TULSA DEVELOPMENT AUTHORITY
STAFF REPORT

MEETING DATE: November 3, 2016
TO: Chairman and Board Members
FROM: Office of Tulsa Development Authority
SUBJECT: Draw Request No. 7 from The Meridia, LLC for the Meridia Project Redevelopment from the Downtown Housing Fund
LOCATION: 522 S. Boston Ave., Tulsa, OK

Background:

Owner: The Meridia, LLC
Developer: River City Development, LLC
Engineer: N/A
Location: 522 South Boston Avenue, Tulsa, OK
Size of Tract: N/A
Number of Lots: N/A
Development Area: N/A
Fair Market Value $1,300,000.00
Executive Director: O.C. Walker

Other Relevant Information:
The TDA Board of Commissioners approved the following Resolutions:

Resolution No. 6200 – April 7, 2016 – Advance No. 1 - $130,000.00
Resolution No. 6227 – June 2, 2016 – Advance No. 2 - $260,000.00
Resolution No. 6232 – July 12, 2016 – Advance No. 3 - $234,000.00
Resolution No. 6250 – August 4, 2016 – Advance No 4 - $130,000.00
Resolution No. 6265 – September 1, 2016 – Advance No. 5 - $91,000.00
Resolution No. 6277 – October 1, 2016 – Advance No. 6 - $104,000.00

This Seventh (7th) Draw Request from The Meridia, LLC for The Meridia Project in the amount of $91,000.00 represents 80% completion, according to the Project Architect of Record, Paul R. Shell of SQD Architects. To date, the aggregate draw request amount is $949,000.00.

According to the Agreement between The Meridia, LLC and Tulsa Development Authority, effective August 26, 2015, TDA Board action is required to process any draw request.

Attachments: Letter dated October 25, 2016 from the Project Architect

Recommendation: Staff recommends that the Board of Commissioners authorize a Resolution issuing the Draw Request No. 7 for The Meridia, LLC Project.

Reviewed By: O.C. Walker, Executive Director
Tulsa Development Authority
October 25, 2016

Mr. Jeremy Cimmerer
River City Development, LLC
427 South Boston Ave, Suite 915
Tulsa, OK 74103

RE: Meridia Loft/Apartments
TDA (Tulsa Development Authority) Pay Application #7 Certification Letter
SQD Architects Project No. 14-005

Dear Jeremy:

We have reviewed Pay Application #7, specific to the Scheduled Value of $1,300,000.00 as related to monies provided by the TDA. We understand that the “Description of Work” on this pay application will change throughout the course of the project and will mimic both the percentage complete and work complete on the separate Pay Application #10 provided to Arvest Bank and approved by Joel Ross of Cynergy AEC on 10/24/16 in accordance with memorandum dated 10/24/16 from Amber Smith of Arvest Bank.

I have reviewed Pay Application #7, specific to the Scheduled Value of $1,300,000.00 as related to monies provided by the TDA against the Schedule of Values on the Pay Application #10 mentioned above, work completed, the quantity of stored materials on the job site, and concur that the Work is approximately 80% complete.

Respectfully,

SQD Architects,

[Signature]

Paul R. Shell, AIA, LEED AP
Principal

9726 E. 42nd St., Suite 212, Tulsa, OK 74146
918-877-0320 • Fax 888-618-1517 • sqdarchitects.com
Bill To:
Meridia, LLC
427 S. Boston Avenue
Suite 915
Tulsa, OK 74103

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Project Construction - 80% complete</td>
<td>$ 8,412,126.97</td>
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<tr>
<td>Less previously billed invoice 2016-1001</td>
<td>($1,389,278.97)</td>
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<td>Less previously billed invoice 2016-1002</td>
<td>$ 1,737,381.59</td>
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<td>Less previously billed invoice 2016-1003</td>
<td>$ 1,979,843.60</td>
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<td>Less previously billed invoice 2016-1004</td>
<td>$ 964,659.26</td>
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<td>Less previously billed invoice 2016-1005</td>
<td>$ 832,047.68</td>
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<tr>
<td>Less previously billed invoice 2016-1006</td>
<td>$ 801,883.44</td>
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</table>

| TOTAL                                            | $ 707,032.45 |

Make all checks payable to River City Development, LLC.
If you have any questions concerning this invoice, contact Jeremy Cimmerer or Serena Kauk at 918-584-0331 or skauk@philtower.com

THANK YOU FOR YOUR BUSINESS!
Tulsa Development Authority
1216 N. Lansing Avenue, Suite A
Tulsa, Oklahoma 74106
O.C. Walker, II Executive Director

Dear Mr. Walker,

Please find attached, Advance Request Attachment “A” (one advance on the $1,300,00.00 TDA Loan) for the Meridia Project, Architect’s letter of Project Completion at 80% to date, General Contractor’s Lien Release to 9 - 20, 2016.

\[ 80\% \times $1,300,000 = $1,040,000 \]

- Advance Request one (paid) $1,040,000
- Advance Request two (paid) $260,000
- Advance Request three (paid) $274,000
- Advance Request four (paid) $130,000
- Advance Request five (paid) $91,000
- Advance Request six (paid) $104,000
- Advance Request seven (Balance) $91,000

If you need any additional information, please let me know.

Sincerely,
Final Release of Lien

Submitted By

Project: The Meridia Building 522 S Boston Ave. Tulsa OK 74103

Invoice Period:

Owner: The Meridia LLC
Contractor: River City Development

Lender: Arvest Bank and the Tulsa Development Authority

Upon Subcontractor's receipt of the amount of the requisition, as acknowledged by Owner's Endorsement and negotiation of Owner in said amount, Contractor's does hereby warrant that no other moneys are due and owing, or are claimed to be due and owning, and here are no claims, extras or cause, of action for which the Contractor's is entitled to additional compensation or remedy, relating to this subcontract nor any other contract Instrument concerning this project except for those moneys specifically shown to be due in this application for payment or to be pending approval, all changes pending approval must be listed in the space below. If none exist, you must so state. Use additional pages if needed.

Changes Pending Approval: None/This Is Final Payment For all work completed on the Project to 9/20 2016

Having first been duly sworn, the undersigned authorized representative of the Contractor's or on behalf of the Contractor's hereby warrant and certifies that Contractor's has fully paid for all material, labors, equipment, services (including but not limited to design services), incidentals, and other bills and Owner for the referenced project, with the exception of the following: (if Contractor's Has previously paid all bill and obligations for this project, state "None" in both columns).

INDIVIDUAL or FIRM: ___________________________ Total Amount Owed: $__0__

Subcontractor's hereby warrant the premise of the above named project cannot be made subject to any valid lien or claim by anyone who furnishes material, supplies, labor, equipment, or services (including but not limited to design services) to Contractor's for use in above named project and in consideration of payment by Owner. Contractor's hereby releases and waives any and all claims and liens whatsoever kind of nature against Owner, Owner surety, the Architect and Engineer(s), financial Institution, and against the building, improvements or project and the land on which same is located with respect to work performed, materials furnished, or obligations undertaken by Contractor's or by any of Contractor's labors, suppliers, date or execution of this document, except those stated below (if none, so state):

Signature: ___________________________

State of: Oklahoma County of: Tulsa

The above named ___________________ appeared before me this the __27__ Day of __October__ 2016 and executed the above and foregoing document at his own act and deed.

Notary Public: ___________________________
ATTACHMENT "A"

ADVANCE REQUEST

Pursuant to the Redevelopment Agreement dated August 26, 2015 (the "Redevelopment Agreement"), by The Tulsa Development Authority ("TDA") and THE MERIDIA, LLC ("Developer"), Developer hereby requests an Advance in the amount of $190,000.00 for the account of Developer from the account in the City of Tulsa established for the Meridia 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 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 percentage of completion of the Project, schedule of values for all elements of work performed, invoices, cancelled checks, and other documentation required to be received by TDA under the Redevelopment Agreement in connection with such Expenditures Eligible for Reimbursement, all of which invoices and other documents have been approved by TDA, (vii) 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 (viii) TDA has received from Developer all documents required by the Redevelopment Agreement, including, but not limited to the statutory payment bond, the certificate evidencing all-risk builders risk insurance.

Dated this 9th day of October, 2016

THE MERIDIA, LLC

By: ____________________________
    James F. Hawkins, Jr., Its Manager

Dated this 19th day of October, 2016

The above Advance Request is hereby approved this ____ day of __________, 2016.

TULSA DEVELOPMENT AUTHORITY

By: ____________________________
    Executive Director
APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER:  The Meridia, LLC
            427 S Boston Ste 915
            Tulsa, OK 74103
            Owner

FROM CONTRACTOR:  River City Development, LLC
                   427 S Boston Ste 915
                   Tulsa, OK 74103
                   Owner

CONTRACT FOR:  General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT
Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet is attached.

1. ORIGINAL CONTRACT SUM $1,300,000.00

2. Net change by Change Orders $0

3. CONTRACT SUM TO DATE (Line 1 +/- 2) $1,300,000.00

4. TOTAL COMPLETED & STORED TO DATE (Column G on Continuation Sheet) $1,040,000.00

5. RETAINAGE:
   a. 5.0% of Completed Work $52,000.00
      (Columns D+E on Continuation Sheet)
   b. 10.0% of Stored Material $0
      (Column F on Continuation Sheet)
   Total Retainage (Line 5a + 5b or
   Total in Column 1 of Continuation Sheet) $52,000.00

6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total) $998,000.00

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) $949,000.00

8. CURRENT PAYMENT DUE (Line 3 less Line 6) $49,000.00

9. BALANCE TO FINISH, INCLUDING RETAINAGE
   (Line 3 less Line 6) $312,000.00

CHANGE ORDER SUMMARY

<table>
<thead>
<tr>
<th>ADDITIONS</th>
<th>DEDUCTIONS</th>
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<tbody>
<tr>
<td>Total changes approved in previous months by Owner</td>
<td></td>
</tr>
<tr>
<td>Total approved this Month</td>
<td></td>
</tr>
<tr>
<td>TOTALS</td>
<td></td>
</tr>
</tbody>
</table>

AMOUNT CERTIFIED $312,000.00

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT:

By: ___________________________ Date: ___________________________

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner of Contractor under this Contract.
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Work</th>
<th>Scheduled Value</th>
<th>Work Completed</th>
<th>Materials Presently Stored</th>
<th>Total Completed And Stored To Date</th>
<th>% (G/C)</th>
<th>Balance To Finish (C - G)</th>
<th>Retainage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Exterior Glass, Electrical, Plumbing, Partition, Kitchens</td>
<td>1,300,000.00</td>
<td>949,000.00</td>
<td>91,000.00</td>
<td>1,040,000.00</td>
<td>80%</td>
<td>260,000.00</td>
<td>52,000.00</td>
</tr>
</tbody>
</table>

SUBTOTALS PAGE 2  

1,300,000.00  949,000.00  91,000.00  1,040,000.00  100%  260,000.00  52,000.00