by the TDA Board. TDA and City of Tulsa Staff will perform an internal review prior to the TDA Board making a final determination. This is an Agenda item for today.

**O. Annual Report 2017:**

TDA has submitted all information to the contractor and we are waiting to get the final version back. The consultant is performing the final layout for publication. All text and photographs have been reviewed and updated

**P. Dirty Butter – Heritage Hills:**

Four Dirty Butter lots were sold on behalf of the City of Tulsa.

The Tease family home is complete, and closing has been scheduled. The Earnest Deposit will be returned.

Executive Director Walker announced that Natasha Bunch submitted her resignation and will be leaving us. He introduced Vaness Rahimlabafzadeh, her replacement.

Commissioner Bracy introduced his guest, Mekhi Singleton, a Finance student at Southern University in Baton Rouge, LA.

After discussion, Commissioner Bracy moved to accept TDA's Executive Director Report for July 2018. Commissioner Roberts seconded the motion. The vote was recorded as follows:

**Ayes: Peters, Bracy, Roberts and Boxley**  
**Nays: None**

**The motion passed unanimously.**

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

**a. North Peoria TIF Update – Derek Gates: A copy of the report is included in the Commissioner's packets:** Contractor has agreed to put more personnel on the job and attempt to wrap the project up in the next 4-6 weeks. Contractor will pay PSO and will be reimbursed through their billing process. The situation will be monitored to see if the rate of progress improves, and if not, we will examine other measures. The contractor is in the final steps of pulling wire and making connections to finish the lights.

**b. TIF Report Updates – Mike Thedford: A copy of the report is included in the Commissioner's packets:**

- **Blue Dome Lighting Project: Fund No. 6967** – A change order in the amount of \$230,000.00 was presented to COT – Cause for the change order was quantity discrepancies between the cost estimate and field conditions reported by the Contractor. These discrepancies and the cost increase were not known until later in the project.

The construction schedule is now tracking a September completion. Further monitoring of the progress will be reported to TDA through completion of the project.

- **Brady District Streetscape Improvements: Fund No. 6963** – Phase I - As reported in June, the project is now in final stages. Phase II – The project team met with merchant and owner representatives on June 28, 2018 to discuss construction phasing and schedule. Crossland estimates a construction start date of July 25, 2018.
- **TDA – Lansing Centre Building Improvements: Roof/Gutter Work:** Repair work is ongoing.

## 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.

### **Breach of Contract:**

- **TDA v. Carland Group, LLC; Cherokee Meadows, LP; Carland Properties, LLC and Omega Alpha Development, LLC:**

Mediation was held on June 26, 2018 with DRC. Tentative settlement reached pending HUD, City and TDA approval of revised driveway plans. Status conference with Judge Wall scheduled for July 18, 2018 at 10:30 a.m. This will be further discussed in the Executive Session.

### **Declaratory Judgment:**

- **North Star Mutual Insurance Company, Inc. v. Carland Group, TDA, et al:**

Joint Status Report has been filed. Case remains pending.

### **Lien Foreclosure:**

- **Alpine Roofing, LLC v. MGT Construction Management, East End Village, LLC; Larson Development, TDA and others:**

MGT Construction has filed for bankruptcy protection. Lien claimants have sought to join the parent company of MGT Construction. 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.

### **Other:**

- **Novus Homes (Wilkins) CJ-2008-5713:**

TDA motion to Enter Judgment in the District Court case in favor of TDA has been granted. Order Confirming Arbitration Award and Entering Judgment filed June 11, 2018. The Wilkins filed an appeal of the Order on July 9, 2018. We will pursue our response to the appeal. This will be further discussed in Executive Session.

- **Novus Homes (Wilkins) CV-2016-998:**  
Case remains pending with scheduling conference to be set upon application.
- **Hall-Harper, et. al v. TDA**  
Scheduling Order entered May 4, 2018. Preliminary Witness and Exhibit Lists are to be exchanged by June 2018. Discovery is ongoing. Meeting scheduled today for 1:30 p.m., with the Attorney for the Plaintiff. Case remains pending. This will be further discussed in Executive Session.

Chairman Peters acknowledged the presence of City of Tulsa Councilors Vanessa Hall-Harper and Blake Ewing.

**Declaratory Judgment:**

- **UCAT v. TDA**  
Mediation was conducted on May 10, 2018 with Dan Holeman as mediator. TDA and UCT representatives reached a tentative settlement of the pending litigation and Notice of Default of Redevelopment Agreement. Case pending until written Settlement Agreement and Order finalized by the parties and approved by the Court.

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

- a. **May 2018 - Income and Expenditure Report - included in the Commissioner packets:** Cheryl Black, Assistant Controller, 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:** Cheryl Black 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 May 2018 and, **Resolution No. 6464**, approving TDA Financial Report for May 2018, and the Comparative Financial Statement, seconded by Commissioner Boxley. The vote was recorded as follows:

**Ayes: Peters, Bracy, Roberts and Boxley**  
**Nays: None**

**The motion passed unanimously.**

**7. Receive, Discuss, and Vote:**

**a. Discussion, consideration and vote to approve the sale of Lots 17–20, Block 1, at the Village at Central Park, from the Village at Central Park, LLC to The Village at Central Park East, LLC. The property is generally located on the Southwest Corner of East 6th Street South and South Peoria Avenue, Tulsa, Oklahoma:** After discussion Commission Roberts moved to approve **Resolution No. 6465**, approving Partial Assignment of Contract for Sale of Land for Private Redevelopment and Consent to Sale, seconded by Commissioner Boxley. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

**b. Discussion consideration and vote to approve a Resolution for the Seventh Draw Request from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma:** Executive Director Walker stated this is the Seventh Draw Request for The Flats on Archer Project for \$49,950.00. After discussion, Commission Bracy moved to approve **Resolution No. 6466**, approving Seventh Draw Request for The Flats on Archer Project, seconded by Commissioner Boxley. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

**c. Discussion, consideration, and vote to receive response to the Request for Proposals (RFP) for property bounded by East 7th Street South to East 8th Street South, between South Quincy Avenue and South Rockford Avenue, Tulsa, Oklahoma, former Laura Dester Site. The 200Respondent is as follows:**

- **O'Fallon Properties LLC, Group M Investment, INC and Good Day Properties, LLC**

Kimberly Norman introduced individuals in attendance supporting preserving the buildings for redevelopment. They were: Kevin Anderson, Doug Carter, Richard Coffey, Erik Collins, Amanda DeCort, Blake Ewing, Ranan Gangel, Matt Jones, Aaron Meek, Lori Moore and Bobby Patterson were in attendance. Ms. Norman provided a detailed presentation. Councilor Ewing stated his support for preserving the buildings. Commissioner Bracy was concerned with the late response to the initial RFP. Commissioner Roberts stated that submitted proposals



usually are more detailed. This item will be discussed in Executive Session.

**Commissioner Boxley moved to go into Executive Session at 10:27 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:**

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

**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 a Request for Proposals (RFP) for property bounded by East 7<sup>th</sup> Street South to East 8<sup>th</sup> Street South, between South Quincy Avenue and South Rockford Avenue Tulsa, Oklahoma, former Laura Dester Site. [25 O.S. §307(b) (4) and §307(c) (10).]
  - b. Confidential communication with Counsel regarding the 6th Amendment to a Contract for Sale of Land for Private Redevelopment between One Place SE and TDA for property located on the Northwest Corner of South Denver Avenue and East 3rd Street South, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
  - c. Confidential communication with TDA General Counsel and TDA Special Counsel regarding status of negotiations, interpretation of contract rights and pending litigation relating to a Redevelopment Agreement dated June 30, 1986 ("Agreement") between the University Center at Tulsa (UCT) and the Tulsa Development Authority (TDA), and failure of UCT to redevelop the subject property, as described in the Agreement in compliance with terms and conditions of the Agreement. [25 O.S. §307(b) (4) and §307(c) (10).]
  - d. Confidential communication with Counsel regarding the status of pending litigation to enforce contract rights and termination 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 litigation filed by North Star Insurance Company for declaratory judgment as to its obligations to provide insurance coverage to Carland Group. [25 O.S. §307(b) (4) and §307(c) (10).]

- e. Confidential communication with Counsel regarding pending litigation for property located at 744 East Pine Street, Tulsa, Oklahoma (Case No. CV-2017-1049). (Rupe Helmer Group/Tulsa 18537, LLC - Dollar General Project.). [25 O.S. §307(b) (4) and §307(c) (10).]

9. **Vote to Return to Open Session:** Commissioner Roberts moved to return to Open Session at 12:12 p.m., seconded by Commissioner Bracy. The vote was recorded as follows:

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

**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. Laura Dester**

After discussion, Commissioner Roberts moved to approve **Resolution No. 6467**, acknowledging receipt of the response to the RFP for the Sale and Redevelopment of TDA Owned property known as the Laura Dester site. Commissioner Roberts will continue to Chair the Laura Dester Committee. Commissioner Boxley seconded the motion. The vote was recorded as follows:

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

**Nays: None**

**The motion passed unanimously.**

**8.e. Executive Director Evaluation**

After discussion, Commissioner Roberts moved to approve **Resolution No. 6468**, approving annual employment evaluation of Executive Director

and Approving increase in Annual Salary and Bonus. Commissioner Bracy seconded this motion. The vote was recorded as follows:

**Ayes: Peters, Bracy, Roberts and Boxley**  
**Nays: None**


**The motion passed unanimously.**

12. **New Business:** None.

13. **Adjournment:** The meeting adjourned at 12:20 p.m.

**Tulsa Development Authority**

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

  
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**Roy Peters Jr., Chairman**

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

[7-12--2018 – Regular Meeting Minutes - (vlr-jm)]