

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 2, 2018

9:00 a.m.

Present:

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

Absent:

Roy Peters, Chairman
Steve Mitchell, Vice Chairman

Also Present:

Sandra J Alexander
Kevin Anderson
Annette Bess
Cheryl Black
Jim Coles
Leon Davis
Marcus Fairless
Derek Gates
Angie Green
Tom Green
Kenton Grant
Vanessa Hall-Harper
Brian Humphrey

Also Present:

Kyle Johnston
Kian Kamas
Rhett Morgan
Lottie Nealy
Matt Newman
Darin Ross
Jeff Scott
George Shahadi
Jeff Weaver
Dennis Whitaker
Jane Malone
Vaness Rahimlabafzadeh
Carol Young

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 Bracy, and Commissioner Boxley were present. Chairman Peters and Vice Chairman Mitchell were absent. A quorum was present.

2. Discussion, consideration and vote to appoint a temporary Chair of the Board for the August 2, 2018, TDA Regular Meeting.

In the absence of Chairman Peters and Vice Chairman Mitchell, on Motion of Commissioner Bracy, seconded by Commissioner Boxley, Commissioner Roberts was unanimously approved to act as Chairman for the meeting.

3. Routine, Repetitive Items for Action:

- a. Minutes of July 12, 2018 Regular Meeting
- b. Minutes of July 12, 2018 Regular Executive Session Meeting

After discussion, Commissioner Bracy moved to approve the minutes, Agenda Items 3.a., and 3.b., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

4. 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 office is still waiting for the title policy. 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 developer has until December 31, 2018 to provide Construction Financial Documentation. No new information.

C. Peoria Realty Investments, Inc.:

The Redevelopment Agreement has been executed. The redeveloper will attempt to purchase the subject property without TDA assistance. The properties will have to be reappraised. Funds from redeveloper will have to be placed in an Escrow Account for the acquisition and relocation of the property owners and tenants.

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

The Redeveloper has broken ground on the 13th lot in Ogan's Circle. There is one remaining lot for purchase and redevelopment. All landscaping and fencing have been installed and irrigation is complete.

E. East Latimer Lots/Capital Homes, LLC:

The Redeveloper closed on the property on July 18, 2018, in the amount of \$140,000.00. The Redeveloper is in the process of mobilizing onto the site to commence construction by Fall 2018.

F. The Flats on Archer:

This is an Agenda item today for an eighth draw request. The project is 80% complete. Leasing Agent has been secured and property is on the market.

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

Hartford Crossing - The Redevelopment Agreement for the \$490,000.00, non-interest loan for a seven (7) year period has been executed. The Redeveloper intends to provide Plans and Specifications by the first Quarter 2019.

Blue Dome - The Amendment to the Existing Redevelopment Agreement also has been executed, allowing both times to run concurrent timelines for completion of the project. The building is ready for leasing and tenant improvements.

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

This item is on today's agenda for consideration. First to amend the redevelopment agreement and provide schematic drawing, additionally to provide Construction Financial Documentation. This item will be discussed in Executive Session.

I. VCP, LLC (Sam Rader):

The project is complete. One unit has sold, and six additional units are on the market for sale.

J. The Village at Central Park:

On July 12, 2018, the TDA Board of Commissioners reviewed and approved a request to add four (4) additional lots, totaling 15 lots that will be available for redevelopment. The Amendment to the existing Redevelopment Agreement has been executed.

K. Carland Group:

The TDA General Counsel has received the revised Site Plan depicting improvements for the curb cut and new drive-ways. At this time, no timeline of construction has been provided. This item will be discussed in Executive Session.

L. Block 44 – The Ross Group:

This project is under construction. This item is on today's agenda pursuant to Chairman Peters request to amend the existing agreement as it pertains to burying the underground utilities.

M. Urban Renewal Plans/Sector Plan:

The adoption process is scheduled to commence October 2018. The Project Consultants (Fregonese Associates and Tharp Planning Group) were in Tulsa on Monday, June 25, 2018, through Thursday, June 28, 2018. The Project Consultants will return to Tulsa to attend the September 6, 2018, TDA Board Meeting.

- The Crosbie Heights
Consultants will be in Tulsa in September to facilitate an Open House for area residents to provide input.
- Pearl District Neighborhood
Open House date is still to be determined.
- Crutchfield Area Neighborhood
The Consultant is completing the Blight Study and it will be incorporated into the Sector Plan document. The Consultant will attend the September 6, 2018, TDA Regular meeting to start the approval process.

N. Laura Dester Site:

On July 12, 2018, the TDA Board of Commissioner's reviewed and approved **Resolution No. 6467**, acknowledging receipt of response to RFP for the sale and redevelopment of the Laura Dester Site. The TDA Board of Commissioner's authorized a meeting be held between the Respondent, TDA and City of Tulsa Staff to discuss all details related to the submittal. A follow up meeting will be held the week of August 13, 2018 to provide a status update.

O. Annual Report 2017:

The TDA office has received the consultant's final layout for the publication. All text and photographs have been reviewed and updated, and the report should be available in September.

P. Dirty Butter – Heritage Hills:

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

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

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

5. 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. It is projected that by the time of the August TDA meeting, lights will be operating on the North end of the project, with the lights south of Virgin to be operating by the September meeting date. Mr. Gates report stands as presented.

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** – The construction schedule is still 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** – Final pay application was submitted July 23, 2018.
- **TDA – Lansing Centre Building Improvements: Roof/Gutter Work:** Repair work is ongoing.

Mr. Thedford was absent, and his report stands as presented.

6. 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:

Revised driveway plans received and submitted to TDA experts for review and opinion; Status conference with Judge Wall held on July 18, 2018 and re-scheduled for August 22nd at 9:30 a.m. The Second mediation session is scheduled for September 7th with DRC in Tulsa.

Breach of Contract:

- **TDA and Paula Recess v. James Snyder d/b/a Gem Air Heating:**
TDA Motion for default judgement taken under advisement. No new activity.

Other:

- **Novus Homes (Wilkins) CJ-2008-5713:**
Defendants Wilkins have filed an appeal of the Judgment. TDA has filed its initial appellate pleadings in response and will prepare a response brief upon receipt of Defendants' brief in chief.
- **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. Case remains pending.

Declaratory Judgment:

- **UCAT v. TDA**
Mediation conducted on May 10, 2018 with Dan Holeman as mediator. TDA and UCT representatives reached a 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.

7. Discussion, consideration, and vote to accept Financial Reports:

- a. **June 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 Boxley moved to accept the Financial Report and Comparative Financial Statements for June 2018 and, **Resolution No. 6469**, approving TDA Financial Report for June 2018, and the Comparative Financial Statement, seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

- c. **Revised Operating Budget 2018 - 2019 - included in the Commissioner packets:** Cheryl Black, Assistant Controller, provided the revised Operating Budget 2018 - 2019 to the Commissioners and answered questions.

After discussion, Commissioner Bracy moved to approve **Resolution No. 6470**, accepting the Revised Operating Budget report for 2018 – 2019. The motion was seconded by Commissioner Boxley and the vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

8. Receive, Discuss, and Vote:

- a. **Discussion consideration and vote to approve a Resolution for the Eighth 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 Eighth Draw Request for The Flats on Archer Project for \$72,074.00, representing 78.30% total completion, according to the Project Architect of Record. After discussion, Commissioner Boxley moved to approve **Resolution No. 6471**, approving Eighth Draw Request for The Flats on Archer Project, seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

- b. Discussion, consideration and vote to approve an Amendment of an existing Redevelopment Agreement between TDA and Pearl Development, LLC for property located South of the Southwest corner of South Peoria Avenue and East 6th Street, Tulsa, Oklahoma (The Village at Central Park).** This is a request to approve an Amendment to the existing Redevelopment Agreement, extend the completion date of Phase I for 120 days, revise Schematic Drawings, as well as work the project in 2 phases with the completion of Phase II coming no later than 2 years from the completion of Phase I for the Black Pearl Project.

Marcus Fairless (SAS Architects) gave a detailed presentation to the Commissioners and answered questions and concerns. After discussion, Commissioner Bracy motioned to approve Resolution 6472, the amendment of the Redevelopment agreement to extend the date of Phase I for 120 days, approve the revised schematic plans and to allow development to be completed in 2 phases. Commissioner Boxley seconded the motion. The vote was recorded as follow:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

- c. Discussion, consideration, and vote to approve a request from Pearl Development to TDA for the use of Central Park TIF fund for a project located South of the “Southwest corner of South Peoria Avenue and East 6th Street South, Tulsa, Oklahoma (The village at Central Park):**

After discussion, decision was made to pull this item from the Agenda.

- d. Discussion, consideration and vote to approve a request form Southbridge, Equities, LLC to the TDA Board of Commissioners for the use of Technology TIF funds for a project located on the Northwest Corner of South Cincinnati Avenue and East 2nd Street, Tulsa, OK.** The TDA board listened to guest Sandra J. Alexander, Counsel for Fortune Chef, and Angela Green, a business owner that uses the alley in question for her business’ dumpsters. They voiced their concerns for the repurposing of the alleyway. General Counsel Hartley informed the parties present that this proposal is for repaving and lighting for the alleyway in question, not for repurposing the uses of the alleyway. After discussion, Commissioner Boxley moved to table the discussion until the September TDA Board Meeting. Commissioner Bracy seconded the motion and the vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

- e. **Discussion, consideration and vote to approve an Amendment to a Contract for Sale of Land for Private Redevelopment between the Ross Group, LLC, Valley National Bank and TDA regarding assistance for the relocation of overhead utility lines for property located on the Northwest Corner of East Archer Street and North Elgin Avenue, (Block44), Tulsa, Oklahoma.** After discussion, Commissioner Boxley moved to table this discussion until the September TDA Board Meeting, seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

- f. **Discussion, consideration and vote to receive a Response to the request for Proposal (RFP) for property located at 211 West Fairview Street, Tulsa, Oklahoma and approve sale to Respondent. The respondent is as follows:**

- **Jeff Weaver**

Mr. Weaver gave a detailed presentation for his vision for the property.

After discussion, Commissioner Boxley moved to approve **Resolution No. 6473**, the acceptance of the Response to the RFP and to enter into negotiations for redevelopment. The motion was seconded by Commissioner Bracy and the vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

Commissioner Boxley moved to go into Executive Session at 11:31 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

9. **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 7th Street South to East 8th 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).]

- 10. Vote to Return to Open Session:** Commissioner Bracy moved to return to Open Session at 12:02 p.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

11. 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.

12. Discussion, consideration, and vote on items discussed in Executive Session:

9.a. Pearl Development

After discussion, Commissioner Bracy moved to table this item until the September Board Meeting to allow time for further discussion on how the TIF funds could be allocated. Commissioner Boxley seconded the motion and the vote was recorded as follows:

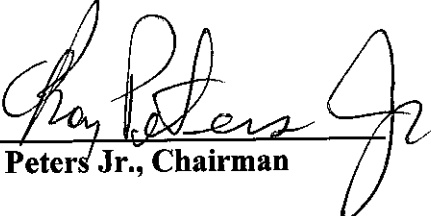
Ayes: Bracy, Roberts and Boxley
Nays: None

The motion passed unanimously.

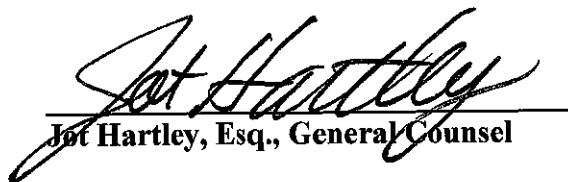
13. New Business: None.

14. Adjournment: The meeting adjourned at 12:13 p.m.

Tulsa Development Authority


Roy Peters Jr., Chairman

Approved as to legal form and adequacy:


Jot Hartley, Esq., General Counsel

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