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**TULSA DEVELOPMENT AUTHORITY BOARD MEETING  
STAFF REPORT**

**MEETING DATE:** June 6, 2019  
**TO:** Chairman and Board Members  
**FROM:** Office of Tulsa Development Authority  
**SUBJECT:** Draw Request No. 2 - Ross Group Development, LLC – Utility Relocation

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**Background:**

<b>Owner</b>	<b>Ross Group Development, LLC</b>
<b>Developer:</b>	<b>Ross Group Development, LLC</b>
<b>Engineer:</b>	<b>Matt Newman</b>
<b>Location:</b>	<b>Northwest Corner of East Archer Street and North Elgin Avenue, Tulsa, Oklahoma – Block 44 Property</b>
<b>Size of Tract:</b>	<b>0.96 acres/42,000 sq. ft.</b>
<b>Number of Lots:</b>	<b>N/A</b>
<b>Development Area:</b>	<b>Greenwood District</b>
<b>Fair Market Value:</b>	<b>\$500,000.00</b>
<b>Executive Director:</b>	<b>O.C. Walker</b>

**Relevant Info:** This is a request from Ross Group Development, LLC to the TDA Board authorizing a Resolution issuing the Second (2<sup>nd</sup>) Advance Request for the Block 44 Project, for utility relocation assistance.

The TDA Board of Commissioners previously approved Resolution No. 6482 on September 6, 2018, approving a First Amendment to a Contract for Sale with Ross Group, dated November 2, 2017, for redevelopment of the property.

In addition, the TDA Board previously approved the following Resolution:

- Resolution No. 6550 – May 2, 2019 – Request No. 1 - \$77,698.00 – 50% completion

This request for \$226,186.09 represents an additional 27% completion, for a total of 77%, according to the David Friedland of the Ross Group letter dated May 30, 2019 certifying percentage of completion of the utility relocation. To date the aggregate Advance Request amount is \$303,884.09.

According to the Agreement between Tulsa Development Authority and Ross Group, this requires Board action to process any advance request.

**Attachments:** May 28, 2019 letter from Ross Group – Request to Render Payment to Third Party

Revised Advance Request No. 2

May 30, 2019 letter from David Friedland of the Ross Group certifying percentage of completion

Certificate of Liability Insurance

**Recommendations:** Staff recommends that the TDA Board authorize a Resolution issuing Advance Request No. 2 for the Block 44 Utility Relocation Project.

**Reviewed By:** O.C. Walker



PO Box 690960  
Tulsa, OK 74169-0960  
918.234.7675  
withrossgroup.com

## Request to Render Payment to Third Party

Attn: O.C. Walker  
Tulsa Development Authority  
1216 N Lansing Ave.,  
Tulsa, OK 74106  
Phone: 918.592.4944  
E-mail: [ocwalker@tulsadevelopmentauthority.org](mailto:ocwalker@tulsadevelopmentauthority.org)

Date: 05.28.2019

Project Name: Utility Relocation -  
Block 44  
Subject: Third Party Payment

Dear Mr. Walker:

Pursuant to the First Amendment to Redevelopment Agreement – Utility Relocation – Block 44 Project, dated September 06, 2018, Ross Group Development, LLC and Valley National Bank request that PHSD Investments, LLC, a third-party entity, be assigned the right to issue draw requests on their behalf.

We request that the total amount of all advance requests be made to PHSD Investments, LLC as they are the responsible party that is contracting the work with the construction company and the service providers. This request is in agreement to the First Amendment to Redevelopment Agreement – Utility Relocation – Block 44 Project, section 9A, which assigns the Developer the right, at any time, to assign the right of payment of an advance or an advance to a third party.

Ross Group Development will provide on behalf of PHSD Investments, LLC, the following documents for review of each draw request:

- Attachment "A" of the Advance Request
- Contractor certified application of payments, if applicable
- Additional vendor invoices, if applicable
- Project sources and uses documents showing all costs incurred and paid to date.
- Ross Group certificate of insurance

If you should have any questions or need further documentation, please direct them to Matt Newman at 918.878.2858 or [matt.newman@withrossgroup.com](mailto:matt.newman@withrossgroup.com).

Sincerely,

  
Warren Ross  
Ross Group Development, LLC  
918.234.7675  
[warren.ross@withrossgroup.com](mailto:warren.ross@withrossgroup.com)

  
Tom Biolchini  
Vast Bank  
918-495-1700  
[tom.biolchini@sbtlaw.com](mailto:tom.biolchini@sbtlaw.com)

CC: Matt Newman, Ross Group  
Stan Pinkham, Vast Bank  
Pete Patel, Promise Hotels

ATTACHMENT "A" - ADVANCE REQUEST

Pursuant to the Redevelopment Agreement dated September 06 2018, as amended (the "Redevelopment Agreement"), by The Tulsa Development Authority ("TDA") and **ROSS GROUP DEVELOPMENT, LLC**, and **VALLEY NATIONAL BANK** ("Developer"), Developer hereby requests an Advance in the amount of \$ 187,023.59 for the account of Developer from the account in the City of Tulsa established for the Overhead Public Utility Line Relocation Project Redevelopment Agreement.

Developer does hereby certify to the TDA that, as of the date hereof: (i) the representations in the Redevelopment Agreement are hereby ratified and confirmed, (ii) the requested Advance herein is for the pro rata share of the Expenditures Eligible for Reimbursement of Development Costs (as defined in the Redevelopment Agreement), (iii) there exists no default in or breach of the terms and provisions of the Redevelopment Agreement by Developer, (iv) the Redevelopment Agreement is in full force and effect, and (v) all conditions precedent to payment of the requested Advance herein have been met and payment of the Advance requested herein is proper pursuant to the terms of the Redevelopment Agreement, (vi) attached hereto are copies of the AIA form (when applicable), architect certification of the percentage of completion of the Project, schedule of values for all elements of work performed, invoices, and other documentation required to be received by TDA under the Redevelopment Agreement in connection with such Expenditures Eligible for Reimbursement, (vi) there has not been filed with or served upon TDA notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of, any of the monies payable to any of the persons, firms, or corporations named in such invoices, which have not been released or will not be released simultaneously with the payment of such obligation, and (vii) TDA has received from Developer all documents required by the Redevelopment Agreement, including, but not limited to the certificate evidencing all-risk builders risk insurance.

Dated this 14th day of May, 2019.

**ROSS GROUP DEVELOPMENT, LLC**

By:   
Warren Ross, Manager

Dated this 14th day of May, 2019.

The above Advance Request is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**TULSA DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Executive Director

## Advance Request 02 - Revised

Attn: O.C. Walker  
Tulsa Development Authority  
1216 N Lansing Ave.,  
Tulsa, OK 74106  
Phone: 918.592.4944  
E-mail: [ocwalker@tulsadevelopmentauthority.org](mailto:ocwalker@tulsadevelopmentauthority.org)

Date: 05.30.2019

Project Name: Utility Relocation -  
Block 44  
Subject: Advance Request 02

Dear Mr. Walker:

Pursuant to the First Amendment to Redevelopment Agreement – Utility Relocation – Block 44 Project, dated September 06, 2018, Ross Group Development, LLC submits the Advance Request 02 in the amount of \$226,186.09.

We request that the total amount of Advance Request 01 be made to PHSD Investments, LLC as they are the responsible party that is contracting the work with the construction company and the service providers.

Along with this letter, we are including the following for review:

- Attachment "A" Advance Request 02
- Contractor certified application of payments (2 total)
- PSO invoice (1 total)
- Project sources and uses documents showing all costs incurred and paid to date.
- Ross Group certificate of insurance

As there is no true Architect of Record, Ross Group as Redeveloper can confirm that the project is currently over 77% complete and our costs (including what is currently being requested) is only 72% of the project costs. The requested funds cover work that was completed in January 2019 – March 2019.

If you should have any questions or need further documentation, please let me know.

Sincerely;

David Friedland  
Ross Group  
918.878.2844  
[David.Friedland@withrossgroup.com](mailto:David.Friedland@withrossgroup.com)

CC: Warren Ross, Ross Group  
Tom Biolchini, Vast Bank  
Stan Pinkham, Vast Bank  
Pete Patel, Promise Hotel  
Matt Newman, Ross Group



# CERTIFICATE OF LIABILITY INSURANCE

1/1/2020

DATE (MM/DD/YYYY)

12/20/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Zurich American Insurance Company	16535
	INSURER B: American Guarantee and Liab. Ins. Co.	26247
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

INSURED  
1418869 ROSS GROUP CONSTRUCTION CORPORATION  
P.O. BOX 690960  
TULSA OK 74169

## COVERAGES

CERTIFICATE NUMBER: 15651052

REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	Y	N	GLO016506301	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPI/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	N	N	BAP016506502	1/1/2019	1/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED: <input type="checkbox"/> RETENTION \$: <input type="checkbox"/>	Y	N	AUC01650702	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ XXXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC016506402	1/1/2019	1/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	CONTRACTORS EQUIPMENT	N	N	CPP0164787502	1/1/2019	1/1/2020	SCH EQUIP: \$242,910 LEASED/RENTED: \$450,000 \$5,000 DED.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
04637.10 BRADY OVERHEAD POWER LINE BURIAL. TULSA DEVELOPMENT AUTHORITY IS NAMED AS ADDITIONAL INSURED WHERE REQUIRED BY WRITTEN CONTRACT.

## CERTIFICATE HOLDER

15651052  
PHSD INVESTMENTS  
2201 N 77TH E AVENUE  
TULSA OK 74115

## CANCELLATION See Attachments

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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