

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 – January 3, 2019

9:00 a.m.

Present:

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

Absent:

Steve Mitchell, Vice Chairman
(participated via telephone conference)

Also Present:

Clifton Adcock
Kevin Anderson
Philip Berry
Annette Bess
Cheryl Black
Mike Dickerson
DeDe Eggleston
Robert Eggleston
Derek Gates
Travis Hulse
Brian Humphrey

Also Present:

Kian Kamas
Brian Krutz
Rhett Morgan
Darin Ross
Michael Smith
Dennis Whitaker
David Whitley (via telephone conference)

Jane Malone
Demauri Myers
Victoria Parker
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. Vice Chairman Mitchell was absent, but participated in the meeting via telephone conference. A quorum was present.

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

- a. Minutes of December 6, 2018 Regular Meeting
- b. Minutes of December 6, 2018 Executive Session Meeting
- c. Minutes of December 6, 2018 Special Annual Meeting
- d. Minutes of December 6, 2018 Tulsa Uptown Development Corporation Special Annual Meeting
- e. Minutes of the December 6, 2018 Tulsa Tribune Building Redevelopment Corporation Special Annual Meeting
- f. Discussion, consideration and vote to approve a Resolution for the Fifth Draw Request in the amount of \$144,728.70, representing 85% 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.
- g. Discussion, consideration and vote to approve a Resolution for the Fifth Draw Request in the amount of \$78,596.00, representing a 47.57% 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).
- h. Discussion, consideration and vote to approve a Resolution for the 12th Draw Request in the amount of \$14,925.00, representing 95.48% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.

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

- a. 2.a. - Minutes of December 6, 2018 Regular Meeting.
- b. 2.b. - Minutes of December 6, 2018 Executive Session Meeting
- c. 2.c. - Minutes of December 6, 2018 Special Annual Meeting
- d. 2.d. - Minutes of December 6, 2018 Tulsa Uptown Development Corporation Special Annual Meeting
- e. 2.e. - Minutes of the December 6, 2018 Tulsa Tribune Building Redevelopment Corporation Special Annual Meeting

- General Counsel Jot Hartley explained the rationale and need for the “Special Annual Meetings”.
 - f. 2.f. - **Resolution No. 6514** approving the Fifth Draw Request in the amount of \$144,728.70, representing 85% 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.
- It was noted that approval of item 2.f.- the Fifth Draw Request from Price Family, LLC, is pending the receipt of documents requested of the Redevelopers.
 - g. 2.g. - **Resolution No. 6515** approving the Fifth Draw Request in the amount of \$78,596.00, representing 47.57% 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).
 - h. 2.h. – **Resolution No. 6516** approving the 12th Draw Request in the amount of \$14,925.00, representing 95.48% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.

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 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 via PowerPoint presentation.

A. First Place Parking Garage, LLC:

The Second and Third Draw Requests have been released to the Price Family, LLC. The Fourth Draw Request continues to be held until items are received in accordance with the Redevelopment Agreement.

B. Adams Building- 403 Cheyenne, LLC:

The Fourth Draw Request was released.

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

- **Hartford Crossing:** TDA will provide assistance by approving Gap Financing from the Affordable/Obtainable Housing Funds for Residential Development in Downtown Tulsa in the amount of \$490,000.00 to assist with the construction of a multi-family development. The Redeveloper is finalizing the design and will submit for final approval in the first quarter of the year.
- **Blue Dome Anchor:** The Hartford Building is ready for leasing and tenant improvements are complete.

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

Details will be addressed during Item 8.a. in Executive Session.

E. The Village East Properties (Nathan Garrett):

Construction Documents and Building Specification have been approved and the Redeveloper is preparing to apply for a building permit.

F. Laura Dester Site:

Details will be discussed during Executive Session. Executive Director Walker explained the strain on resources from the City and TDA that the Site has caused. He stated that a decision would need to be made of how to move forward with the property.

G. Block 44, The Ross Group:

The project is moving forward. The elevator towers are near completion and installation of utility and IDP connections are in progress.

H. Morton's Reserve Properties, LLC, formerly Pine Place Development, LLC:

The Redeveloper will present information to the TDA Board during Executive Session.

I. Peoria Realty Investments, Inc. and Charney Properties, Inc.:

Acquisition of the project is contingent on the acceptance of the Unity Heritage/Greenwood Neighborhoods Sector Plan which will be reviewed by the TMAPC in January 2019.

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

This property is sold out. Success for TDA. The final home will be completed March 2019.

K. East Latimer Project/Capital Homes, LLC:

All grading and excavation has been completed and the Redeveloper has broken ground on two foundations.

L. The Flats on Archer/SATTCOM Investments:

The Flats on Archer 12th Draw Request was approved. Redeveloper, Sam Combs, requested that the tour of the property be rescheduled to take place after the February Board meeting. There are some final items to complete prior to the tour.

M. Carland Group:

The driveway construction has been corrected and completed prior to the onset of inclement weather. General Counsel Hartley explained that he is awaiting the completed Settlement Agreement from Counsel for the Carland Group. This item will be discussed further in Executive Session.

N. Urban Renewal Plans/Sector Plan:

- Crutchfield Area Neighborhood:
 - Sector Plan are included in the board packets.
- Crosbie Heights Neighborhood:
 - Information will be presented during item 7.b.
 - Executive Director Walker introduced Planners, Travis Hulse and Philip Berry of INCOG and Dennis Whitaker of the City of Tulsa Planning Department, who have been working on the Sector Plan.
- Pearl District Neighborhood:
 - The Project Consultant continues to draft the Pearl District Sector Plan for development.

O. North Tulsa Tax Increment Financial District:

Executive Director Walker explained that he will send the map to the Commissioners and asked them to establish what they believe would be the best option for boundaries of the TIF. The input will be used to construct the overall TIF parameters.

Alfresco Group, LLC:

Term sheets were provided to Alfresco Group, LLC with relevant timelines and limitations. Alfresco Group, LLC has communicated to Executive Director Walker that they will provide the additional information that was requested by the TDA Board in the coming weeks. Additional details will be discussed in Executive Session.

P. TDA Land North of the IDL (Former UCT Land):

Surveying should be complete soon. Once the surveys are completed, the legal descriptions can be established, and deeds can be drawn up.

- General Counsel Hartley shared that he is still in the process of examining several Abstracts to provide an Abstract Opinion on each block. He added that once the surveying is completed, the litigation with UCAT will be dismissed.

Q. Dirty Butter- Heritage Hills Extension:

Detailed information on this item can be found in the Executive Director's Report.

TDA Executive Director Walker's report stands as presented.

After discussion, Commissioner Bracy moved to accept TDA's Executive Director Report for January 2019. Commissioner Boxley seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts and Boxley

Nays: None

The motion passed unanimously.

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:**
General Counsel is waiting for the completed Settlement Agreement from the Counsel for the Carland Group, LLC.

Declaratory Judgment:

- **North Star Mutual Insurance Company, Inc v. Carland Group, TDA, et al.:**
Case is closed
- **UCAT v. TDA:**
The written Settlement Agreement has been approved. Abstracts have been ordered. Awaiting survey for the legal descriptions so deeds can be finalized, and the Case can be dismissed.

- **Hall-Harper, et. al v. TDA:**

The motion from plaintiff's attorney to the courts requesting to be removed from the case, was granted. New attorney for the Plaintiffs has not entered an appearance; therefore, the case is still pending.

Lien Foreclosure:

- **Sam Duncan Vent Hood, LLC v. The Meridia LLC, TDA et. al:**

TDA has been named as a party due to their mortgage lien position. General Counsel Jot Hartley will see that TDA's position is protected. The case remains pending.

Other:

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

Case remains pending.

- **Novus Homes (Wilkins) CV-2016-998:**

Response to Plaintiff's Motion for Summary Judgement was filed on December 10, 2018. The case remains pending.

6. Discussion, consideration, and vote to receive Financial Reports:

a. **November 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 Bracy moved to approve **Resolution No. 6517** accepting the Tulsa Development Authority (TDA) Financial Report for November 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.

c. Annual Audit 2017- 2018

After discussion, Commissioner Bracy moved to approve **Resolution No. 6518** approving the TDA Annual Audit for Fiscal Year 2017-2018, 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 a Resolution for the issuance of a Purchase Card for TDA to use for the purchase of goods and services on behalf of TDA upon approval by the TDA Executive Director and/or TDA Chairman.**

After discussion, Commissioner Bracy moved to approve Resolution No. 6519 approving Tulsa Development Authority (TDA) acquisition of a Purchasing Card for TDA usage. The motion was 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 possible vote to accept the Crosbie Heights Neighborhood Sector Plan prepared by Fregonese Associates and Tharp Planning Group for The Crosbie Heights Area Neighborhood Sector Plan located as follows:**

- **North - HWY 412**
- **South - Newblock Park Drive/Charles Page Blvd.**
- **East - I-244**
- **West - Gilcrease Museum Road/Charles Page Blvd.**

David Whitley, representing consultant from Fregonese Associated, presented the Crosbie Heights Sector Plan via Tele-conference.

After discussion, Commissioner Boxley moved, and Commissioner Roberts seconded, to approve Resolution No. 6520 approving the Crosbie Heights Neighborhood Sector Plan.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

Commissioner Bracy moved to go into Executive Session at 10:12 a.m., seconded by Commissioner Boxley.

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 an Amendment to the Redevelopment Agreement for an extension of time to provide Construction Financial Documentation for Pearl Development, LLC, located South of the Southwest Corner of South Peoria Avenue and East 6th Street South, Tulsa, Oklahoma. (The Village at Central Park) [25 O.S. §307(b) (4) and §307(c) (10).]
 - b. Confidential communication with Counsel regarding approval of Financial Documentation for the Morton Reserve Properties, LLC for redevelopment of the former Morton Hospital Site located at 605 East Pine Street, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
 - c. Confidential communication with TDA General Counsel regarding possible TDA Board action in determining whether to proceed with negotiations with Pearl Place Development for the redevelopment of the Laura Dester site bounded by East 7th Street South and East 8th Street South, between South Quincy Avenue and South Rockford Avenue, Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]
 - d. Confidential communication with Counsel regarding entering into negotiations with Alfresco Group for North Tulsa TIF Application No. 1, project area located at East 36th Street North and Martin Luther King, Jr. Blvd., Tulsa, Oklahoma. [25 O.S. §307(b) (4) and §307(c) (10).]

- e. Confidential communication with TDA General Counsel regarding terms of Settlement Agreement submitted for approval by the TDA Board 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).]

9. **Vote to Return to Open Session:** Commissioner Roberts moved to return to Open Session at 11:22 a.m., seconded by Commissioner Boxley.

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**

- a. **Approval of Amendment to the Redevelopment Agreement for an extension of time to provide Construction Financial Documentation for Pearl Development, LLC, located South of the Southwest Corner of South Peoria Avenue and East 6th Street South, Tulsa, Oklahoma. (The Village at Central Park)**

After discussion, Commissioner Roberts moved to approve **Resolution No. 6521** approving an extension of time relating to the Redevelopment Agreement with Pearl Development, LLC for redevelopment of property located in the Village at Central Park Addition. Commissioner Bracy seconded the motion.

- o General Counsel Hartley clarified that the information would be presented at the May 2019 meeting.
- o Commissioner Roberts added the expectation of an interim report to keep the Board aware of progress.

The vote was recorded as follows:

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

The motion passed unanimously.

- b. Approval of Financial Documentation for the Morton Reserve Properties, LLC for redevelopment of the former Morton Hospital Site located at 605 East Pine Street, Tulsa, Oklahoma.**

After discussion, Commissioner Boxley moved table this item until the February 2019 Board Meeting. Commissioner Roberts seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

- c. Approval to proceed with negotiations with Pearl Place Development for the redevelopment of the Laura Dester site bounded by East 7th Street South and East 8th Street South, between South Quincy Avenue and South Rockford Avenue, Tulsa, Oklahoma.**

After discussion, Commissioner Boxley moved to table this item until the February 2019 Board meeting. Commissioner Bracy seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

- d. Approval of a Resolution to enter into negotiations with Alfresco Group for North Tulsa TIF Application No. 1, project area located at East 36th Street North and Martin Luther King, Jr. Blvd., Tulsa, Oklahoma.**

After discussion, Commissioner Boxley moved to table this item until the February 2019 Board meeting. Commissioner Roberts seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

- e. **Approval of Settlement Agreement submitted for approval to the TDA Board 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.**

After discussion, Commissioner Bracy moved to table this item until the February 2019 Board meeting. Commissioner Boxley seconded the motion.

The vote was recorded as follows:

Ayes: Peters, Bracy, Roberts, and Boxley

Nays: None

The motion passed unanimously.

12. New Business: The tour of The Flats on Archer will be scheduled to take place following the February 2019 Board Meeting.

13. Adjournment: The meeting adjourned at 11:26 a.m.

Tulsa Development Authority

Approved as to legal form and adequacy:



Roy Peters Jr., Chairman



Jot Hartley, Esq., General Counsel