TULSA DEVELOPMENT AUTHORITY
STAFF REPORT

MEETING DATE: March 3, 2016
TO: CHAIRMAN & BOARD MEMBERS
FROM: OFFICE OF TULSA DEVELOPMENT AUTHORITY
SUBJECT: REQUEST TO TERMINATE A REDEVELOPMENT AGREEMENT WITH DG TUL MLK, LLC, FORMERLY THE PETROUS GROUP, LLC, FOR TDA OWNED PROPERTY
LOCATION: EAST OF MARTIN LUTHER KING JR. BLVD., BETWEEN EAST QUEEN STREET AND EAST READING STREET, TULSA, OKLAHOMA

Background:
Owner: Tulsa Development Authority
Developer: The Petrous Group, a/k/a DG TUL MLK, LLC, a/k/a NAI Petrous
Engineer: AAB Engineering, LLC
Location: East of Martin Luther King Jr. Blvd., between East Queen Street and East Reading Street, Tulsa, Oklahoma
Size of Tract: 1.1 Acres
Number of Lots: 5 Lots
Development Area: Dunbar Neighborhood
Fair Market Value: N/A
Executive Director: O.C. Walker

Relevant Info: On May 14, 2015, the TDA Board of Commissioners reviewed and approved Resolution No. 6095, authorizing a Redevelopment Agreement with the Petrous Group for TDA owned property located East of Martin Luther King Jr. Blvd., between East Queen Street and East Reading Street, Tulsa, Oklahoma. The Redeveloper was unsuccessful seeking an amendment to the comprehensive plan (PLANiTULSA) and the rezoning process to allow a retail commercial store to be located on it. As a result of not being able to obtain the necessary approvals and pursuant to Section 4(b) of the Redevelopment Agreement, the Buyer has the right to give notice of its election Not to purchase the land and termination of the contract. The Buyer has requested to terminate the Agreement and a refund of the Good Faith deposit in the amount of $2,650.00.
Recommendation: 
Staff recommends this item be approved to terminate the Agreement and TDA retain the Good Faith Deposit as and for liquidated damages.

Reviewed By: 
O.C. Walker
February 24, 2016

O. C. Walker, II, Executive Director
Tulsa Development Authority
1216 N. Lansing Ave., Suite A
Tulsa, OK  74106

RE:       TDA to DG TUL MLK, LLC
Termination of Contract

Dear Mr. Walker:

Pursuant to Section 4(a) of that certain Contract for Sale of Land for Private Redevelopment dated July 9th, 2015 (“Contract”) between Tulsa Development Authority (“TDA”) and DG TUL MLK, LLC (“Buyer”). Buyer hereby gives the TDA Notice of its election NOT to purchase the land and to terminate the Contract. Buyer hereby requests return of its Good Faith Deposit in the amount of $2,650.00 as provided in Section 3(a) and Section 3(d).

Thank you and the other TDA Members for their kind consideration and hard work. Please feel free to contact me with any additional questions you may have.

Sincerely,

Mark Helmer
Manager

cc:  Jot Hartley, General Counsel
     The Hartley Law Firm
     201 W. 5th Street, Ste 501
     Tulsa, OK  74103