



Mayor's Office of
Economic Development

Friday, March 22, 2019

Mr. Roy Peters
Chair, Tulsa Development Authority
1216 N Lansing Ave
Tulsa, OK 74106

RE: Downtown Housing Revolving Loan Fund

Chairman Peters,

As you are aware, over the course of 2019 several projects which have received revolving loan funds for housing development projects within downtown are scheduled for repayment. Thanks to the support of the Downtown Housing Revolving Loan Fund, Downtown Tulsa has experienced a resurgence in residential growth, helping fuel \$1 billion+ in total development over the past decade.

Based upon our records, we expect the Mayo Lofts to repay approximately \$4,886,000 in April 2019, and for the Detroit Lofts to repay \$769,000 in November 2019. **I have authorized the City of Tulsa Finance Department to transfer these funds, and any future funds issued through housing revolving loan programs, upon receipt to the City's Sales Tax Fund.**

As the City prepares for the return of these loans and others in the coming years, we are leveraging the opportunity to evaluate the processes we have historically used for their award and disbursement. The first step has been to launch an updated Downtown and Near Downtown Housing Study – an effort in which TDA is an active funding partner. This study will allow us to analyze supply and demand, as well as to better understand cost and financing gaps for various housing and development product types. The results will allow us to ensure that all incentive programs are aligned with the developments for which there is the greatest demand, but that may prove financially challenging for developers.

The second step has been to review the initial funding language for the tax programs under which initial funds were authorized; this effort is ongoing and is being done in coordination with Tulsa County. The purpose of this review is to determine whether the geographic boundaries for use of the funds may be modified for subsequent loans.

The final step, which we are just beginning, is to reevaluate the RFP development, proposal review, and ultimately fund award process for these programs. Over the course of the past two years, the City of Tulsa has added additional staff expertise and capacity for Downtown Development and Community Development, and in the coming months we will bring on a Housing Policy Director with national experience in best practices for affordable and mixed

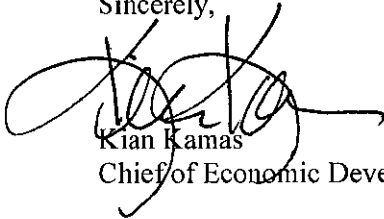
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income housing development. We believe their input on how these funds are utilized is crucial to the continued success of the program.

As we review processes and policies for use of these funds, we intend to engage TDA staff and TDA Commissioners for their feedback on how the program around the funds can be modified to ensure the City has maximum impact on spurring additional development in Tulsa. I would welcome any thoughts you or your fellow Commissioners have, and am happy to schedule a meeting or call with you to discuss further.

Please don't hesitate to contact me if you have any questions. Thank you for your service to Tulsa as Chair of the Tulsa Development Authority, and for your leadership in ensuring the successful issuance of these loans in the past.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kian Kamas', written over a printed name and title.

Kian Kamas
Chief of Economic Development

CC: O.C. Walker
G.T. Bynum
James Wagner
Norman Kildow
Nick Doctor
Brian Kurtz
Jim Coles