

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 – March 7, 2019

9:00 a.m.

Present:

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

Absent:

Nancy Roberts, Commissioner

Also, Present:

Clifton Adcock
Kevin Anderson
Vaden Bales
Leslie Batchelor
Annette Bess
Cheryl Black
David E. Charney
Jim Coles
Kelly Cook
Derek Gates
Vanessa Hall-Harper
Travis Hulse
Brian Krutz

Also, Present:

Julie Miner
Rhett Morgan
Kimberly Norman
Ashley Phillippsen
Chuck Stanton
Dawn Warrick
Dennis Whitaker
Pat White
Kajeer Yar

Jane Malone
Demaury Myers
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 Boxley, and Commissioner Bracy were present. Commissioner Roberts was absent. A quorum was present.

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

- a. 2.a. - Minutes of February 7, 2019 Regular Meeting.
- b. 2.b. - Minutes of February 7, 2019 Executive Session Meeting
- c. 2.c. – **Resolution No. 6535** approving the 7th Draw Request in the amount of \$49,245.00 representing an additional 10.05%, and 70.40% total 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).

After discussion, Commissioner Bracy moved to approve Agenda items 2.a., 2.b., and 2.c. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy, 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.

A. First Place Parking Garage, LLC:

The project is nearing completion. It is expected to be completed by the end of March 2019.

B. Adams Building- 403 Cheyenne, LLC:

TDA Board of Commissioners just began the approval process on the seventh Draw Request. The project is now 70.40% complete.

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

- **Hartford Crossing:** The project is currently in the permitting stage.
- **Blue Dome Anchor:** A strong potential tenant is looking to occupy the building. It has not been confirmed.

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

No new information.

E. The Village East Properties (Nathan Garrett):

The Groundbreaking ceremony took place and the building permit was issued. The construction was delayed due to bad weather, but it will continue once the weather conditions permit.

F. Laura Dester Site:

This item will be discussed in the Executive Session.

G. Block 44, The Ross Group:

The project is looking good. The main part of the infrastructure is coming along well, and the burial of the overhead lines are in progress.

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

This item will be discussed in the Executive Session.

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

This item will be discussed in the Executive Session.

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

The project is 100% complete.

K. East Latimer Project/Capital Homes, LLC:

Six homes are currently under construction.

L. The Flats on Archer/SATTCOM Investments:

The Flats on Archer is 99.80% complete. The TDA Board of Commissioners and Staff toured the project in February. Commissioner Bracy stated this is an excellent project.

M. Carland Group:

TDA's General Counsel is still waiting on the Settlement Agreement with Cherokee Meadows. He will ask the judge to enter a Settlement Agreement since the Carland Group has not returned a signed Settlement Agreement to TDA. The project will be complete once the Agreement is executed. A motion must be filed to conclude the litigation.

N. Urban Renewal Plans/Sector Plan:

• Crutchfield Area Neighborhood:

- On February 13, 2019, the Crutchfield Sector Plan was adopted by the Tulsa City Council. The next phase of the process is implementation.

- Crosbie Heights Neighborhood:
 - The plan will be presented to the Tulsa City Council for a public hearing on March 13, 2019, and a second public hearing will be held on March 27, 2019.
- Pearl District Neighborhood:
 - The Sector Plan will appear before TDA during the April board meeting.
- Amendment to the Unity Heritage/Greenwood Neighborhoods
 - The amendment will include a Blight Study that will be performed by the City of Tulsa Working in Neighborhoods (WIN) Department.
 - TDA's General Counsel explained that the amendments comply with the state law, so that they may enhance the Sector Plan instead of taking away from the plan that was originally adopted in 2016.

O. North Tulsa Tax Increment Financial District:

Leslie Batchelor provided an update. She is working on the increment calculation estimates for the project costs. TDA's General Counsel is in the process of finalizing the Project Plan.

Alfresco Group, LLC:

This item will be discussed in the Executive Session.

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

A Housing Study is being completed. TDA's General Counsel has reviewed legal descriptions and drafted the deed to convey the TDA portion of the land from UCT to TDA.

Q. Downtown Housing Study Request for Proposals (RFP)

An RFP was released by the Tulsa Planning Office on February 6, 2019, and the deadline for submission was on March 6, 2019. The Committee meetings and evaluations will be held. The interview process should conclude on March 29, 2019.

R. Dirty Butter- Heritage Hills Extension:

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

TDA Executive Director presented an update on the TDA Strategic Plan for years 2015 – 2021.

After discussion, Commissioner Bracy moved to accept TDA's Executive Director Report for March 2019. Commissioner Boxley seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

5. Staff Report

a. Leslie Batchelor, Center of Economic Development Law

- Shared information on the North Tulsa TIF. She stated that an analysis will be conducted on the density levels within TIF boundaries.
- Ms. Batchelor explained that development creates the Incremental Revenues that leads to more public funds for infrastructure. She also responded to questions from the Board.

b. Tulsa Art Alley Project, Kelly Cook and Libby Billings

- Shared information regarding the Tulsa Art Alley Project by presenting a PowerPoint slideshow. Ms. Cook also provided handout materials and responded to questions and concerns.

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. TDA Counsel has again requested the Settlement Agreement from counsel for Carland Group. He will ask the court to resolve this.

Declaratory Judgment:

- **UCAT v. TDA:**

TDA General Counsel has prepared the deed from UCAT to TDA and forwarded it to counsel for UCAT.

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

Plaintiffs have retained new counsel (Laurie Phillips). Plaintiffs were granted an extension to respond to TDA’s Motion for Summary Judgement. Response was filed at the end of February. Judge Linda Morrissey has not ruled on TDA’s Motion for Summary Judgement.

Lien Foreclosure:

- **Sam Duncan Vent Hood, LLC v The Meridia, LLC; TDA and others**
The case has concluded.

Other:

- **Novus Homes (Wilkins):**
Defendants filed their appellant's brief on January 18, 2019. TDA counsel prepared and filed a Response Brief.
- **Novus Homes (Wilkins):**
Case has been set for hearing on March 12, 2019 regarding the Open Meeting Act. Case remains pending.

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

- January 2019 - 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.
- 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. 6536** accepting the Tulsa Development Authority (TDA) Financial Report for January 2019, and the Comparative Financial Statements. Commissioner Boxley seconded the motion. The vote was recoded as follows:

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

The motion passed unanimously.

8. Receive, Discuss, and Vote:

- Discussion, consideration and vote to authorize a Resolution approving the substitution of an Irrevocable Letter of Credit from MapleMark Bank in place of that Letter of Credit previously provided by F&M Bank for American Residential Group (Metro on Brady) project located at 10 East Archer Street, Tulsa, Oklahoma.**

Vaden Bales, representing American Residential Group (Metro on Brady Project), was present to answer questions and provide additional information. After discussion, Commissioner Mitchell moved to approve **Resolution No. 6537** approving the substitution of Irrevocable Letter of Credit from MapleMark Bank, in

place of that Letter of Credit previously provided by F&M Bank. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

Commissioner Bracy moved to go into Executive Session at 10:25 a.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy 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 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 (OMG, LLC) 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 a possible second amendment to the terms and conditions of a loan of TDA unrestricted funds to Mayfield, LLC, to extend the date for commencement of construction by 180 days. [25 O.S. §307(b) (4) and §307(c) (10).]
- d. Confidential communication with Counsel regarding negotiations for a Fifth Amendment of contract for acquisition and sale of land for Private

Redevelopment Agreement with Peoria Realty Investment, Inc., to revise Project Construction Plans for redevelopment of certain properties on the north side of E. Pine Street and along N. Pine Place, between N. Peoria Avenue, and N. Norfolk Avenue within the Unity Heritage Neighborhood Sector Plan/Greenwood Heritage Neighborhoods Sector Plan. [25 O.S. §307(b) (4) and §307(c) (10).]

- e. Confidential communication with Counsel regarding an Amendment to an existing Redevelopment Agreement revising the terms for a closing and approving the Construction Financial Documentation from GreenArch, LLC for the GreenArch project located on the Southeast Corner of North Greenwood Avenue and East Archer Street, Tulsa, Oklahoma (Block 53), also known as 21 North Greenwood. [25 O.S. §307(b) (4) and §307(c) (10).]
- f. 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 11:41 a.m., seconded by Commissioner Boxley. The vote was recorded as follows:

Ayes: Peters, Mitchell, Bracy 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.

- 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 act 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 Boxley seconded the motion. The vote was recorded as follows:

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

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 Chairman Peters read a proposed joint statement regarding termination of negotiations for the sale of the Laura Dester site.

After discussion, Commissioner Bracy moved, and Commissioner Boxley seconded, approving **Resolution No. 6538** to terminate negotiations with Pearl Place Development (OMG, LLC) for the redevelopment of the Laura Dester Site. The vote was recorded as follows:

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

The motion passed unanimously.

c. Confidential communication with Counsel regarding a possible second amendment to the terms and conditions of a loan of TDA unrestricted funds to Mayfield, LLC, to extend the date for commencement of construction by 180 days. [25 O.S. §307(b) (4) and §307(c) (10).

After discussion, Commissioner Mitchell moved, and Commissioner Bracy seconded, approving **Resolution No. 6539** to approve a Second Amendment to the Redevelopment Agreement with Mayfield, LLC for redevelopment of 325 North Main Street, Tulsa, OK (L.A. King Building Project). The vote was recorded as follows:

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

The motion passed unanimously.

d. Confidential communication with Counsel regarding negotiations for a Fifth Amendment of contract for acquisition and sale of land for Private Redevelopment Agreement with Peoria Realty Investment, Inc., to revise Project Construction Plans for redevelopment of certain properties on the north side of E. Pine Street and along East Pine Place, between N. Peoria

Avenue, and N. Norfolk Avenue within the Unity Heritage Neighborhood Sector Plan/Greenwood Heritage Neighborhoods Sector Plan.

After discussion, Commissioner Bracy moved and Commissioner Boxley seconded, approving **Resolution No. 6540** to approve negotiations for a Fifth Amendment to the Contract for acquisition and sale of land for Private Redevelopment Agreement with Peoria Realty Investment, Inc. The vote was recorded as follows:

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

The motion passed unanimously.

- e. **Confidential communication with Counsel regarding an Amendment to an existing Redevelopment Agreement revising the terms for a closing and approving the Construction Financial Documentation from GreenArch, LLC for the GreenArch project located on the Southeast Corner of North Greenwood Avenue and East Archer Street, Tulsa, Oklahoma (Block 53), also known as 21 North Greenwood.**

After discussion, Commissioner Boxley moved, and Commissioner Mitchell seconded, approving **Resolution No. 6541**, approving Construction Financial Documents and Building Specifications for Block 53, pursuant to an Amended and Restated Redevelopment Agreement between TDA and GreenArch, LLC. The vote was recorded as follows:

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

The motion passed unanimously.

- 13. Discussion, consideration and vote to authorize a Resolution approving the demolition of existing buildings on 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).]**

After discussion, Commissioner Boxley moved not to act on this item regarding approval of the demolition of existing buildings on the Laura Dester Site. Commissioner Bracy seconded the motion. The vote was recorded as follows:

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

The motion passed unanimously.

14. New Business:

Announcement: Executive Director Walker announced the resignation of Victoria Parker, Administrative Assistant.

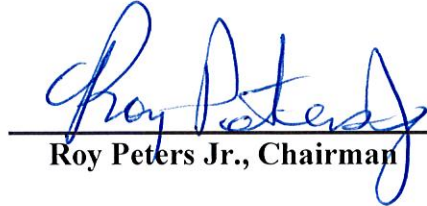
15. Adjournment: The meeting adjourned at 11:53 a.m.

Approved as to legal form and adequacy:



Jot Hartley, Esq., General Counsel

Tulsa Development Authority:



Roy Peters Jr., Chairman

[3-7-2019 – Regular Meeting Minutes - (jm-dm)]