

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 – February 7, 2019

9:00 a.m.

Present:

Steve Mitchell, Vice Chairman
Carl Bracy, Commissioner
Nancy Roberts, Commissioner
O.C. Walker II, Executive Director
Jot Hartley, General Counsel

Absent:

Roy Peters Jr., Chairman
Thomas Boxley, Commissioner

Also Present:

Clifton Adcock
Kevin Anderson
Dan Batchelor
Leslie Batchelor
Annette Bess
Cheryl Black
Joyce Brown
Linn Cain
Jim Coles
Derek Gates
Travis Hulse
Kian Kamas
Brian Krutz
Julie Miner

Also Present:

Rhett Morgan
Emma Oakes
Ashley Phillippsen
Floyd Roberts
Darin Ross
Charles Stanton
Lana Turner- Addison
Dennis Whitaker
Bill White
Candy White

Jane Malone
Demauri Myers
Victoria Parker
Carol Young

The Regular Meeting was called to order at 9:00 a.m. by Vice Chairman Mitchell. 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: Vice Chairman Mitchell, Commissioner Bracy, and Commissioner Roberts were present. Chairman Peters and Commissioner Boxley were absent. A quorum was present.

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

- a. 2.a. - Minutes of January 3, 2019 Regular Meeting.
- b. 2.b. - Minutes of January 3, 2019 Executive Session Meeting
- c. 2.c. – **Resolution No. 6522** approving the 6th Draw Request in the amount of \$138,036.95, representing 93% completion, from Price Family, LLC to receive a loan from Downtown Development Redevelopment Funds for a Parking Garage located at 419 South Main Street, Tulsa, Oklahoma.
- d. 2.d. – **Resolution No. 6523** approving the 6th Draw Request in the amount of \$62,622.00 representing 60.35% completion, from 403 Cheyenne, LLC, as assignee of Addax Development, Inc., to receive a loan from Downtown Development Redevelopment Funds for residential development in downtown Tulsa for property located at 403 South Cheyenne Avenue, Tulsa, Oklahoma (The Adams Building Project).
- e. 2.e – **Resolution No. 6524** approving the 13th Draw Request in the amount of \$31,650.00, representing 99.80% completion, from The Flats on Archer, for redevelopment of property located at 110 North Boston Avenue, Tulsa, Oklahoma.
- f. 2.f. – **Resolution No. 6525** entering into a Contract for Sale of Land for Private Redevelopment between Alecia D. Peel and TDA for the sale of property located at 2010 North Hartford Avenue, Tulsa, Oklahoma, in the amount of \$12,500.00 (Dirty Butter - Heritage Hills Subdivision).
- g. 2.g. – **Resolution No. 6526** approving an Amendment to the Contract for Sale of Land for Private Redevelopment between Floyd Roberts and Kuma Roberts and TDA for property located at 1980 North Hartford Avenue, Tulsa, Oklahoma, (Dirty Butter – Heritage Hills Subdivision).
- h. 2.h. – **Resolution No. 6527** approving an Amendment to the Contract for Sale of Land for Private Redevelopment between Shelia Thompson and TDA for property located at 1960 North Hartford Avenue, Tulsa, Oklahoma, (Dirty Butter – Heritage Hills Subdivision).

- i. 2.i.- **Resolution No. 6528** entering into a Contract for Sale of Land for Private Redevelopment with Lelia Brown for the purchase and redevelopment of TDA-owned land located at 570 East Queen Street, Tulsa, Oklahoma, in the amount of \$12,500.00.

After discussion, Commissioner Bracy moved to approve Agenda items 2.a., 2.b., 2.c., 2.d., 2.e., 2.f., 2.g., 2.h., and 2.i. the motion was seconded by Commissioner Roberts and 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.

A. First Place Parking Garage, LLC:

TDA Board of Commissioner's approved Draw Request No. 5. The sixth Draw Request as been submitted for approval. The project is expected to be completed in March 2019.

B. Adams Building- 403 Cheyenne, LLC:

The fifth Draw Request was reviewed and approved from the Downtown Development Redevelopment Fund for Residential Development in Downtown, Tulsa.

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

- **Hartford Crossing:** A potential Tenant has been identified and the redeveloper has executed the Promissory Note and Mortgage. The Mortgage was filed with the Tulsa County Clerk.
- **Blue Dome Anchor:** The Redeveloper was informed that once the City of Tulsa issues a Certificate of Occupancy, TDA will provide a Certificate of Completion and return the Good Faith Deposit.

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

Redeveloper is still in the process of negotiating with potential investors and current developers that are interested in partnering on the project.

E. The Village East Properties (Nathan Garrett):

Construction is scheduled to commence once the Building Permit is issued.

F. Laura Dester Site:

Details will be discussed during Executive Session. Executive Director Walker stated that TDA has installed a construction fence around the perimeter of the property to deter the homeless population from entering the buildings.

G. Block 44, The Ross Group:

The project is coming well out of the ground. Steel will “top out” by the end of February 2019. The exterior sheathing and masonry will start in February 2019.

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

Details will be provided during the Executive Session.

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

Charles Okyere of Peoria Realty discussed the possible acquisition opportunities along East Pine Street. He also noted that East Pine Street could be the “Miracle Mile” of Tulsa.

J. Ogan’s Circle/Capital Homes, LLC:

This neighborhood has sold out completely and it was suggested by Executive Director Walker that similar projects should be done in North Tulsa.

K. East Latimer Project/Capital Homes, LLC:

The redeveloper has broken ground on six foundations and indicated that there is a heavy waiting list. Home sales are slated to begin in February 2019.

L. The Flats on Archer/SATTCOM Investments:

The Flats on Archer is over 99.80% complete and is now in the final stages of work and clean up. An Open House event, in collaboration with the Tulsa Chamber of Commerce, is scheduled during March.

M. Carland Group:

TDA’s General Counsel is still waiting on the Settlement Agreement with Cherokee Meadows. The project will be complete once the Agreement is executed.

N. Urban Renewal Plans/Sector Plan:

- Crutchfield Area Neighborhood:
 - On January 9, 2019, the Crutchfield Sector Plan was presented to the City Council in the Committee meeting of Urban and Economic Development.
 - The first scheduled hearing was on January 30, 2019 and the second hearing is scheduled for February 13, 2019.
- Crosbie Heights Neighborhood:
 - This item appeared on the TMAPC Work Study Session on January 16, 2019 to review the contents of the Crosbie Heights Sector Plan.

- The Plan was considered during the January 2019, TDA Regular Meeting, via video conference, and was approved to seek adoption.

- Pearl District Neighborhood:

- The Pearl District Open House is scheduled for Monday, February 4, 2019 at the Centennial Center.

O. North Tulsa Tax Increment Financial District:

TDA Executive Director and General Counsel are working to finalize the North Tulsa TIF Project Plan to provide all final edits to Special Counsel to start the approval process.

Alfresco Group, LLC:

The Term Sheet has been agreed by the Alfresco Group and TDA. The next phase of the process is to work on getting the Term Sheet approved. This item will be discussed in the Executive Session.

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

Wallace Engineering has indicated that Bennett Surveying is working on drafting an office report. They are on schedule for the 30-day completion date.

Q. Dirty Butter- Heritage Hills Extension:

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

TDA Executive Director Walker responded to comments and concerns from the Board members.

After discussion, Commissioner Bracy moved to accept TDA's Executive Director Report for February 2019. Commissioner Roberts seconded the motion. The motion passed unanimously.

5. Staff Report

a. Kian Kamas, Chief of Economic Development for the City of Tulsa

- Ms. Kamas provided a detailed presentation on the new staff and initiatives that the Economic Development Department is working on.
- Shared information on the RFP for the Housing Study, closing on March 6, 2019.
- The presentation was added to the February 2019 Board Packets.

b. Leslie Batchelor, Center of Economic Development Law-

- Shared information on the North Tulsa TIF. She clarified that only cities and counties can establish TIF Districts

- Ms. Batchelor explained that once the plan is made, the legal description will be drafted, and the approval process can begin.

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**
Case to be dismissed by all parties upon entry of an Agreed Order following completion of the driveway remediation and acceptance by TDA.

Declaratory Judgment:

- **UCAT v. TDA:**
Legal descriptions of the land to be re-conveyed to TDA have been prepared. TDA is in the process of obtaining a survey. Abstracts have been prepared and have been delivered to TDA counsel for examination.
- **Hall-Harper, et. al v. TDA:**
The Court has allowed a 20-day extension filed by the new attorney for the Plaintiff to allow for a response to the filed Summary Judgement. General Counsel Hartley stated that there has been a Request for Sanctions filed on behalf of TDA for attorney fees. The response from the Plaintiff should be received by February 21, 2019.

Lien Foreclosure:

- **Sam Duncan Vent Hood, LLC v The Meridia, LLC; TDA and others**
Entry of Appearance for TDA was filed on December 3, 2018. Answer being prepared. Case remains pending.

Other:

- **Novus Homes (Wilkins):**
Defendants filed their appellant’s brief on 1-17-2019. TDA counsel is preparing reply.
- **Novus Homes (Wilkins):**
Judge Doug Drummond has been assigned to the case. TDA Response to Plaintiff’s Motion for Summary Judgement was filed on December 10, 2018. Reply to response filed on 1-4-2019. No hearing date has been set. Case remains pending.

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

- a. December 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. 6529** accepting the Tulsa Development Authority (TDA) Financial Report for December 2018, and the Comparative Financial Statements, seconded by Commissioner Roberts. The motion passed unanimously.

c. City of Tulsa Finance Department- Accounting Invoice

After discussion, Commissioner Roberts moved to approve **Resolution No. 6530** approving the invoice from the City of Tulsa Finance Department for payment in the amount of \$14,368.00 for services from July 2017 to June 2018. The motion, seconded by Commissioner Bracy, passed unanimously.

8. Receive, Discuss, and Vote:

- a. Discussion, consideration and vote to approve a Resolution to release a Notice of Invitation to Bid for landscaping and property maintenance services on TDA-owned property at various locations.**

After discussion, Commissioner Roberts moved to approve **Resolution No. 6531** approving a Notice of Invitation to Bid for landscaping and property maintenance services on TDA-owned property at various locations. Commissioner Bracy seconded the motion and the motion passed unanimously.

- b. Discussion, consideration and vote to approve an Amendment to an existing Amended and Redevelopment Agreement, as previously amended, 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.**

Kajeer Yar was present to answer questions and provide additional information. After discussion, Commissioner Roberts moved, and Commissioner Bracy seconded, to approve **Resolution No. 6532** approving an amendment to the previously amended

Construction Documents and Building Specifications from GreenArch, LLC for the GreenArch project. The motion passed unanimously.

c. Discussion, consideration and vote to approve a Resolution to approve contents of Term Sheet and to enter into negotiations for a Redevelopment Agreement with Alfresco Group for North Tulsa TIF Application No. 1, project area located at East 36th St. North and Martin Luther King, Jr. Blvd., Tulsa, Oklahoma.

- Vice Chairman Mitchell and the Board noted that this assistance will not serve as a precedent for future projects and redevelopers. They believe that this project is a catalyst for more projects in the TIF District and needs the additional assistance to increase success.
- Counselor Batchelor recommended an adoption of policies for assistance that discusses how TIF funds will be distributed.

After discussion, Commissioner Roberts moved, and Commissioner Bracy seconded, to approve **Resolution No. 6533** approving contents of the Term Sheet and entering into negotiations for Redevelopment Agreement with Alfresco Group for North Tulsa TIF Application No. 1, project area located at East 36th St. North and Martin Luther King, Jr. Blvd., Tulsa, Oklahoma. The motion passed unanimously.

Commissioner Bracy moved to go into Executive Session at 10:42 a.m., seconded by Commissioner Roberts. 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 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).]
- b. 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).]

- c. 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 11:19 a.m., seconded by Commissioner Roberts. 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.

- a. **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.**

After discussion, Commissioner Bracy moved not to take action on this item regarding approval of Financial Documentation for the Morton Reserve Properties, LLC for redevelopment for the former Morton Hospital Site located at 605 East Pine Street, Tulsa, Oklahoma. Commissioner Roberts seconded the motion, and the motion passed unanimously.

- b. **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.**

- o General Counsel Hartley recommended that negotiations with Pearl Place Development continue, pending their agreement to pay the appraisal price (\$790,000) for the property.

After discussion, Commissioner Bracy moved, and Commissioner Roberts seconded approving **Resolution No. 6534** 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. The motion passed unanimously.

13. New Business: None.

14. Adjournment: The meeting adjourned at 11:22 a.m.

Approved as to legal form and adequacy:



Jot Hartley, Esq., General Counsel

[2-7-2019 – Regular Meeting Minutes - (vp-jm-dm)]

Tulsa Development Authority:



Steve Mitchell, Vice Chairman