REGULAR MINUTES

Tulsa Development Authority Board of Commissioners
Regular Meeting

One Technology Center  Thursday – June 4, 2020
175 East 2nd Street  9:00 a.m.
Tulsa, OK  74103
10th Floor North Conference Room

All Commissioners and staff of the TDA, as well as other attendees, appeared remotely by videoconference.

Present:
Nancy Lynn Roberts, Chairwoman
Steve Mitchell, Vice Chairman
Carl Bracy, Commissioner
Thomas Boxley, Commissioner
Ashley Philippsen, Commissioner

Absent:

Jot Hartley, General Counsel

Also, Present:
Annette Bess
Cheryl Black
Patrick Boulden
Linn Cain
Jim Coles
Nathan Cross
Michael Dickerson
Kian Kamas
Josh Kunkel
Rhett Morgan
Matthew Newman

Also, Present:
Burlinda Radney
Lou Reynolds
Kevin Rice
Casey Stowe
Dawn Warrick
Rose Washington

Demauri Myers
Nicole Travis

The Regular Meeting was called to order at 9:04 a.m. by Chairwoman Roberts. Decisions will be made, votes and action taken. Reports and supporting documentation can be found at www.tulsadevelopmentauthority.org

Roll Call: Nicole Travis called roll: Chairwoman Roberts, Vice Chairman Mitchell, Commissioner Bracy, Commissioner Boxley and Commissioner Philippsen were present. A quorum was present.

1. Review of Consent Agenda and request to remove item(s) from the Consent Agenda
for separate discussion, consideration, and vote:

2. Consideration of Consent, Routine, Repetitive Items for discussion, consideration, and vote:

a. 2.a.- Minutes of May 7, 2020 Regular Meeting.

b. 2.b.- Minutes of May 7, 2020 Executive Session Meeting.

After discussion, Commissioner Bracy moved to approve Agenda Items 2.a., and 2.b. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

3. Consideration of Item(s) Removed from Consent Agenda (Separate discussion, consideration, and vote on each item)

None.

4. Discussion, consideration, and vote to accept Chairwoman and Project Monthly Reports:

a. Chairwoman’s Corner Report, Nancy Lynn Roberts

Chairwoman Roberts provided an update on the current activities Tulsa Development Authority (TDA) will be working on and what the current focus has been which includes: Preparing the TDA Budget for fiscal year 2020-2021, finalizing job descriptions, elimination of the Executive Director and the Executive Assistant position. TDA will also finalize new policies and procedures for the redevelopment process for both commercial and residential properties, review TIF projects, as well as the TIF administrative process. TDA anticipate completion and ready for approval in July. Roberts also thanked Commissioner Philippsen for assisting with the drafting of the job descriptions and Jane Malone who has tirelessly served TDA for 10 years with grace.

b. Project Monthly Report, Demauri Myers

Demauri Myers, Project Analyst provided an update on the current projects as follows:

**Amenome, LLC**

The Old Laura Dester buildings, formerly known as the “Tulsa Boys Home” have been nominated to be listed on the National Register of Historic places and the Oklahoma State Register of Historic Places. The
Tulsa Preservation Commission will recognize their nomination at the next scheduled meeting held on June 11, 2020.

**Downtown Housing Study**

Travis Hulse of the Tulsa Planning Office has informed TDA that the final version of the Downtown & Surrounding Neighborhoods Housing Study and Strategy will be available for public viewing in July. A presentation will be made at the July board meeting to discuss points and areas of work that intersect with TDA.

**Greenwood-Unity Heritage Neighborhood Plan**

Unity – Heritage Citizen Advisory Team (UHCAT) next virtual meeting is scheduled on June 4, 2020, at 6:00 p.m.

After discussion, Commissioner Philippsen moved to accept TDA’s Chairwoman and Monthly Project Report for June 2020. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

5. **City of Tulsa, Mayor’s Office of Economic Development, Kian Kamas:**

   a. **Monthly Update regarding Community and Economic Development Strategic Planning**

   Kian Kamas, Chief of Economic Development, provided an update regarding the Strategic Planning and stated HR&A has been in the outreach and engagement phase of the project and conducted their first external portion of engagement by hosting a steering committee meeting. Presently, HR&A are in the process of conducting stakeholder roundtables which has already begun.

   Kamas stated HR&A indicated they have experienced some drop out participation in the roundtables due to the current events that are happening locally and nationally, but plan to reschedule a few roundtables to ensure sufficient and adequate feedback. The City is expecting to have an update with HR&A to receive initial feedback on how the external feedback has gone.

   A mid-July meeting is scheduled to commence with the steering committee as they will present a more comprehensive overview of the feedback received both from an internal perspective, as well as from the stakeholder roundtables. Upon completion of the stakeholder roundtables, HR&A will engage the Counsels from each entity under study that will include TDA General Counsel, as well as the Cities Finance Department. Kamas further stated HR&A are looking
forward to having discussions and gathering more nuance details and perspectives with the Legal Counsel and the City of Tulsa.

6. General Counsel presented the litigation and non-litigation reports:

Pending Litigation Report is available to view on the TDA website: General Counsel Hartley provided the monthly pending litigation report and Counsel Hartley reported that any changes or new items are indicated in “BOLD” print.

General Counsel also provided a non-litigation report that outlines other matters regarding TDA. Chairwoman Roberts noted the purpose of this report in part was to make the public and the Board aware of the activity and advances made on non-litigation matters currently pending within TDA and being worked by the General Counsel.

Both reports are incorporated by reference into these minutes and are posted on the TDA website for easy public access following the meeting and in accordance with the standard posting processes and practices of the TDA.

7. Discussion, consideration, and vote to accept Financial Reports

a. April 2020 - Income and Expenditure Report - Cheryl Black, Assistant Controller, provided an updated report and an overview of the Income and Expenditure Report to the Commissioners’ and answered questions.

b. Credit Card Report – Cheryl Black, Assistant Controller, provided an updated report and an overview of the Income and Expenditure Report to the Commissioners’ and answered questions.

c. Invoice from City of Tulsa, Finance Department – Cheryl Black, Assistant Controller, provided an updated invoice from the COT for January 1, 2020 – March 31, 2020, to the Commissioners’ and answered questions.

d. Fiscal Budget 2020 – 2021 – Cheryl Black, Assistant Controller, provided Fiscal Budget 2020 – 2021 to the Commissioners’ and responded to questions.

Chairwoman Roberts provided an overview of the TDA Fiscal Budget 2020-2021 and explained the reasoning for reduced expenditures, as well as increases in certain areas.

After discussion, Vice Chairman Mitchell moved to accept the Reports and approve the following Resolutions:


Resolution No. 6690 approving acceptance of the P-Card Report from the Tulsa Development Authority in the amount of $73.86 for charges from April 9, 2020

The motion was seconded by Commissioner Philippsen and the vote was recorded as follows:

   Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
   Nays: None

   The motion passed unanimously.

After discussion, Commissioner Bracy moved to accept the City of Tulsa invoice and approve the following Resolution:

**Resolution No. 6691** approving payment of invoice from the City of Tulsa Finance Department in the amount of $5,485.73 for services rendered from January 1, 2020 through March 31, 2020.

The motion was seconded by Vice Chairman Mitchell and the vote was recorded as follows:

   Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
   Nays: None

   The motion passed unanimously.

After discussion, Commissioner Bracy moved to accept the Tulsa Development Authority Budget for fiscal year 2020-2021 and approve the following Resolution:

**Resolution No. 6692** approving the Tulsa Development Authority Budget for Fiscal Year 2020-2021.

The motion was seconded by Commissioner Boxley and the vote was recorded as follows:

   Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
   Nays: None

   The motion passed unanimously.

8. **Receive, Discuss and Vote:**

   a. Discussion, consideration and vote to approve a Resolution approving revised Agreement for Consent to Sale and Transfer of Land Subject to Contract for Sale of Land for Private Redevelopment by Village at Central Park, LLC, Darin Ross and Pearl Development LLC to VEP II, LLC – Block 2, Village at Central Park.

   Nathan Cross – General Counsel for VEP II, LLC was given an opportunity to provide comments regarding the project.

   General Counsel explained the changes that were made between the 3 documents
and indicated they are items of new business in addition to what is listed on the agenda. General Counsel stated a Partial Assignment was revised on June 3, 2020, as well as a change to the Contract between Tulsa Development Authority (TDA) and VEP II, LLC for Redevelopment by VEP II, LLC in addition to approving the agreement for Consent to Sale. At present, there are two additional documents that should also be approved and is considered new business due to receiving it on June 3, 2020. General Counsel specified the Partial Assignment change that is up for board approval relates only to an indemnity by VEP II, LLC and back to Pearl Development – Darin Ross.

The change to the Contract between TDA and VEP II, LLC was to make a correction to the date of the Contract May 7, which was the accurate date. General Counsel affirmed there was a typographical error relating to the refund of the good faith deposit in the events that were listed as Section 4.c. rather than being listed as 14.c. General Counsel noted it was an administrative revision nothing substantive. General Counsel also stated this will release Darin Ross and Pearl Development from any further responsibility for the development of Block 2. The Village at Central Park, LLC will remain responsible for the ultimate development through VEP II, LLC who will now be the primary redeveloper and responsible for completion of the Redevelopment of Block 2 in accordance with the contract between TDA and VEP II, LLC which will dictate the obligations of the parties. General Counsel recommended the Board to approve the documents in their final form and authorize the Interim Executive Director Chairwoman Roberts to sign on behalf of TDA.

After discussion, Vice Chairman Mitchell moved to accept Resolution No. 6693 approving revised Partial Assignment of Contract for Sale of Land for Private Redevelopment between the Tulsa Development Authority and the Village at Central Park, LLC approving revised TDA Consent to Sale and approving Revised Contract for Sale of Land for Private Redevelopment between the Tulsa Development Authority and VEP II, LLC for Block 2, Village at Central Park. Commissioner Boxley seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

b. Discussion, consideration, and vote to approve a Resolution authorizing the transfer of proceeds in the amount of $245,854.92 from the Community Development Block Grant property sales to the City of Tulsa, which includes a $50,842.15 reimbursement to the TDA operating fund for expenses incurred on the sale of the property.

Chairwoman Roberts announced a scrivener’s error on the agenda the correct amount should read $254,854.92 rather than $245,854.92. Roberts stated she spoke with General Counsel regarding the Open Records and Open Meeting Act
and was informed the minor scrivener’s error does not violate TDA obligations under that act. The agenda should read $254,854.92.

General Counsel added in his opinion the scrivener’s error does not constitute a violation of the Open Meeting Act. The Board of Commissioner’s can proceed to approve the accurate amount of $254,854.92.

After discussion, Commissioner Boxley moved to accept Resolution No. 6694 approving transfer of proceeds, after deduction of TDA’s expenses of property maintenance, marketing and sale, from Community Development Block Grant (CDBG) land sales in the amount of $254,854.92 to the City of Tulsa. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy Boxley and Philippsen
Nays: None

c. Discussion, consideration, and vote to approve a Resolution authorizing an amendment to the Term Sheet as presented by the Alfresco Group, LLC – Alfresco TIF/North Tulsa TIF.

General Counsel provided an overview and stated the Term Sheet is to outline the terms and conditions for providing financial assistance to Alfresco Group, LLC from a TIF yet to be created by the City of Tulsa and yet to be approved by the taxing authorities for a proposed development at 36TH St. N Corridor. The Board of Commissioners’ approved a term sheet previously. However, the redeveloper has requested some revisions to the term sheet.

**Project 1:** Originally specified a two-level parking garage of at least 400 spaces proposing a change to code compliant parking which would be contemplated to surfaced parking but the total investment of 35 million remains.

**Project 2:** Would reduce the number of multi-family and residential units from 265 units to 215 units and revise the parking from a two-level structured parking of at least 700 spaces to code compliant parking which would be anticipated surface parking, but the total investment of 31 million dollars with hard construction cost of at least 19 million.

**Project 3:** Reduces the requirement of at least 125 grade parking spaces to code compliant parking. General Counsel stated the commencement and completion dates will also need to be revised due to the TIF adoption not proceeding as quickly.

**Project 1:** Will commence January 1, 2021, instead of October 1, 2020. Counsel stated that language was added that commencement construction will be contingent upon receipt of the permits necessary to commence and continue construction. Completion by July 1, 2022 instead of June 1, 2022.

**Project 2:** Will begin March 1, 2021 instead of December 1, 2020. Completion
by September 1, 2022 instead of August 1, 2022.

**Project 3:** Will commence September 1, 2022 instead of September 1, 2021. The developers have requested another amendment regarding how the ad valorem increments are computed. General Counsel stated TDA cannot agree to the request because the state statues dictate how the county assessor determines the ad valorem increments for the TIF District and the Public Assistance. General Counsel also stated he advised the redeveloper’s Counsel that the requested revision cannot be approved.

General Counsel recommended that the Board of Commissioner’s to approve the revised Term Sheet for the Alfresco Group, LLC in the form presented by TDA General Counsel at this meeting.

General Counsel expressed during this time in history it is important for TDA to do everything possible to incentivize and facilitate development in North Tulsa, it can be transformative if constructed as proposed.

After discussion, Commissioner Boxley moved to accept Resolution No 6695 approving a revised Term Sheet containing proposed terms and conditions of a financing assistance agreement and non-binding negotiations with Alfresco Group, LLC for the final terms of a financing assistance agreement between TDA and Alfresco Group, all subject to adoption and implementation of a Tax Increment Finance District (TIF) for the area including the proposed Alfresco Group, LLC development – North Tulsa TIF. Vice Chairman Mitchell seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

d. Discussion, consideration, and vote to approve a Resolution approving Special Warranty Deed for the transfer of TDA owned land to the City of Tulsa located 1643 North Greenwood Avenue, Tulsa, Oklahoma.

After discussion, Commissioner Boxley moved to accept Resolution No. 6696 approving Transfer of Land located at 1643 North Greenwood to the City of Tulsa. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy Boxley and Philippsen
Nays: None

The motion passed unanimously.

e. Discussion, consideration, and vote to approve a Resolution amending TDA Land Disposition Procedures and TDA Policies and Procedures to permit use of
Summary Appraisals in the sale of TDA owned residential lots.

General Counsel explained the difference between a full appraisal and summary appraisal. A full appraisal with a full appraisal report will cost around $2,000 to $3,000 dollars in today’s market.

A summary appraisal can be prepared by an appraiser or realtor using public information which can be completed online. There are no requirements to generate a full report nor are you required to comply with all the appraisal requirements for a full certified appraisal. General Counsel stated in his experience, summary appraisals can be obtained at a cost of $200 to $300 dollars. General Counsel proposed that TDA revise the policy to permit a reduced scope of appraisal for residential lots that, due to modest price, do not justify the preparation of full appraisal reports.

Chairwoman Roberts stated she would like to see the TDA lot prices increased and sold at a fair market value price.

After discussion, Commissioner Boxley moved to approve Resolution No. 6697 approving an amendment of section 20.7 of the TDA Policies and Procedures and Amendment of Section 4.5 of the TDA Land Disposition Policies. Commissioner Philippsen seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

Discussion, consideration, and vote to approve a Resolution for approval of revised design schematics presented by Amenome, LLC for the Laura Dester Site.

Kevin Rice, Amenome, LLC was given an opportunity to provide any relevant information regarding the project.

Josh Kunkel, Method Architecture provided information regarding the layout of the designs of the project and displayed renderings.

After discussion, Commissioner Boxley moved to approve Resolution No. 6698 approving revised design schematics submitted by Amenome, LLC for redevelopment of real property pursuant to Contract for Sale of Land for Private Redevelopment - Laura Dester Site. Commissioner Bracy seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.
Commissioner Boxley, moved to go into Executive Session at 10:47 p.m., seconded by Commissioner Philippsen. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.

9. **Executive Session:** Discussion, consideration and vote to go into Executive Session as authorized by 25 O.S. §307(B)(1) for discussion of the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee; by 25 O.S. §307(B)(4) for confidential communications with TDA General Counsel regarding a pending investigation, claim or action upon determination by the TDA Board of Commissioners, with the advice of its General Counsel, that disclosure will seriously impair the ability of the TDA Board of Commissioners to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest and/or 25 O.S. §307(C)(11) for the purpose of conferring on matters pertaining to economic development for which public disclosure of the matter discussed would interfere with the development of products or services or if public disclosure would violate the confidentiality of the business:

a. Discussion of request from IH Landlord, LLC for amendment of Redevelopment Agreement, Mortgage and Promissory Note to permit and subordinate to proposed $130,000 increase in principal amount of permitted first mortgage to be refinanced in preparation for repayment of TDA loan – Downtown Development Loan Program. [(Title 25 O.S. Section §307(C)(11).]

b. Discussion regarding a pending claim and request by TDA General Counsel to permit employment of Tom Robertson as Special Counsel to provided legal services and assistance to TDA General Counsel for representation of TDA Board and staff. [(Title 25 O.S. Section §307 (B)(4).]

c. Discussion regarding the ongoing internal investigation arising out of the grievance filed against O.C. Walker and the resulting suspension, reinstatement, and acceptance of voluntary resignation of the same. [(Title 25 O.S. Section §307(B) (1) and Title 25 O.S. Section §307 (B) (4).]

d. Confidential communication with TDA General Counsel regarding a pending investigation, claim or action and matters pertaining to economic development – request for approval of filing an action for declaratory judgment by TDA General Counsel for confirmation of ability to provide TIF funding from Partnership Development Fund and Contingency categories for development of “opportunity sites” and/or start-up capital loans in accordance with provisions of the North Peoria TIF Project Plan. [(Title 25 O.S. Section §307(B) (4) and Title 25 O.S. Section §307 (C) (11).]
10. **Vote to Return to Open Session:** Commissioner Bracy moved to return to Open Session at 12:10 p.m., seconded by Boxley. The vote was recorded as follows:

   Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen  
   Nays: None

   The motion passed unanimously.

11. **Statement of the Executive Session:** During Executive Session, all Commissioners of the Authority who were present for this meeting were present for the Executive Session. The Authority maintained a quorum. During the Executive Session, the items on the published Agenda were the only items discussed. No votes were taken during the session. This will constitute the minutes of the Executive Session.

12. **Discussion, consideration, and vote on items discussed in Executive Session.**

12.a. Discussion and possible action to approve request from IH Landlord, LLC for amendment of Redevelopment Agreement, Mortgage and Promissory Note and approval of the following documents:

   - First Amendment of Redevelopment Agreement between TDA and IH Landlord, LLC effective August 20, 2015 for TDA consent to IH Landlord LLC refinance of permitted first mortgage.
   - First Amendment to Mortgage from IH Landlord, LLC, Mortgagor, to TDA, Mortgagee dated February 11, 2016 (Tulsa County Document #2016068989) for TDA consent and subordination to IH Landlord LLC refinance of permitted first mortgage.
   - Escrow Agreement between TDA, IH Landlord, LLC, and First Oklahoma Bank.
   - Subordination of TDA Mortgage lien to refinanced permitted first mortgage.

   After discussion, Vice Chairman Mitchell moved to accept **Resolution No. 6699** to approve and consent to IH Landlord, LLC’s proposed refinancing of the first mortgage lien, amend the existing Redevelopment Agreement, Promissory Note and Mortgage executed by IH Landlord, LLC in favor of TDA and that TDA agree to execute a Subordination Agreement in favor of First Oklahoma Bank to enable IH Landlord, LLC to complete the refinancing of the first mortgage lien and take such other action as may be reasonably necessary to satisfy said financing requirements of IH Landlord, LLC SUBJECT TO THE FOLLOWING REQUIREMENTS AND CONDITIONS:

   1. That the proceeds, including the additional $130,000.00, received by or on behalf of IH Landlord, LLC from the refinancing of the first mortgage lien in
excess of the existing principal balance of the existing first mortgage lien shall be utilized solely to make payment on the outstanding indebtedness of IH Landlord, LLC to TDA.  

2. The total amount of Borrower’s refinanced first mortgage with First Oklahoma Bank shall not exceed Six Million Four Hundred Seventy-Nine Thousand Five Hundred Dollars ($6,479,500.00).  

3. That the Subordination Agreement from TDA to First Oklahoma Bank be in a form acceptable to TDA.  

Commissioner Bracy seconded the motion. The vote was recorded as follows:  

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen  
Nays: None  

The motion passed unanimously.  

12.b. Discussion, and possible action to approve request by TDA General Counsel to permit employment of Tom Robertson as Special Counsel for employee matters according to the terms of engagement set forth in the letter from Tom Robertson dated May 28, 2020, to provide legal services and assistance to TDA’s Chairwoman and General Counsel for representation of TDA Board and staff upon consultation with, and subject to direction of, TDA’s Chairwoman and General Counsel.  

After discussion, Commissioner Boxley moved to accept Resolution No. 6700 approving employment of Special Counsel. Commissioner Bracy seconded the motion. The vote was recorded as follows:  

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen  
Nays: None  

The motion passed unanimously  

12.c. Discussion and possible action to approve, accept and confirm voluntary resignation of Executive Director O.C. Walker effective June 1, 2020.  

After discussion, Commissioner Boxley moved to accept Resolution No. 6701 acknowledging resignation of former TDA Executive Director and Authorizing and Granting Full Authority to the Chairwoman of TDA to Exercise the Powers, Duties, Functions and Administrative Responsibilities of the Executive Director of TDA, effective June 1, 2020. Commissioner Philippsen seconded the motion. The vote was recorded as follows:  

Ayes: Mitchell, Bracy, Boxley and Philippsen  
Nays: None  

The motion passed unanimously.  

Chairwoman Roberts abstained from voting.  

12.d. Discussion and possible action to approve filing of an action for declaratory judgment
by TDA General Counsel for confirmation of ability to provide TIF funding from Partnership Development Fund and Contingency categories for development of opportunity sites and/or start-up capital loans in accordance with provisions of the North Peoria TIF Project Plan.

After discussion, Commissioner Boxley moved to accept Resolution No. 6702 authorizing TDA General Counsel to seek Declaratory Judgment for Judicial Interpretation and Determination of permitted Uses of Funds under Project Plan Provisions of Tax Increment District No. 4. (North Peoria TIF) Commissioner Philippsen seconded the motion. The vote was recorded as follows:

Ayes: Roberts, Mitchell, Bracy, Boxley and Philippsen
Nays: None

The motion passed unanimously.


14. Adjournment: Chairwoman Roberts adjourned the meeting at 12:24 p.m.

Approved as to legal form and adequacy: Tulsa Development Authority:

Jot Hartley, Esq., General Counsel

By: Nancy Lynn Roberts, Chairwoman

[(6/9/2020 – Regular Meeting Minutes – nt)]