

## 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 – October 4, 2018

9:00 a.m.

#### Present:

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

#### Absent:

Steve Mitchell, Vice Chairman  
Carl Bracy, Commissioner

#### Also Present:

Kevin Anderson  
Leanne Benton  
Annette Bess  
Shaun Bhow  
Cheryl Blake  
Linn Cain  
Jim Coles  
Nathan Garrett  
Kian Kames  
Missy Kruse

#### Also Present:

Jane Malone  
Julie Miner  
Rhett Morgan  
Annette Overlease  
Victoria Parker  
Scott Rodehaver  
Mike Thedford  
Tom Wallace  
Luke Westerfield  
Dennis Whitaker  
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 Roberts, and Commissioner Boxley were present, Vice Chairman Mitchell, and Commissioner Bracy were absent. A quorum was present.

Chairman Peters invited TDA Executive Director, Mr. O.C. Walker II, to introduce the new TDA staff member, Victoria Parker. Mrs. Parker is replacing Natasha Bunch-Everly as the Office Assistant for TDA.

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

- a. Minutes of September 6, 2018 Regular Meeting
- b. Minutes of September 6, 2018 Regular Executive Session Meeting
- c. Minutes of September 13, 2018 Special Meeting
- d. Discussion, consideration and vote to approve a Resolution for the Second Draw Request in the amount of \$117,089.94, representing an additional 11.36% completion, from Price Family, LLC to receive a loan of Downtown Development Redevelopment Funds for a Parking Garage located at 419 South Main Street, Tulsa, Oklahoma.
- e. Discussion, consideration and vote to approve a Resolution for the Tenth Draw Request in the amount of \$34,875.00, representing an additional 4.65% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.
- f. Discussion, consideration and vote to approve a Resolution for the Second Draw Request in the amount of \$23,667.00, representing an additional 10.8% completion, from 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).

After discussion, Commissioner Boxley moved to approve the Minutes, Agenda items 2.d., 2.e., and 2.f., seconded by Commissioner Roberts.

- 2.a., b., c. - the Minutes of September 6, 2018 Regular Meeting and Minutes of September 6, 2018 Regular Executive Session Meeting. The Minutes of the September 13, 2018 Special Meeting.
- 2.d. - **Resolution No. 6489** for the Second Draw Request in the amount of \$117,089.94, representing an additional 11.36% completion, 68% total completion. Aggregate Advance Request amount is \$1,062,972.96 from Price Family, LLC to receive a loan of Downtown Development Redevelopment Funds for a Parking Garage located at 419 South Main Street, Tulsa, Oklahoma.
- 2.e. - **Resolution No. 6490** for the Tenth Draw Request in the amount of \$34,875.00, representing an additional 4.65% completion, 89.41% total completion. Aggregate Advance Request amount is \$670,575.00 from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.

- 2.f. – **Resolution No. 6491** for the Second Draw Request in the amount of \$23,667.00, representing an additional 10.8% completion, 22.16% total completion. Aggregate Advance Request amount is \$52,920.00 from 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).

○ TDA General Counsel, Jot Hartley, noted that although the above Draw Requests are approved, there are contractual requirements for additional document production that developers must meet prior to TDA disbursement of funds.

**The vote was recorded as follows:**

**Ayes: Peters, 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 Commissioners' packets. Copies of the Report were available at the table in the rear of the room.**

1. **Project Status Update:** Executive Director Walker highlighted the following items:

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

On Thursday, September 13, 2018, TDA held a Special Meeting to approve the Assignment of the Redevelopment Agreement from First Place, LLC to the Price Family Parking, LLC, reduce the amount of permitted first mortgage lien and subordination of the TDA second mortgage lien. Additionally, there was the review and approval of Construction and Building Specifications for the parking garage; a condition was established that the redeveloper provides a License Agreement, in addition to the Addendum for the Building Permit. A First Advance Request was approved in the amount of \$946,883.02 representing 60% completion of the project.

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

The Redeveloper, Mr. Smith, contacted Executive Director Walker on October 3, 2018 communicating that he was currently seeking investors. The Redeveloper has until December 31, 2018 to provide Construction Financial Documentation.

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

General Counsel Hartley and Executive Director Walker have a meeting planned for Friday, October 5, 2018, at 1:30 p.m. The project may change from the original scope. More information will be provided after the meeting. Chairman Peters will attempt to attend the meeting as well.

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

Of the 14 lots in Ogan's Circle, 13 homes are complete with one remaining for purchase and redevelopment.

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

Construction is scheduled to commence no later than December 2018. There is currently a waiting list of approximately 140 potential residents.

**F. The Flats on Archer:**

The project is 89.41% complete. The Redeveloper is applying for the tenth draw request to the project. The Contractor expects to be complete by December 2018 and units are now available to lease.

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

Item will be discussed under Consent Agenda item 8c.

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

TDA's General Counsel has discussed the Two-Phase approach with Ryan Sacra (General Counsel for Darin Ross). It was explained that the Second Phase was an integral part of the overall redevelopment plans and the project may not be permitted to proceed with Phase One without the commitment to complete Phase Two.

- General Counsel Hartley stated that a Certificate of Completion would not be granted if the entire project is not finalized. He clarified that proof of financing for the cost of construction of the entire project would be required prior to permitting commencement of construction for Phase One.

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

The project is complete. Two units have sold, and six additional units are on the market for sale.

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

The Building Permitting Phase will start after the Construction Documents are approved. The Redeveloper plans to break ground in December 2018.

**K. Carland Group:**

On the Agenda to be discussed in Executive Session.

**L. Block 44 – The Ross Group:**

On September 6, 2018, TDA Board of Commissioners reviewed and approved a Resolution approving the First Amendment to the

Redevelopment Agreement. The Amendments will allow the Redeveloper to request Draws based on a percentage of completion, after the Stadium Trust has infused its committed funding.

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

- The Crosbie Heights Neighborhood: Sector Plans are nearing completion; the Blight Study has been included in the document. An Open House was held on September 18, 2018 for area residents to provide additional input.
- Pearl District Neighborhood: Consultant is in the process of working out issues with the neighborhood residents regarding zoning.
- Crutchfield Area Neighborhood Sector Plan: There is a work session with the Planning Commission scheduled for, Wednesday, October 17, 2018. Hearings will be held in accordance to State Statues.

**N. Laura Dester Site:**

TDA Executive Director and General Counsel will meet with the Redeveloper to negotiate the terms of Redevelopment Agreement. There is a growing concern of homeless individuals damaging property.

- Based upon input from Chairman Peters and Commissioner Roberts, General Counsel Hartley mentioned the need to start a “term sheet” for this and future projects.

**O. Adams Building- 403 Cheyenne, LLC:**

Ground breaking took place on September 21, 2018. The project is currently under construction. The first Draw Request from the Downtown Housing Development and Redevelopment Fund was authorized on September 6, 2018 in the amount of \$29,253.00, representing 5.97% completion. There will be a second draw to be approved on Agenda item 2f.

**P. North Tulsa Tax Increment Financial District:**

INCOG has provided parcel information for all property owners from Admiral Blvd. to East 46th Street North, along the Peoria Corridor. TDA is in the process of scheduling a meeting with Members of the Mayor’s Office to discuss the Bus Rapid Transit system to identify opportunities to facilitate combined partnership between the two entities.

**Q. Annual Report 2017:**

Annual Report is complete. Missy Kruse of The Write Company, Inc. (Write-Co.) was present to answer questions regarding the Annual Report during Agenda item 8a.

**R. Dirty Butter- Heritage Hills Extension**

Please see Executive Director’s Monthly Report for detailed information.

After discussion, Commissioner Boxley moved to accept TDA's Executive Director Report for October 2018. Commissioner Roberts seconded the motion.

**The vote was recorded as follows:**

**Ayes: Peters, 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 Commissioners' packets:** Contractor is working to secure permanent power from PSO for final testing and acceptance. The site is being cleaned and repairs are being made to sod around poles and equipment. 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 scheduled for completion by October 5<sup>th</sup>. Pending final decision to eliminate two event disconnect boxes from the contractor's scope, which will forego approximately \$30,000 in change order costs.
  - **Main Street Streetscape:** There are additional inspection fees from COT amounting to \$6,052. TDA Executive Director has requested that Mr. Thedford provide a letter from the Arts District to request the funds from the TIF.
  - **TDA – Lansing Centre Building Improvements:** Painting has been completed in the TDA office.

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

## **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:**  
Second mediation session scheduled for October 7<sup>th</sup> was continued at the request of Cherokee Meadows residents and not reset at this

time. Additional detailed driveway plans received and reviewed by OTA expert and his report received and communicated to counsel for Defendants on September 25, 2018. Status conference with Judge Wall scheduled for October 18, 2018 at 9:30 a.m.

**Other:**

- **Novus Homes (Wilkins) CJ-2008-5713:**  
No new activity. Waiting for Defendants/Appellants to file their brief.
- **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. Settlement offer from Plaintiffs' counsel is expected to be received by General Counsel Hartley by mid- October.

**Declaratory Judgment:**

- **UCAT v. TDA**  
The written settlement agreement has been approved by the boards of the parties and signed by their respective officers. An Order approving the Settlement Agreement and a joint dismissal of the pending litigation will be filed. TDA is in the process of obtaining a survey and preparing legal descriptions of the land to be recovered by TDA.

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

- a. **August 2018 - Income and Expenditure Report - included in the Commissioners' 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 Commissioners' packets:** Cheryl Black provided an updated report, gave an overview of the Comparative Financial Statements, and answered questions from the Board.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6492**, approving Tulsa Development Authority (TDA) Financial Report for August 2018, and the Comparative Financial Statements, seconded by Commissioner Boxley.



**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

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

**a. Discussion, consideration and vote to approve TDA's 2016-2017 Annual Report.**

- Missy Kruse of The Write Company, Inc. (Write-Co.) and Annette Overlease of Overlease Design were present to answer questions regarding the Annual Report. Ms. Kruse stated that she would provide the final files to the TDA Executive Director. Chairman Peters clarified that TDA will be responsible for printing of the document.

After discussion, Commissioner Boxley moved to approve **Resolution No. 6493** approving TDA's 2016-2017 Annual Report; seconded by Commissioner Roberts.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

**b. Discussion, consideration and vote to enter into a Contract for Sale of Land for Private Redevelopment with Jeff Weaver for TDA owned land located at 211 West Fairview Street, Tulsa, Oklahoma.**

- Property was transferred as surplus from the City of Tulsa to TDA. Single family dwelling is ideal for the area.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6494** to enter into a Contract for Sale of Land for Private Redevelopment with Jeff Weaver, Commissioner Boxley seconded the motion.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

**c. Discussion, consideration and vote to amend a Redevelopment Agreement with Hartford Crossing, LLC, to receive a loan of Affordable/Obtainable Housing Funds for Residential Development in Downtown Tulsa for property located at 111 South Greenwood Avenue, Tulsa, Oklahoma.**

- Redeveloper would like to amend the originally proposed plan by reducing the building from five stories to four stories and eliminating the first floor retail space leaving a multi-family residential redevelopment. Shaun Bhow, of Hartford Crossing, LLC, explained that the originally proposed plan for the residential component of the development would be unaffected; however, construction costs for the “change of use” space is higher than expected. Mr. Bhow did not have the pro-forma information and said he would provide it prior to the next Board meeting.
- The Board of Commissioners expressed the need for a retail component for the “walkability” and economic development benefits. It was stated that the previous approval was contingent on the retail space.

After discussion, Commissioner Boxley moved and Commissioner Roberts seconded, to table the vote to amend a Redevelopment Agreement with Hartford Crossing, LLC, to receive a loan of Affordable/Obtainable Housing Funds for Residential Development in Downtown Tulsa for property located at 111 South Greenwood Avenue, Tulsa, Oklahoma.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

**d. Discussion, consideration and vote to approve Construction Drawings and Building Specifications, and the Construction Financial Documentation from Stephon Chappell for TDA owned property located at 2127 North Peoria Avenue, Tulsa, Oklahoma.**

- A new address was provided as 2127 North Peoria Avenue after the approved combining of the lots. It is requested that TDA approve Construction Documents, Plans and Specifications, together with financing documents pursuant to the terms of the Redevelopment Contract.

After discussion, Commissioner Boxley moved to approve **Resolution No. 6495** approving the submitted documents. Commissioner Roberts seconded the motion.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

- e. **Discussion, consideration and vote to review and approve Construction Drawings and Building Specifications for The Village at Central Park East, LLC.** The property is generally located on the Southwest Corner of East 6<sup>th</sup> Street South and South Peoria Avenue, Tulsa Oklahoma.

- Nathan Garrett of Tulsa Property Group for Village East Properties provided a detailed presentation.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6496** approving Construction Drawings and Building Specifications for The Village at Central Park East. Commissioner Boxley seconded the motion.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

- f. **Discussion, consideration and vote to approve a Resolution approving an Amendment to the Unity Heritage/Greenwood Neighborhood Sector Plan to confirm, adopt and include provisions of an Urban Renewal Plan, including and incorporating a Blight Study, for the study area located within the area encompasses by said Sector Plan.**

- General Counsel Hartley provided an extensive document with an Amendment to the original sector plans. General Counsel Hartley requested that this item be tabled to allow time for the Board of Commissioners to study the document.

After discussion, Commissioner Boxley moved to table this agenda item to allow time for the Board of Commissioners to examine the plans. Details of this item will not be heard today. The motion was seconded by Commissioner Roberts.

**The vote was recorded as follows:**

**Ayes: Peters, Roberts and Boxley**

**Nays: None**

**The motion passed unanimously.**

- g. **Discussion, consideration and vote to approve negotiations with Wallace Engineering for Civil Engineering Services on the former UCT Land located in the Unity Heritage/Greenwood Sector Plan area, Tulsa, Oklahoma.**

- TDA plans to have the property surveyed to get legal descriptions and boundary of the land. There were questions regarding the need to issue an RFQ for service providers, to give other vendors an opportunity to work on the project.

- Due to time sensitivity and the need for boundary survey, it was suggested to begin negotiations with Wallace Engineering.

After discussion, Commissioner Roberts moved to approve **Resolution No. 6497** approving entering in to negotiations with Wallace Engineering for Civil Engineering Services on the former UCT Land located north of the Inner Dispersal Loop in the Unity Heritage/Greenwood Sector Plan area, Tulsa, Oklahoma. Chairman Peters seconded the motion.

**The vote was as follows:**

**Ayes: Peters, 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:**

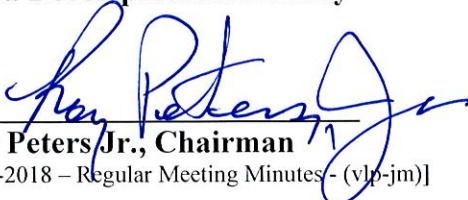
a. Confidential communication with Counsel regarding the status of pending litigation to enforce contract rights and termination of Contract for Sale of Land for Private Redevelopment with The Carland Group for redevelopment of the Cherokee Meadows Senior Housing Addition, located east of Gateway Plaza, 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).]

- Item was discussed in Open Session; therefore, TDA did not go into Executive Session.

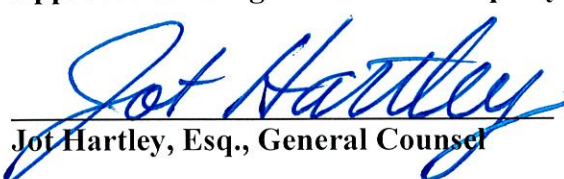
**10. New Business:** None.

**11. Adjournment:** The meeting adjourned at 10:15 a.m.

**Tulsa Development Authority**

  
**Roy Peters Jr., Chairman**  
[10-4-2018 – Regular Meeting Minutes - (vlp-jm)]

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

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