

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 – September 6, 2018

9:00 a.m.

Present:

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

Also Present:

Sandra J Alexander
Kevin Anderson
Annette Bess
Cheryl Black
Rocky Bright
Nathan Buck
Linn Cain
Jim Coles
Erik Collins
Julia Collins
Mike Dickerson
Ranan Gangel
Vanessa Hall-Harper
Blake Hecksher
Travis Hulse
Brian Humphrey
Steve Jagers

Also Present:

Brian Kurtz
Aaron Meeks
Rhett Morgan
Kimberly Norman
Michael Patton
Darin Ross
Jeff Scott
Mike Thedford
Steven Watts
James Weger
Dennis Whitaker
David Whitley
Kajeer Yar
Jane Malone
Vaness Rahimlabafzadeh
Carol Young

The Regular Meeting was called to order at 9:00 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, and Vice Chairman Mitchell was absent. A quorum was present.

Chairman Peters introduced and welcomed Brian Kurtz, Executive Director for the Downtown Coordinating Council, replacing Tom Baker. Mr. Kurtz made comments regarding his new position with the City of Tulsa.

2. **Consideration of Consent, Routine, Repetitive Items for Action:**

- a. Minutes of August 2, 2018 Regular Meeting
- b. Minutes of August 2, 2018 Regular Executive Session Meeting
- c. Discussion, consideration and vote to approve an Amendment to the Contract for Sale of Land for Private Redevelopment between Shelia B. Thompson, Steven Murrell and TDA for TDA owned property located at 1960 North Hartford Avenue, Tulsa, Oklahoma (Dirty Butter).
- d. Discussion, consideration and vote to approve an Amendment to the Contract for Sale of Land for Private Redevelopment between Floyd Roberts and Kuma Roberts for property located at 1980 North Hartford Avenue, Tulsa, Oklahoma (Dirty Butter).
- e. Discussion, consideration and vote to approve a Resolution for the Ninth Draw Request for The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma, in the amount of \$48,450.00 (6.46%), represents 84.76% total completion.
- f. Discussion, consideration and vote for TDA to transfer title of certain property to the City of Tulsa, located in the Elm Creek/Pearl District Neighborhood Area. The property is as follows:

- 414 South Owasso Avenue (Pacesetter Coach Line, Inc) Bus Barn

After discussion, Commissioner Roberts moved to approve the following, seconded by Commissioner Bracy:

- 2.a., b. - the Minutes of August 2, 2018 Regular Meeting and Minutes of August 2, 2018 Regular Executive Session Meeting.
- 2.c. - **Resolution No. 6474**, approving First Amendment to Redevelopment Contract with Shelia Thompson for

Redevelopment of Real Property located at 1960 North Hartford Avenue, Tulsa, Oklahoma

- 2.d. - **Resolution No. 6475**, approving First Amendment to Redevelopment Contract with Floyd and Kuma Roberts for Redevelopment of Real Property located at 1980 North Hartford Avenue, Tulsa, Oklahoma
- 2.e. - **Resolution No. 6476**, approving Payment of Advance Number Nine to The Flats on Archer, LLC pursuant to Loan Agreement for The Flats on Archer Project
- 2.f. - **Resolution No. 6477**, authorizing Transfer of Title to TDA Owned Property to the City of Tulsa located at 414 South Owasso Avenue in the Elm Creek/Pearl District Neighborhoods, City of Tulsa – Pacesetter Coach Line, Inc. – Bus Barn

The vote was recorded as follows:

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

The motion passed unanimously.

3. Consideration of Items Removed from Consent Agenda

None.

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:

Request to approve a First Amendment to the Redevelopment Agreement to revise the Legal Description and Assignment of the Agreement from First Place LLC to Price Family Parking, LLC. The Redeveloper is also requesting a first draw from the Downtown Development Redevelopment Fund.

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 Redevelopers met with City of Tulsa Engineering Services to discuss the possible abandonment of two Utility Easements. Engineering Services is researching to determine the best approach to vacate the easements. Two additional vacant properties have been acquired as part of the overall Master Plan, without assistance from TDA. The Redeveloper continues to pursue additional properties to acquire.

D. Ogan's Circle/Capital Homes LLC :

Of the 14 lots in Ogan's Circle, 12 homes are complete with another one under construction. There is one remaining lot for purchase and redevelopment.

E. East Latimer Lots/Capital Homes, LLC:

The property has closed. The Redeveloper is working with City of Tulsa's Working in Neighborhoods (WIN) Department to acquire the property located at 1109 North Main Street, Tulsa, Oklahoma. 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 a ninth draw request. The property is available to lease.

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

Hartford Crossing – Has been awarded a \$490,000.00 loan from the Downtown Redevelopment funds. A preliminary construction meeting with the City of Tulsa is scheduled for September 12, 2018 to determine the size and scope of the project. The Redeveloper intends to provide Plans and Specifications by the first Quarter 2019.

Blue Dome – Remains on the market and is listed with a Commercial Broker.

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

On August 2, 2018, the TDA Board of Commissioners approved Resolution No. 6472, approving the Fourth Amendment to the Redevelopment Agreement for the Pearl Development, LLC Project. The Redeveloper is modifying the plans to increase the appraisal value. The Redeveloper will meet with TDA to review the revised documents,

I. The Village at Central Park, LLC (Sam Rader):

The project is complete. One unit has sold, and six additional units are on the market for sale. This item will be removed from next month's Director's Report.

J. The Village at Central Park (Jamie Jamison):

The Redeveloper has executed all Amendments to the Redevelopment Agreement. Once Construction Drawings and Building Specifications are

submitted, they will be forwarded to the TDA Board of Commissioner's for review and approval by Fall of 2018.

K. Carland Group:

TDA's third-party engineers will review the Site Plan to ensure it meets code requirements. Second mediation is scheduled for September 7, 2018 at DCR Mediation. General Counsel has received documentation indicating the re-design of the driveways. 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 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 will attend the TDA Board Meeting today and give a presentation.

- The Crosbie Heights Neighborhood
Consultants will be in Tulsa in September to facilitate an Open House for area residents to provide input.
- Pearl District Neighborhood
Consultants will be in Tulsa in September to facilitate an Open House for area residents to provide input.
- Crutchfield Area Neighborhood Sector Plan
The staff is ready to start the adoption process. The Consultant is completing the Blighted Study for the Crutchfield Neighborhood. Once the Blighted Study is complete, 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:

This item to be discussed in Executive Session.

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 draft will be provided to the Board for review and approval at the October 4, 2018 Board Meeting.

P. Dirty Butter – Heritage Hills:

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

Kansas City Trip

Executive Director Walker, Commissioner's Boxley and Bracy, and General Counsel Hartley, provided information and comments regarding their site visit to Kansas City.

Q. Greenwood Centre, Ltd.:

On September 24, 2001, the TDA Board of Commissioners approved **Resolution No. 4796**, stating its intention to withdraw as the General Partner of the Greenwood Centre, Ltd. on a date no later than December 31, 2001. TDA General Counsel, Jot Hartley, stated TDA has no ownership interest in this property and the Greenwood Chamber of Commerce assumed operation of the properties located at 101 and 102 North Greenwood Avenue, Tulsa, Oklahoma.

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

Ayes: Peters, 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 is continuing work on the North Peoria Lighting Project and is working to complete the project per the plans. A final punch list of items is being prepared for the eventual completion of this work.

Commissioners raised concerns regarding the need to incorporate a penalty clause into future contracts with contractors for better accountability. Mr. Gates report stands as presented and included in the packet.

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** – Project is to be substantially complete in September. Final budget discussions are pending with Engineering Services. Information will be provided to TDA as it becomes available.
- **Brady District Streetscape Improvements: Fund No. 6963** – Construction start has been bumped to mid-September.

- **TDA – Lansing Centre Building Improvements: Paint contractor to start work on filing room/office on September 4, 2018.**

Mr. Thedford’s report stands as presented and included in the packet.

Jim Coles stated that Leon Davis had retired after 17 years of service with the City of Tulsa. Michelle Barnett will be his replacement.

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:**
Opinions received as request for additional detailed plans sent. Status conference with Judge Wall held on August 22, 2018. Second mediation session scheduled for September 7, 2018 with DRC in Tulsa.

Breach of Contract:

- **East End Village, LLC v. MGT Construction Management, Inc., et al :**
East End Village (EEV) and MGT Construction have each filed dismissals (8-23-18) as to each other, but have left the remaining subcontractors subject to the EEV claims.
- **TDA and Paula Recess v James Snyder d/b/a Gem Air Heating CS-2011-8418 :**
TDA motion for default judgement taken under advisement. No new activity.

Other:

- **Novus Homes (Wilkins) CJ-2008-5713:**
Defendants Wilkins 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**
Discovery is ongoing. TDA has filed its response to Plaintiff's discovery requests. 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 which has been finalized.

Case pending until written Settlement Agreement is approved by the boards of the parties and an Order is filed.

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

- a. **July 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 approve **Resolution No. 6478**, approving Tulsa Development Authority (TDA) Financial Report for July 2018, and the Comparative Financial Statements, seconded by Commissioner Boxley. The vote was recorded as follows:

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

The motion passed unanimously.

8. Receive, Discuss, and Vote:

- a. **Discussion consideration and possible vote to accept the Crutchfield Neighborhood Sector Plan prepared by Fregonese Associates and Tharp Planning Group for The Crutchfield Area Neighborhood Sector Plan located as follows:**

- The Southern boundary is Admiral Boulevard
- The Eastern boundary is Utica Avenue
- The Northern boundary is Pine Street
- The Western boundary is Highway 75

David Whitley gave a detailed presentation stating some key points of the Sector Plan. Mr. Whitley answered questions and concerns. Julie Collins, acting representative for the Crutchfield Neighborhood Association, voiced her concern to keep the eclectic mix of residents and employers in mind for any future plans for the neighborhood. After discussion, Commission Boxley moved to approve **Resolution No. 6479**, approving the Crutchfield Area Neighborhood Sector Plan, seconded by Commissioner Bracy. 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 a First Draw Request for 403 Cheyenne, LLC as assignee of Addax Development, Inc., to receive a loan of Affordable/Obtainable Housing Funds for Residential Development in Downtown Tulsa for property located at 403 South Cheyenne Avenue, Tulsa, Oklahoma. (The Adams Building Project).** Director Walker stated this is the First Draw Request of a \$490,000.00 loan in the amount of \$29,253.00, representing 5.97% completion of the overall project.

Steven Watts (Addax Development, Inc.) provided an update and overview of the project and the progress to date. General Counsel Hartley voiced concern regarding the vague wording in the status report. TDA will provide a sample Architect letter. Mr. Watts answered questions and concerns. After discussion, Commissioner Boxley moved to approve **Resolution No. 6480**, approving Payment of Advance Number One to the 403 Cheyenne, LLC pursuant to a Loan Agreement for the 403 Cheyenne Project. Commissioner Bracy seconded the motion and the vote was recorded as follow:

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

The motion passed unanimously.

- c. Discussion, consideration and vote to approve a request from Southbridge, Equities, LLC to the TDA Board of Commissioners for the use of Technology TIF funds for a project located in the alleyway between East 1st and East 2nd Streets, East of South Cincinnati**

Avenue, Tulsa, Oklahoma (former OTASCO Building). This matter was brought before the TDA board last month for consideration, and because of some concerns raised by area citizens, it was decided to revisit this item at the September TDA Board meeting to give the Redeveloper time to meet with the property owners. Jeff Scott gave a detailed presentation and answered questions. Commissioner Bracy would like something in writing from all parties, stating they are in agreement with the project. Sandra J. Alexander, attorney for Fortune Chef, presented her clients concern for loss of revenue during alleyway repaving. 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 Roberts moved to approve **Resolution No. 6481**, approving a Request from Southbridge Equities, LLC for the expenditure of funds from the Tulsa Technology TIF for enhancement of alleyway located between 1st and 2nd Streets, East of South Cincinnati, within the Technology TIF District, subject to conditions. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

d. Discussion, consideration and vote to approve a First Amendment to Redevelopment Agreement – Utility Relocation and to approve First 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, (Block 44), Tulsa, Oklahoma. After discussion, Commissioner Roberts moved to approve **Resolution No. 6482**, approving First Amendment to Contract for Sale of Land for Private Redevelopment and First Amendment of Redevelopment Agreement for Utility Relocation for Land located in the vicinity of the Northwest Corner of East Archer Street and North Elgin Avenue, Tulsa Oklahoma – Block 44 Property. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

e. Discussion, consideration and vote to approve a Resolution approving the Construction Plans and Building Specifications and approve a First Amendment to the Redevelopment Agreement to revise the Legal Description, reduce amount of permitted first mortgage lien and

approve the Assignment of the Agreement to the Price Family Parking, LLC for property located at 419 South Main street, Tulsa, Oklahoma:

After discussion, Commissioner Boxley moved to table this agenda item to allow time for the Planning Department to examine the plans. Details of this item will not be heard today. The motion was seconded by Commissioner Bracy and the vote was recorded as follows:

Ayes: Peters, Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

- f. Discussion, consideration and vote to approve an Amendment to an existing Redevelopment Agreement, approving the Construction Documents and Building Specifications from GreenArch, LLC for the GreenArch project located on the Southeast Corner of North Greenwood Avenue and East Archer Street, Tulsa, Oklahoma (Block 53).** Kajeer Yar gave a detailed video presentation. After discussion, Commission Roberts moved to approve **Resolution No. 6483**, approving the Construction Documents and Building Specifications for Block 53, Parcel 1, pursuant to an Amended and Restated Redevelopment Agreement between TDA and GreenArch, LLC. Commissioner Boxley seconded the motion. The vote was as follows:

Ayes: Peters, Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

- g. Discussion, consideration and vote to receive an update on the 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, submitted by Pearl Place Development with possible action to vote to approve commencement of negotiations for a Contract for Sale of Real Property for Private Redevelopment with Pearl Place Development.** Kimberly Norman gave a detailed video presentation, including an overview and history of their company, and the Pearl District. This item will be further discussed in Executive Session.

Commissioner Boxley moved to go into Executive Session at 11:50 a.m., seconded by Commissioner Bracy. The vote was recorded as follows:

Ayes: Peters, 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 12:30 p.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, 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 Place Development

After discussion, Commissioner Roberts moved to approve Resolution No. 6484, acknowledging Receipt of Response to Request for Proposals (RFP) for the Sale and Redevelopment of TDA-Owned Property located between Quincy and Rockford Avenues, and between 7th and 8th Streets, Tulsa, Oklahoma and Request for Additional Information – Laura Dester Site. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

9.b. University Center at Tulsa (UCT) and The Tulsa Development Authority (TDA)

After discussion, Commissioner Roberts moved to approve Resolution No. 6485, approving Settlement Agreement between TDA and UCT pertaining to pending litigation in Case No. CV-2018-00127 and Termination of Redevelopment Agreement for University Center at Tulsa dated June 30, 1986 for Real Property located North of the Inner Dispersal Loop, Tulsa, Oklahoma. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

Chairman Peters thanked Vice Chairman Mitchell, for his hard work and efforts to secure a Settlement Agreement.

13. New Business: None.


14. Adjournment: The meeting adjourned at 12:45 p.m.

Tulsa Development Authority



Roy Peters Jr., Chairman

Approved as to legal form and adequacy:



Jot Hartley, Esq., General Counsel

[9-6--2018 – Regular Meeting Minutes - (vlr-jm)]