

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 – November 1, 2018

9:00 a.m.

Present:

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

Absent:

Carl Bracy, Commissioner

Also Present:

Kevin Anderson
Annette Bess
Shaun Bhow
Cheryl Black
Rocky Bright
Linn Cain
Jim Coles
Monika Ford
Vanessa Hall-Harper
Kristen Hughes
Kian Kames

Also Present:

Jane Malone
Rhett Morgan
Victoria Parker
Scott Rodehaver
Mike Thedford
Theron Warlick
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, Vice Chairman Mitchell, Commissioner Roberts, and Commissioner Boxley were present. Commissioner Bracy was absent. A quorum was present.
2. **Consideration of Consent, Routine, Repetitive Items for Action:**
 - a. Minutes of October 4, 2018 Regular Meeting

- b. Discussion, consideration and vote to approve a Resolution for the Third Draw Request in the amount of \$87,693.29, representing 70% 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.
- c. Discussion, consideration and vote to approve a Resolution for the Eleventh Draw Request in the amount of \$30,600.00, representing 93.49% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.
- d. Discussion, consideration and vote to approve a Resolution for the Third Draw Request in the amount of \$43,904.00, representing a 19.76% 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).
- e. Discussion, consideration and vote to authorize a Resolution approving the TDA Monthly Meeting Calendar for 2019.

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

- 2.a. – the Minutes of October 4, 2018 Regular Meeting.
- 2.b. - **Resolution No. 6498** for the Third Draw Request in the amount of \$87,693.29, representing 70% 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.
- 2.c. - **Resolution No. 6499** for the Eleventh Draw Request in the amount of \$30,600.00, representing 93.49% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.
- 2.d. - **Resolution No. 6500** for the Third Draw Request in the amount of \$43,904.00, representing 19.76% 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).
- 2.e. – **Resolution No. 6501** approving the TDA Monthly Meeting Calendar for 2019.

- o 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, Mitchell, 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.**

Project Status Update: Executive Director Walker highlighted the following items:

A. First Place Parking Garage, LLC:

The Second Draw Request was approved at that October 4, 2018 meeting. TDA is holding the payment until copies of an Addendum to the Building Permit and the License Agreement between the City of Tulsa and Price Family Parking, LLC are received.

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

Redeveloper has two potential investors and plans to submit information by November 30, 2018.

C. Peoria Realty Investments, Inc.:

TDA's General Counsel explained that TDA is in the process of Amending the Unity Heritage/Greenwood Neighborhood Sector/Urban Renewal Plans. Once the plan is adopted, it will include a provision for a Blight Study within the area encompassed by the Sector Plan. The Redevelopers currently have a Survey on the property to identify all easements on the land.

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

One lot is still available for development. The remaining properties are fully redeveloped.

E. East Latimer Lots/Capital Homes, LLC:

The Redeveloper has applied for six (6) building permits. There is a waiting list of 140 families.

F. The Flats on Archer:

Eleventh Draw Request was approved. The project is 90% complete. TDA Executive Director Walker will schedule a visit for the Board to review the project following the December Board Meeting.

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

This item will be discussed during Executive Session.

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

Redeveloper is redefining their construction documents to present for the December 2018 Board Meeting.

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

The Redeveloper is in the process of drafting construction documents and plans to have them completed in November 2018.

J. Carland Group:

TDA General Counsel shared that an Agreement has been reached on a plan. The redeveloper will pay for remediation of the driveways and will start in November. It should take no more than 2 weeks.

K. Block 44 – The Ross Group:

Project is under construction. The Redeveloper indicates that the burial of overhead power lines will commence mid-November 2018.

L. Urban Renewal Plans/Sector Plan:

- Crutchfield Area Neighborhood:
 - Procedures will be followed regarding the approval process.
- Crosbie Heights Neighborhood:
 - An Open House was held on Tuesday, October 9, 2018, at the Centennial Center
 - The Area Residents reviewed the plan and provided general feedback
- Pearl District Neighborhood:
 - Theron Warlick, City Planner, shared information regarding the project. The Sector Plan will be available before the end of the year.

M. Laura Dester Site:

Theron Warlick presented information regarding the AIA Convention which brought students from eight universities to compete to design for the Site. Mr. Warlick will work to get the access of the boards to be displayed.

Commissioner Roberts explained that the Redeveloper is working to get the property appraised for the buildings that they plan to use. Once that is obtained, the new plan will be brought to the Board for approval.

N. Adams Building- 403 Cheyenne, LLC:

The Third Draw Request was approved. Currently, there is demolition taking place at the site. Executive Director Walker will inform the Board when construction commences.

O. North Tulsa Tax Increment Financial District:

Boundaries are currently being defined. Alfresco Group is interested in receiving TIF funds. Leslie Batchelor will provide a Term Sheet for the Alfresco Group, who will have financial documents by the end of November 2018.

P. Annual Report 2017:

TDA will publish the Annual Report and distribute to constituents throughout the City of Tulsa and surrounding communities.

Q. Dirty Butter- Heritage Hills Extension

TDA has sold four (4) Dirty Butter lots on behalf of the City of Tulsa. Detailed information is available via the Executive Director's Monthly Report for November 2018.

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

The vote was recorded as follows:

Ayes: Peters, Mitchell, 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:** Executive Director Walker expressed that the project is complete, and the lights are functioning. City of Tulsa and PSO are working together to solve issues with the timers. Mr. Gates report stands as presented and is 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 was complete as of October 5, 2018. The lights are up and working.
- **Main Street Streetscape:** Mr. Thedford is confirming the schedule for the tree replacement.

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:**

A Settlement Agreement will be available at the next meeting. Work on revision of the driveways will begin mid-November.

Other:

- **Novus Homes (Wilkins) CJ-2008-5713:**
Pending
- **Novus Homes (Wilkins) CV-2016-998:**
Waiting on Defendants/Appellants to file their appeal brief.
- **Hall-Harper, et. al v. TDA:**
Settlement Offer that was submitted will be reviewed and discussed in Executive Session.

Declaratory Judgment:

- **UCAT v. TDA:**
The written Settlement Agreement has been signed and Abstracts have been ordered. Surveyor is prepared to begin surveying to determine boundaries.

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

- a. **September 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 Boxley moved to approve the Tulsa Development Authority (TDA) Financial Report for September 2018, and the Comparative Financial Statements, seconded by Vice-Chairman Mitchell.

The vote was recorded as follows:

Ayes: Peters, Mitchell, Roberts, and Boxley

Nays: None

The motion passed unanimously.

c. Budget Amendment to Fund No. 710 – included in the Commissioners’ packets:

This Budget Amendment is to allow additional staff to better meet TDA goals and mission.

After discussion, Commissioner Boxley moved to approve Tulsa Development Authority (TDA) budget amendment to Fund No. 710, seconded by Vice-Chairman Mitchell.

The vote was recorded as follows:

Ayes: Peters, Mitchell, Roberts, and Boxley

Nays: None

The motion passed unanimously.

d. Draft Annual Audit Report for 2017-2018- The draft of the Annual Audit Report was included in the Commissioners’ packets.

Kristen Hughes, representative with RSM US LLP, presented a draft Audit to the Board of Commissioners. Cheryl Black presented the Financial Statement. Ms. Hughes reported that there were no “material” items that have come up and she does not expect any significant changes to the final report. A vote will be taken when the final Audit is completed.

8. Receive, Discuss, and Vote:

a. Discussion, consideration and vote to approve entering into a Services Agreement with Wallace Engineering for Civil Engineering Services on the Former UCT Land located in the Unity Heritage/Greenwood Sector Plan area, Tulsa, Oklahoma.

- General Counsel Hartley requested approval to construct a Services Agreement based on the terms that have been set forth in the Board Packets. Chairman Peters added that communication has been made with Langston University to inform them of the Boundary Survey that will be conducted. Should Langston University prefer additional surveys, they would be responsible for securing such services.

After discussion, Commissioner Boxley moved to approve **Resolution No. 6504** entering into a Services Agreement with Wallace Engineering for Civil Engineering Services on the Former UCT Land located in the Unity Heritage/Greenwood Sector Plan area, Tulsa, Oklahoma, seconded by Commissioner Roberts.

The vote was recorded as follows:

Ayes: Peters, Mitchell, Roberts and Boxley

Nays: None

The motion passed unanimously.

- b. Discussion, consideration and vote to approve a Resolution approving an Amendment to the Unity Heritage/Greenwood Neighborhood Sector Plan to confirm, adopt and include a Blight Study, for the study area located within the area encompassed by the Sector Plan.**

After discussion, it was determined that this item will be tabled until the December 2018 meeting.

Commissioner Roberts moved to go into Executive Session at 9:56 a.m., seconded by Commissioner Boxley.

The vote was recorded as follows:

Ayes: Peters, Mitchell, 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. Response to approve or reject the proposed Amendment to 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. [25 O.S. §307(b) (4) and §307(c) (10).]
- b. Approval of Settlement Agreement for 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).]

- c. Response to approve or reject Settlement Offer from Plaintiffs for 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: Vice-Chairman Mitchell moved to return to Open Session at 10:30 a.m., seconded by Commissioner Boxley.

The vote was recorded as follows:

Ayes: Peters, Mitchell, 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

- **Response to approve or reject the proposed Amendment to 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. [25 O.S. §307(b) (4) and §307(c) (10).]**

After discussion, Vice-Chairman Mitchell moved to approve **Resolution No. 6505** approving the proposed Amendment to 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. [25 O.S. §307(b) (4) and §307(c) (10).] Commissioner Boxley seconded the motion.

The vote was recorded as follows:

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

The motion passed unanimously.

- **Approval of Settlement Agreement for 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).]

No action was taken on this item.

- **Response to approve or reject Settlement Offer from Plaintiffs for 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).]**

After discussion, Vice Chairman Mitchell moved to approve Resolution No.6506 rejecting the proposed Settlement Offer for pending litigation for property located at 744 East Pine Street, Tulsa, Oklahoma, (Vanessa Hall-Harper, et al, Plaintiffs, vs. Tulsa Development Authority, et al, Defendants, Case No. CV-2017-1049). (Rupe Helmer Group/Tulsa 18537, LLC - Dollar General Project.) [25 O.S. §307(b) (4) and §307(c) (10).] Commissioner Roberts seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Mitchell, and Roberts

Nays: None

Abstain: Boxley

Majority approved to reject the Settlement Offer.

13. New Business: None.

14. Adjournment: The meeting adjourned at 10:35 a.m.

Tulsa Development Authority

Approved as to legal form and adequacy:

Roy Peters Jr., Chairman

[11-1-2018 – Regular Meeting Minutes - (vlp-jm)]

Jot Hartley, Esq., General Counsel