TULSA DEVELOPMENT AUTHORITY BOARD MEETING
STAFF REPORT

MEETING DATE: February 6, 2020
TO: Chairman and Board Members
FROM: Office of Tulsa Development Authority
SUBJECT: Draw Request No. 4 - Ross Group Development, LLC – Utility Relocation

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

Relevant Info:
This is a request from Ross Group Development, LLC to the TDA Board authorizing a Resolution issuing the Fourth (4th) 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 Resolutions:
- Resolution No. 6550 – May 2, 2019 – Request No. 1 - $77,698.00 – 50% completion
- Resolution No. 6563 – June 6, 2019 – Request No. 2 - $226,186.09 – 77% completion
- Resolution No. 6577 – July 11, 2019 – Request No. 3 - $15,324.46 – 83 % completion

This request for $50,503.31 represents the percentage of completion remains at a total of 83%, according to the David Friedland of the Ross Group letter dated January 30, 2020 certifying percentage of completion of the utility relocation. To date the aggregate Advance Request amount is $369,711.86.

According to the Agreement between Tulsa Development Authority and Ross Group, this requires Board action to process any advance request.
Attachments: January 30, 2020 letter from Ross Group – Request to Render Payment to Third Party
Advance Request No. 4
Request to Render Payment to Third Party letter dated May 28, 2019
Certificate of Liability Insurance

Recommendations: Staff recommends that the TDA Board authorize a Resolution issuing Advance Request No. 4 for the Block 44 Utility Relocation Project.

Reviewed By: Nancy Lynn Roberts, Chairwoman
Advance Request 04

Attn: Jane Malone, Nancy Roberts
Tulsa Development Authority
1216 N Lansing Ave.,
Tulsa, OK 74106
Phone: 918.592.4944
E-mail: jane@tulsadevelopmentauthority.org
        nancy@robertslive.com

Date: 01.30.2020
Project Name: Utility Relocation - Block 44
Subject: Advance Request 04

Dear Ms. Malone and Ms. Roberts:

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 04 in the amount of $50,503.31.

We request that the total amount of Advance Request 04 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 04
- Contractor certified application of payments (1 total)
- Design invoices from KKT (1 total)
- Various Communications invoice (1 total from Verizon Wireless)
- 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 83% complete and our costs (including what is currently being requested) is only 77% of the project costs. The requested funds cover work that was charged between July 2019 and this month.

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

Sincerely;

David Friedland
Ross Group
918.878.2858
David.FriedlandW@withrossgroup.com

CC:
Warren Ross, Ross Group
Matt Newman, Ross Gorup
Tom Biolchini, Vast Bank
Stan Pinkham, Vast Bank
Pete Patel, Promise Hotels
Jot Hartley, Tulsa Development Authority
ATTACHMENT “A” - ADVANCE REQUEST

Pursuant to the Redevelopment Agreement dated January 30, 2020 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 $50,503.31 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 30th day of January, 2020

ROSS GROUP DEVELOPMENT, LLC

By: [Signature] Warren Ross, Manager

Dated this 30th day of January, 2020.

The above Advance Request is hereby approved this ________ day of ________, 2020.

TULSA DEVELOPMENT AUTHORITY

By: [Signature]
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

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.

Sincerely,

Warren Ross
Ross Group Development, LLC
918.234.7675
warren.ross@withrossgroup.com

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

Tom Biolchini
Vast Bank
918.495-1700
tom.biolchini@sbtlaw.com
## CERTIFICATE OF LIABILITY INSURANCE

**PRODUCER**
Lockton Companies  
444 W. 47th Street, Suite 900  
Kansas City MO 64112-1906  
(816) 960-9000

**INSURED**
ROSS GROUP CONSTRUCTION CORPORATION  
P.O. BOX 69060  
TULSA OK 74169

**INSURER**
A: Zurich American Insurance Company  
16535  
26247

### COVERAGE

| CERTIFICATE NUMBER: | 15651052 | REVISION NUMBER: | XXXXXXXX |

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**CERTIFICATE OF LIABILITY INSURANCE**

**PRODUCER**
Lockton Companies  
444 W. 47th Street, Suite 900  
Kansas City MO 64112-1906  
(816) 960-9000

**INSURED**
ROSS GROUP CONSTRUCTION CORPORATION  
P.O. BOX 69060  
TULSA OK 74169

**INSURER**
A: Zurich American Insurance Company  
16535  
26247

### COVERAGE

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<tr>
<th>TYPE OF INSURANCE</th>
<th>LIMITS</th>
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| **COMMERCIAL GENERAL LIABILITY** | Each Occurrence: $2,000,000  
Damage to Rented Premises (by occurrence): $1,000,000  
Medical Expense (Any one person): $15,000  
Personal & Advertising Injury: $2,000,000  
General Aggregate: $4,000,000  
Products - Completed Operations: $4,000,000 |

**COMMERCIAL AUTO LIABILITY**

| N/A | Combined Single Limit (Each Accident): $1,000,000  
Bodily Injury (Per person): XXXXXXXX  
Bodily Injury (Per accident): XXXXXXXX  
Property Damage (Per accident): XXXXXXXX  
Property Damage (Total): XXXXXXXX |

**UMBRELLA LIABILITY**

| NO | Each Occurrence: $10,000,000  
Aggregate: $10,000,000  
X | XXXXXXXX |

**WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY**

| NO | Each Accident: $1,000,000  
Each Employee - Each Accident: $1,000,000  
Each Employee - Each Policy Period: $1,000,000 |

**CONTRACTORS' EQUIPMENT**

| NO | Sch Equip: $242,910  
Leased/Rented: $450,000  
$5,000 Ded. |

**CERTIFICATE HOLDER**

**CANCELLATION**

See Attachments

**AUTHORIZED REPRESENTATIVE**

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