TULSA DEVELOPMENT AUTHORITY BOARD MEETING
STAFF REPORT

MEETING DATE: February 11, 2021
TO: Chairman and Board Members
FROM: Office of Tulsa Development Authority
SUBJECT: Consent for Sale of Land & Partial Assignment – VEP III, LLC – Village Flats Phase II

Background:
Owner: Village at Central Park
Developer: VEP III, LLC
Location: Village at Central Park, Tulsa, Oklahoma
Tract Size: N/A
Development Area: Pearl District
Project Manager: Casey Stowe

Relevant Info:
This is a request for the Consent of Sale of Land for Private Redevelopment and Partial Assignment to the Contract for Sale of Land for Private Redevelopment of Lots 70-79, Block 1, Village at Central Park.

Nathan Garrett of Tulsa Property Group has convened with the Village 1 Owners Association (V1OA) on multiple accounts to gain stronger understanding of the needs and desires of the village community. On January 8, 2021, Tulsa Property Group presented the Townhouse Concept Plans to V1OA and gathered positive responses from members.

The V1OA has expressed approval of the adjustments made to the concept thereby giving Tulsa Property Group opportunity to move forward with development plans. Jamie Jamieson, primary owner of the Village property has provided supplemental support to the possible approval of the Sale of Land and Partial Assignment.

This is a request for the TDA Board of Commissioners to approve the requested as presented by the TDA staff.

Attachments:
- Staff Report – Sale of Land & Partial Assignment
- Contract for Sale and Redevelopment
- VCP Request Supplement, dated December 3, 2020
- Letter to TDA – Tulsa Property Group, dated January 14, 2021
- Village Townhouse Concept Plans

Recommendations: Staff recommends this item be approved as presented.

Reviewed By: Casey Stowe, Project Manager
CONTRACT FOR SALE OF LAND FOR PRIVATE REDEVELOPMENT

THIS CONTRACT, made on or as of the 4th day of February, 2021, by and between the TULSA DEVELOPMENT AUTHORITY, a public body corporate (which, together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter called "TDA"), having its office at 1216 N. Lansing Avenue, Suite D, in the City of Tulsa (hereinafter called "City"), State of Oklahoma 74106; and VEP, III, LLC, an Oklahoma limited liability company (hereinafter “Purchaser”), having its office at 1209 S. Frankfort Ave, #302, Tulsa, OK 74120.

WITNESSETH:

WHEREAS, in furtherance of the objectives of, and pursuant to, the Oklahoma Urban Redevelopment Law, 11 O.S., 38-101 et seq, the TDA is carrying out urban renewal activities in an area known as the Pearl District Sector Plan, (hereinafter called "Project") for which an Urban Renewal Plan, approved by the Board of Commissioners of the City of Tulsa, as subsequently amended, or as it may hereafter be adopted or amended from time to time pursuant to law, and as so constituted from time to time, is, unless otherwise indicated by the content, hereinafter called "Urban Renewal Plan"; and

WHEREAS, in furtherance of the objectives of, and consistent with the “Main Street” Land Use classification as delineated in PlaniTulsa, the 2010 Tulsa Comprehensive Plan, the TDA is carrying out redevelopment activities for real property located within the area encompassed by the Downtown Master Plan for the City of Tulsa; and

WHEREAS a copy of PlaniTulsa, the 2010 Tulsa Comprehensive Plan, and the Urban Renewal Plan, as constituted on the date of this Contract for Sale of Land for Private Redevelopment (hereinafter called "Contract") has been filed in the office of the City Auditor of the City of Tulsa, Oklahoma; and

WHEREAS THE VILLAGE AT CENTRAL PARK, L.L.C. (hereafter “Seller”) has contracted to sell to and the Purchaser has contracted with Seller to purchase certain real property more particularly described in Schedule "A" annexed hereto and made a part hereof (hereinafter the "Property"). The sale and purchase of the Property is subject to the consent and agreement of TDA and the further terms and conditions of that certain Agreement for Consent to Sale and Transfer of Land Subject to Contract for Sale of Land for Private Redevelopment (the “Agreement”), which includes the obligation of the Purchaser to redevelop the Property for and in accordance with the uses specified in the Downtown Master Plan, in the PlaniTulsa 2010 Tulsa Comprehensive Plan and in the Urban Renewal Plan for the City of Tulsa and TDA is willing to consent and agree to such sale, subject to the terms and conditions of this Contract for Sale of Land for Private Redevelopment (the “Contract”) and of the Agreement; and

WHEREAS, the Seller, Purchaser and TDA desire to establish direct privity of contract between TDA and Purchaser with respect to the redevelopment of the Property in accordance with the terms, covenants and conditions of this Contract and the release of Seller, except to the extent of the Good Faith Deposit, from any further obligations or liability to TDA with respect to that certain
NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

SECTION 1. PURCHASE PRICE

Subject to all the terms, covenants, and conditions of this Contract, the Seller will sell the Property to the Purchaser and the Purchaser will purchase the Property from Seller under the terms of and pursuant to the provisions of that certain Contract for Sale of Real Estate between Seller and Purchaser effective November 4th, 2020 (the “Real Estate Contract”). For purposes of any remedies available to TDA under the terms of this Contract, including without limitation the right to require that title to the Property to be re-conveyed to TDA under certain conditions set forth herein, Seller, Purchaser and TDA agree that the Purchase Price attributable to the Property described on Exhibit A hereto is agreed, for purposes of this Contract, to be the amount of Five-Hundred Forty-Five Thousand and no/100 Dollars ($545,000.00), (hereinafter called the "Purchase Price"). At closing of the Real Estate Contract, Seller shall deliver a Deed conveying said Property to the Purchaser in a form acceptable to TDA, Purchaser and to Seller, which Deed shall include a notice and caveat providing notice of the Property’s title remaining subject to the continued restrictions and covenants set forth in this Contract following such conveyance.

SECTION 2. CONVEYANCE OF PROPERTY

(a) Form of Deed. The Seller, The Village at Central Park, L.L.C. shall, at Closing of the Real Estate Contract, convey to the Purchaser title to the Property by Special Warranty Deed, (hereinafter called "Deed"). Such Deed for conveyance and title shall specifically state and provide that the title conveyed shall be subject to the condition subsequent provided for in Section 14 (c) hereof and to all other conditions, covenants, and restrictions set forth or referred to elsewhere in this Contract. Such Deed shall also provide that such conveyance and title shall be subject to: any existing outstanding mineral interests owned by third parties, if any, and such easements as shall have been necessary, pursuant to the Urban Renewal Plan, for the TDA to have dedicated or granted, or shall have been necessary, at the time of the prior conveyance of the Property by TDA to Seller, for the TDA to reserve for itself or for future dedication or grant, for sewers, drains, water and gas distribution lines, electric, telephone and telegraph installations, right-of-way and access, and other public utilities and facilities for the benefit of the City. The Deed shall further provide that Purchaser shall not construct any building or other structure on, over or within the boundary lines of any easement; except as permitted by the terms thereof or by applicable law.

(b) Time and Place for Delivery of Deed. Seller, The Village at Central Park, L.L.C., shall deliver the Deed and possession of the Property to the Purchaser at the Closing, which shall occur as provided in the Real Estate Contract between Seller and Buyer. After the delivery of the Deed in proper form conveying title to the Property and possession to Purchaser at Closing, the Seller, except to the extent of the Good Faith Deposit, shall be released from any further obligations or liability to TDA with respect to that certain Contract for Sale of Land for Private Redevelopment
dated January 31, 2000, as amended, insofar as the same covers the Property purchased by Seller.

(c) **Apportionment of Current Taxes.** The portion of the current taxes or assessments, if any, on the Property which is a lien on the date of delivery of the Deed to the Purchaser shall be borne as provided in the Real Estate Contract between Seller and Buyer, as amended.

(d) **Recordation of Deed.** The Deed shall be promptly filed for recordation among the land records of Tulsa County, Oklahoma. The Purchaser shall pay all costs for so recording the Deed.

(e) Deliver of an abstract of title and marketability of title shall be subject to the provision of the Real Estate Contract between Purchaser and the Seller.

**SECTION 3. GOOD FAITH DEPOSIT**

(a) **Amount.** The Purchaser will, prior to or simultaneously with the Closing of the Real Estate Contract, deliver to the TDA, a Good Faith Deposit of cash or a certified check satisfactory to TDA in the amount of Twenty Thousand Dollars ($20,000.00), (hereinafter called "Deposit") as security for the performance of the obligations of the Purchaser to be performed prior to the return of the Deposit to the Purchaser, or its retention by the TDA as liquidated damages.

(b) Unless otherwise provided herein, the Deposit shall be held by the TDA until issuance of a Certificate of Completion as provided for in Section 7 hereof.

(c) **Substitution of Bond.** The Purchaser may, at time of closing or at some later date, substitute a performance bond, the issuer and form of which shall be first approved by TDA, in lieu of the cash Deposit.

(d) **Retention by TDA** Upon termination of the Contract through default as herein provided, the Deposit shall, at the option of TDA, be retained by the TDA as liquidated money damages, the parties hereto stipulating and agreeing that the exact amount of money damages to TDA in such event of default would be incapable of identification and/or calculation with any degree of certainty. The retention of the Deposit shall not constitute a release, waiver or other bar to TDA’s right to enforce the duties of Purchaser and/or exercise the rights of TDA in accordance with the provisions of Sections 4 through 22 of this Contract.

(e) **Return to Purchaser.** Upon termination of the Contract as provided in Sections 4 (c) and 14 (e) the Deposit shall be returned to the Purchaser by the TDA.

**SECTION 4. PHYSICAL AND ENVIRONMENTAL CONDITION**

(a) **Environmental Conditions.** The TDA makes no warranty, expressed or implied, concerning any adverse environmental conditions, drainage problems, or any hidden or unapparent conditions of the Property. Except as otherwise provided, the Property is to be sold in “as is” condition.
(b) Except as otherwise expressly provided herein, the TDA will not be responsible for any adverse environmental conditions, drainage problems, or any other hidden or unapparent surface or sub-surface conditions of the Property, if any, that may exist, nor for any other engineering or testing that might be required to discover whether such conditions exist.

SECTION 5. PLANS, SPECIFICATIONS, MORTGAGE FINANCING AND EQUITY CAPITAL

(a) SCHEMATIC PLAN PHASE.

(1) The time within which the Purchaser shall submit its "Schematic Plans" for the construction of a building and associated improvements for use as a residential redevelopment project (the “Project”) to the TDA for approval shall be no later than Two Hundred Ten (210) days from the date of the Closing of the Real Estate Contract between Seller and Purchaser. For the purpose of this section “Schematic Plans” shall be defined as that term is described and defined by the AIA and shall include all drawings, specifications and other plans for the proposed redevelopment as customarily included within such definition. Such “Schematic Plans” shall be in sufficient scope and detail to enable Purchaser to identify the character, placement, content and minimum program requirements of the Project in relation to the Project.

(2) The TDA shall, within Thirty (30) days from the date of submission of the Schematic Plans, approve, revise and resubmit to Purchaser on an approved as noted basis or reject the said schematic plans and notify the Purchaser in writing of its action.

(3) In any event, the time within which the Purchaser shall submit Schematic Plans which conform to the requirements of the Urban Renewal Plan and are approved by the TDA shall be no later than Ninety (90) days after the date the Purchaser receives written notice from the TDA of the TDA’s first rejection, or revision and re-submission, of the original Schematic Plans submitted to it by the Purchaser.

(4) The time within which the TDA may reject, or revise and resubmit, any change in the schematic plans, as not approved by the TDA, shall be no more than forty-five (45) days after the date of the TDA's receipt of notice of such change.

(5) In the event the TDA fails to act within the time frame specified in (2) and (4) above, or if the Purchaser accepts any revision by TDA on an “approved as noted” basis, then the Purchaser's Schematic Plans shall automatically be deemed approved without recourse by the TDA.

(6) After approval of the Schematic Plans by TDA, Purchaser shall not make any substantial revision or amendment to such Schematic Plans without the written approval of TDA. For purposes of this subsection, “substantial revision or amendment” shall mean any decrease in the location, use, and appearance of the redevelopment project and/or any change by more than 5% of the scale, area and/or minimum program requirements of each component use of the redevelopment project as the Schematic Plans previously submitted to and approved by TDA’s Board of Commissioners.
(b) DOCUMENT DESIGN PHASE:

1. The time within which the Purchaser shall submit its "Construction Documents" (as that term is defined by the AIA) for the Project to the TDA for approval by the TDA shall be no later than January 31st, 2022. For the purpose of this section, Construction Documents shall include all drawings, specifications, landscape plans and works of art when applicable (see Sec. 22 hereof). Such “Construction Documents” shall be in sufficient scope and detail to enable Purchaser to finalize construction financing Contracts, obtain construction permits from the applicable departments of City of Tulsa and to commence construction of the Project improvements.

2. The TDA shall, within thirty (30) days from the date of submission of the Construction Documents, either approve, revise and resubmit to Purchaser on an approved as noted basis or reject the said plans and notify the Purchaser in writing of its action.

3. In any event, the time within which the Purchaser shall submit Construction Documents which conform to the requirements of the Urban Renewal Plan and are approved by the TDA shall be no later than ninety (90) days after the date the Purchaser receives written notice from the TDA of the TDA's first rejection, or revision and re-submission of the original Construction Documents submitted to it by the Purchaser.

4. The time within which the TDA may reject any change in the Construction Documents, as not approved by the TDA, shall be no more than forty-five (45) days after the date of the TDA's receipt of notice of such change.

5. In the event the TDA fails to act within the time frame specified in (2) and (4) above, or if the Purchaser accepts any revision by TDA on an “approved as noted” basis, then the Purchaser's Construction Documents shall automatically be deemed approved without recourse by the TDA.

6. After approval of the Construction Documents by TDA, Purchaser shall not make any substantial revision or amendment to such Construction Documents without the written approval of TDA. For purposes of this subsection, “substantial revision or amendment” shall mean any change in the location, use, and appearance of the redevelopment project and/or any decrease by more than 5% of the scale, area, minimum program requirements of the Construction Documents previously submitted to and approved by TDA’s Board of Commissioners.

(c) CONSTRUCTION FINANCIAL DOCUMENTATION PHASE:

1. The time within which the Purchaser shall submit its "Construction Financial Documentation" for the Project to the TDA for approval by the TDA shall be no later than January 31st, 2022. For the purpose of this section, “Construction Financial Documentation” shall include all contracts, commitments, financing agreements, promissory notes, mortgages, equity participation agreements, partnership agreements, joint venture or joint interest agreements, investment account balances, financial statements or other evidence of financial assets of or including Purchaser as TDA shall reasonably request which, in the reasonable discretion and opinion of TDA, demonstrate
the ability of Purchaser to pay for and complete construction of the Project in accordance with the Construction Documents approved by TDA.

(2) The TDA shall, within thirty (30) days from the date of submission of the construction financial documents, approve, revise and resubmit or reject the said construction financial documents and notify the Purchaser in writing of its action.

(3) In any event, the time within which the Purchaser shall submit construction financial documents for approval by the TDA shall be no later than ninety (90) days after the date the Purchaser receives written notice from the TDA of the TDA's first rejection, or revision and re-submission, of the original construction financial documents submitted to it by the Purchaser.

(4) The time within which the TDA may reject any change in the construction financial documents, as not approved by the TDA, shall be no more than forty-five (45) days after the date of the TDA's receipt of notice of such change.

(5) In the event the TDA fails to act within the time frame specified in (2) and (4) above, then the Purchaser's construction financial documents shall automatically be deemed approved without recourse by the TDA.

d) MINIMUM PROJECT REQUIREMENTS FOR REDEVELOPMENT PROJECT

(1) The redevelopment project to be constructed by Purchaser shall be composed of residential buildings and associated improvements for use as a rental or for sale residential redevelopment project (the “Project”) The character, placement, content and minimum project requirements of the Project are to be substantially similar in location, use, scale, area and appearance as those buildings and improvements previously constructed within The Village at Central Park development and any conceptual plans for the Project submitted to TDA’s Board of Commissioners its Board Meeting on February 4th, 2021.

(2) Purchaser agrees that the redevelopment project to be constructed by it upon the Property shall, as minimum project requirements, include the following:

(i) A total of ten rental or for sale residential units contained within ten townhome structures and occupying not less than 16,000 square feet of total living space.

SECTION 6. TIME FOR COMMENCEMENT AND COMPLETION OF CONSTRUCTION

(a) Purchaser shall not commence construction of any portion of the Project until it has satisfied all of the requirements of Section 5 above. The construction of the improvements referred to in Section 5 shall be commenced in any event on or before April 30th, 2022 and shall be completed on or before June 30th, 2023. The Purchaser agrees and commits, subject to an event of “force majeure” or other extension of time as provided by this Contract, that the construction of the Project shall, in any event, be commenced, pursued in good faith to substantial completion (as the term “substantial completion is defined by the AIA) of all phases in a successive, coordinated, good
and workmanlike schedule and substantially completed on or before **June 30th, 2023**, it being intended and agreed, that these agreements and covenants shall be covenants running with the land, binding for the benefit of the City and the TDA, and enforceable by the TDA against the Purchaser and his successors and assigns.

(b) An event of “force majeure” for purposes of this Contract shall be defined as suspension or prevention of performance by Purchaser by reason of: any law, ordinance, governmental regulation or court order; by inability to obtain permits; by scarcity or inability to obtain permits; by scarcity or inability to obtain machinery, equipment, material, power or fuel; by strike, lockout or industrial disturbance; by failure of carriers to transport or furnish equipment for the transportation of material, machinery or equipment; by acts of God including, but not limited to, lightning, earthquake, tornado, fire, storm, flood or washout; by breakage or accident to machinery or construction facilities; or by any cause beyond the reasonable control of Purchaser, all of which shall be deemed to be conditions of force majeure; provided, however, that Purchaser shall exercise reasonable diligence to resolve and/or terminate such condition and resume performance upon the termination of a condition of force majeure.

SECTION 7. CERTIFICATE OF COMPLETION

(a) Promptly after substantial completion (as defined by the AIA) of the construction of the Project in accordance with this Contract, and upon written notification from the Purchaser that the work has been completed, the TDA will furnish the Purchaser with a Certificate of Completion so certifying. The certification by the TDA shall be a conclusive determination of satisfaction and termination of the covenants in the Contract and the Deed with respect to the obligations of the Purchaser and his successors and assigns to construct the Project and the dates for the beginning and completion thereof. The certification shall be in such form as will enable it to be recorded in the Tulsa County land records.

SECTION 8. RESTRICTIONS ON USE

The Purchaser agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Purchaser for itself, and its successors and assigns, that the Purchaser shall:

(a) For a period of one year after the issuance of a Certificate of Completion, devote the Property, or any phase or stage thereof, only to those uses that are substantially similar in location, use, scale and appearance as the Construction Documents previously submitted to TDA’s Board of Commissioners.

(b) Devote the Property to those uses which are in accordance with the land use, controls and restrictions specified in the Urban Renewal Plan, and applicable codes of the City of Tulsa, said uses being: Such approved uses for urban commercial and residential development as specifically approved in the Downtown Master Plan.

(c) Not discriminate upon the basis of race, color, religion, sex, sexual orientation, gender
identification or affiliation, age, national origin or handicapped status in the sale, lease or rental or in the use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof.

SECTION 9. COVENANTS: BINDING UPON SUCCESSOR IN INTEREST: PERIOD OF DURATION

It is intended and agreed, and the Deed shall so expressly provide that the covenants provided in Sections 6, 8, 10 and 12 shall be covenants running with title to the Property binding to the fullest extent by law and equity for the benefit and in favor of, and enforceable by the TDA, its successors and assigns, the City and any successor in interest to the Property, or any part thereof, and the United States (in the case of the covenant provided in subsection (b) of Section 8), against the Purchaser, his successors and assigns, and any party in possession of or occupancy of the Property or any part thereof. It is further intended and agreed that the covenant provided in subsection (b) of Section 8 shall remain in effect from the date of the Deed until the period specified or referred to in the Urban Renewal Plan or until such date thereafter to which it may be extended, from time to time, by proper amendment to the Urban Renewal Plan, on which date, as the case may be, such covenant shall terminate. The terms "uses specified in the Urban Renewal Plan" and "land use" referring to provisions of the Urban Renewal Plan or similar language, in this Contract shall include the Property and all buildings and other requirements or restrictions of the Urban Renewal Plan pertaining to such Property.

SECTION 10. PROHIBITION AGAINST TRANSFER OF PROPERTY

(a) Except as otherwise provided herein, the Purchaser has not made or created, and will not, prior to the completion of the improvements as certified by the TDA, make or suffer to be made any sale, assignment, conveyance, lease or transfer in any other form of or with respect to this Contract, the Property, or ownership interest, or any part thereof or any interest therein, or contract or agree to do any of the same, without the prior written approval of the TDA. In the event approval of TDA is granted for any such sale, assignment, conveyance, lease or transfer, both the Purchaser and the proposed purchaser/assignee shall be responsible for completion of the redevelopment in accordance with the terms of this Contract and, prior to any such sale, assignment, conveyance, lease or transfer, the parties shall enter into an amendment of this Contract with TDA acknowledging, accepting and agreeing to be bound to observe and comply with the covenants and conditions of this Contract and continuing responsibilities of Purchaser.

SECTION 11. LIMITATION UPON ENCUMBRANCE OF PROPERTY

Prior to the completion of the improvements as certified by the TDA, neither the Purchaser nor any successor in interest to the Property shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property, except for the purpose only of obtaining (a) funds only to the extent necessary for making the improvements and (b) such additional funds, if any, in an amount not to exceed the Purchase Price of Five-Hundred Forty-Five Thousand Dollars ($545,000.00) paid by the Purchaser to the
SECTION 12. MORTGAGEE NOT OBLIGATED TO CONSTRUCT

Notwithstanding any of the provisions of this Contract, including but not limited to those which are intended to be covenants running with title to the Property, the holder of any mortgage authorized by this Contract (including any holder who obtains title to the property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other parties who thereafter obtains title to the Property or such part from or through such holder or (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall not be obligated by the provisions of this Contract to construct or complete the construction; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder. Nothing in this Section or any other Section or provision of the Contract shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses, or improvements permitted in the Urban Renewal Plan and this Contract.

SECTION 13. ENFORCED DELAY IN PERFORMANCE

Neither the TDA nor the Purchaser, nor any successor in interest, shall be considered in breach or default of its obligations with respect to the preparation of the property for redevelopment or the commencement and completion of construction of the improvements, in the event of enforced delay or force majeure in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence. The time for the performance of the obligations shall be extended for the period of delay, as determined by the TDA, if the party seeking the extension shall request it in writing of the other party within thirty (30) days after the beginning of the enforced delay.

SECTION 14. REMEDIES

(a) In General. Except as otherwise provided in this Contract, in the event of any default in or breach of the Contract, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after mailing of such notice to the defaulting party. In case such action is not taken or diligently pursued, or the default or breach shall not have been cured or remedied within said sixty (60) days, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

(b) Prior to Conveyance. In the event that prior to the conveyance of title to the Property to Purchaser, the Purchaser assigns or attempts to assign this Contract or any rights hereunder, except as provided for in Sections 10 and 11 hereof, or fails to pay the purchase price to Seller, then this Contract and the TDA’s Consent to the Partial Assignment of Contract for Sale of Land for Private Redevelopment dated January 31, 2000, as amended (insofar as the same covers the
Property being purchased by Purchaser may, at the option of the TDA, be terminated by the TDA and the Deposit retained by the TDA as liquidated damages. Seller, Purchaser and TDA agree that, in the event of any such termination by TDA, Seller may not proceed with a sale of the Property without the prior written consent of TDA.

(c) Re-vesting Title in TDA Upon Happening of Event Subsequent to Conveyance to Purchaser. In the event that subsequent to conveyance of the Property or any part thereof to the Purchaser and prior to completion of construction of the Project as certified by the TDA:

(1) The Purchaser (or successor in interest) shall default in or violate its obligations with respect to the construction of the Project (including the nature and dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work, and any such default, violation, abandonment, or suspension shall not be cured, ended, or remedied within ninety (90) days, (one hundred and eighty (180) days if the default is with respect to the date for completion of construction of the Improvements) after the mailing of written notice of demand to Purchaser by the TDA to do so; or

(2) The Purchaser (or successor in interest) shall fail to pay real estate taxes or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by this Contract, or shall suffer any levy or attachment to be made, or any materialmen's lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the TDA made for such payment, removal, or discharge, within ninety (90) days after the mailing of written notice of demand to Purchaser by the TDA to do so; or

(3) There is, in violation of this Contract, any transfer of the Property or any part thereof, and such violation shall not be cured within sixty (60) days after the mailing of written notice of demand to Purchaser by the TDA, then the TDA shall have the right to re-enter and take possession of the Property, and to terminate (and re-vest in the TDA) the estate conveyed to the Purchaser, it being the intent of this provision, together with other provisions of this Contract, that the conveyance of the Property to the Purchaser shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default, failure, or violation, or other action or inaction by the Purchaser specified in subdivisions (a), (b), and (c) of this Section 14, failure on the part of the Purchaser to remedy, end or abrogate such default, failure, violation, or action or inaction, within the period and in the manner stated in the subdivisions, the TDA, at its option, may declare a termination in favor of the TDA of title, and all right, title, and interest in and to the Property conveyed by the Deed to the Purchaser, and any assigns or successors in interest to and in the property, shall revert to the TDA: Provided, that such condition subsequent and any re-vesting of title as a result thereof in the TDA shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way (a) the lien of any mortgage authorized by this Contract, and (b) any right or interest provided in the Contract for the protection of the holder of such mortgage. In addition to the right of re-entry and re-vesting of title provided for in the preceding sentence, upon the occurrence of a default, failure or violation by the Purchaser as specified in said sentence, the TDA shall also have the right to retain the Deposit as liquidated damages.
(d) Other Rights and Remedies; No Waiver by Delay. The TDA shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purpose of this Section 14, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded, a written declaration of the termination of all rights, title and interest of the Purchaser, and (subject to such mortgage liens and leasehold interests as provided in Section 15 hereof), its successors in interest and assigns, in the Property, and the revesting of title hereto in the TDA: Provided, that any delay by the TDA in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section 14 shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the TDA should not be constrained so as to avoid the risk of being deprived of or limited in exercise of the remedy provided in this Section because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the TDA with respect to any specific default by the Purchaser under this Section be considered or treated as waiver of the rights of the TDA with respect to the particular default except to the extent specifically waived in writing.

(e) In the event that Seller, The Village at Central Park, L.L.C., does not tender conveyance of the Property, or possession thereof, in the manner and condition, and by the date, provided in the Real Estate Contract between Seller and Purchaser, and any such failure shall not be cured within thirty (30) days after the date of written demand by the Purchaser, then this Contract shall, at the option of the Purchaser, be terminated by written notice thereof to the TDA, and, the Good Faith Deposit returned to the Purchaser at which time, Purchaser shall quit claim the Property to TDA. Upon such termination, return of the Deposit (if already remitted to TDA by Purchaser) and delivery of the quit claim deed by Purchaser to TDA, neither the TDA nor the Purchaser shall have any further rights against or liability to the other under this Contract for Sale of Property for Private Redevelopment.

SECTION 15. RESALE OF RE-ACQUIRED PROPERTY: DISPOSITION OF PROCEEDS

Upon the re-vesting in the TDA of title to the Property or any part thereof as provided in subdivision (c) of Section 14, the TDA shall use its best efforts to resell the Property or part thereof (subject to such mortgage liens and leasehold interests as in Section 14 set forth and provided) as soon and in such manner as the TDA shall find feasible and consistent with the objectives of applicable law and of the Urban Renewal Plan to a qualified and responsible party or parties (as determined by the TDA) who will assume the obligation of making or completing the construction or rehabilitation of the improvements or such other improvements in their stead as shall be satisfactory to the TDA and in accordance with the uses specified for such Property or part thereof in accordance with the uses specified for such Property or part thereof in the Urban Renewal Plan. Upon such resale of the Property the proceeds thereof shall be applied:

(a) First, to reimburse the TDA, on its own behalf or on behalf of the City, for all costs and expenses incurred by the TDA, including, but not limited to, salaries of personnel in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the TDA from the Property or part thereof in connection with such management); all
taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in
the event the Property is exempt from taxation or assessment or such charges during the period of
ownership thereof by the TDA, an amount, if paid, equal to such taxes, assessments, or charges (as
determined by the County assessing official as would have been payable if the property were not so exempt) any payments made or necessary to be made to discharge any encumbrances or liens
existing on the property or part thereof at the time of revesting of title thereto in the TDA or to
discharge or prevent from attaching or being made any subsequent encumbrances or liens due to
obligations, defaults, or acts of the Purchaser, its successors or transferees; any expenditures made or
obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property or any part thereof; and any amounts otherwise owing the TDA by the
Purchaser and its successors or transferee; and

(b) Second, to reimburse the Purchaser, his successors or transferee, to the extent of
remaining proceeds, up to an amount equal to (1) the sum of the purchase price paid by it for the
Property (or allocable to any part thereof), and the cash actually invested by it in performing any
construction of the improvements on the Property or part thereof, and (2) less any gains or income
withdrawn or made by it from the Contract or the Property (except for gains or income from surface
parking on the Property). Any balance remaining after such reimbursement shall be retained by the
TDA as its Property.

SECTION 16. CONFLICT OF INTEREST: TDA'S REPRESENTATIVES NOT
INDIVIDUALLY LIABLE

No member, official, or employee of the TDA shall have any personal interest, direct or
indirect, in this Contract, nor shall any such member, official or employee participate in any decision
relating to this Contract which affects his personal interests or the interests of any corporation,
partnership, or association in which he is, directly or indirectly, interested. No member, official, or
employee of the TDA shall be personally liable to the Purchaser or any successor in interest, in the
event of any default or breach by the TDA or for any amount which may become due to the
Purchaser or successor or on any obligation under the terms of this Contract.

SECTION 17. PROVISIONS NOT MERGED WITH DEED

No provision of this Contract is intended to or shall be merged by reason of any Deed
transferring title to the Property from the Seller to the Purchaser or any successor in interest, and any
such Deed shall not be deemed to affect or impair the provisions and covenants of this Contract.

SECTION 18. SPECIAL PROVISIONS

Purchaser agrees to assume the risk of the effect of the location of existing utilities and public
facilities on or adjacent to the Property and the risk, cost or expense of any relocation or replacement
thereof. Purchaser further agrees to indemnify and hold TDA harmless from any cost, expense,
liability, damage or claim resulting therefrom, which Contract shall survive the Closing and delivery
of the Deed by TDA.
SECTION 19. ADVERTISING

(a) The Purchaser agrees for itself, its successors and assigns, that during construction and thereafter, the Purchaser and its successor and assigns, shall include in all advertising for the sale or rental of the Property, a statement to the effect (1) that the Property is open to all persons without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin or handicapped status and (2) that there shall be no discrimination in public access and use of the Property to the extent that it is open to the public.

(b) The Purchaser agrees to comply with the regulations issued by the secretary of Housing and Urban Development set forth in 37 F.R. 22732-3 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures under-going federally assisted construction or rehabilitation and require the elimination of lead-based paint hazards.

SECTION 20. NOTICES AND DEMANDS

A notice, demand or other communication under the Contract by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail postage prepaid, return receipt requested or delivered personally; and

(i) In the case of the Purchaser, Attention: Nathan Garrett, addressed to or delivered personally to the Purchaser at 1209 S Frankfort Ave #302, Tulsa, OK 74120; and,

(ii) In the case of the TDA, is addressed to or delivered personally to the TDA at 1216 N. Lansing, Suite D, Tulsa, OK 74106, Attention: Casey Stowe, Development Manager, with a copy to: Jot Hartley, General Counsel, 201 W. 5th Street, Ste. 501, Tulsa, OK 74103; or at such other address with respect to either such party as that party may from time to time designate in writing and forwarded to the other as provided in this Section.

SECTION 21. EQUAL EMPLOYMENT OPPORTUNITY

The Purchaser, for itself and its successors and assigns, agrees that all undertaking receiving any form of Federal assistance shall during the construction of the Improvements provided for in the Contract that:

(a) The Purchaser will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identification or affiliation, age, national origin or handicapped status. The Purchaser will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, age, national origin or handicapped status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Purchaser
agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the TDA setting forth the provisions of this nondiscrimination clause.

(b) The Purchaser will, in all solicitations or advertisements for employees placed by or on behalf of the Purchaser, state that all qualified applications will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identification or affiliation, age, national origin or handicapped status.

(c) The Purchaser, when applicable, will send to each labor union or representative of workers with which the Purchaser has a collective bargaining agreement or other contract or understanding, a notice, to be provided, advising the labor union or worker's representative of the TDA's commitments under Section 202 of Executive Order 11246 of September 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) All Purchasers, where construction consists of more than four dwelling units and the total cost of construction exceeds $1,000,000, shall be required to maintain in his files a written Affirmative Action Program indicating the means and methods by which the Purchaser shall implement the provisions of Executive Order No. 11246 of September 28, 1965, and Title VI of Civil Rights Act of 1964, and Executive Order No. 11063. All Purchasers, when construction costs exceed one million dollars, shall be required to submit to the TDA a written copy of their Affirmative Action Program.

(e) The Purchaser will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor or the Secretary of Housing and Urban Development pursuant thereto, and will permit access to the Purchaser's books, records and accounts by the TDA, the Secretary of Housing and Urban Development and the Secretary of Labor of purposes of investigation to ascertain with such rules, regulations and orders.

(f) In the event of the Purchaser's noncompliance with nondiscrimination clauses of this Section, or with any of the said rules, regulations or orders, the Contract may be canceled, terminated or suspended in whole or in part and the Purchaser may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Purchaser, when applicable, will include the provisions of Paragraphs (a) through (g) of this Section in every contract or purchase order, and will require the insertion of these provisions in every subcontract entered into by any of his contractors, unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each such contractor, subcontractor, or vendor, as the case may be. The Purchaser will take such action with respect to any construction contract, subcontract or purchase order as the TDA or the Department of Housing and urban Development may direct as a means of enforcing such provisions, including sanctions for
noncompliance: **Provided, however,** that in the event the Purchaser becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the TDA or the Department of Housing and Urban Development, the Purchaser may request the United States to enter into such litigation to protect the interests of the United States. For the purpose of including such provisions in any construction contract, subcontract, or purchase order, as required hereby, the first three lines of this Section shall be changed to read "During the performance of this Contract, the Contractor agrees as follows:“, and the term "Purchaser" shall be changed to "Contractor".

**SECTION 22. WORKS OF ART REQUIREMENT (Excludes redevelopment costing less than $500,000 and all Industrial/Warehouse redevelopment Projects)**

The Purchaser agrees to comply with the TDA's policy requiring placement of “works of art” in or on redevelopment projects of $500,000 (land and improvements) or more, said works of art shall be valued at 1% of the estimated construction cost. Industrial and warehouse redevelopment projects are excluded from this policy requirement. For the purpose of this Section, works of art shall be defined as "paintings, mural decorations, stained glass, statues, bas-reliefs, or other structures of a permanent or temporary character intended for ornamentation or commemoration." The Purchaser agrees that with submission of its construction plans, or as soon thereafter as possible, to furnish the TDA with a list and description of the works of art to be placed in or upon the Office Project, together with an estimated cost or value of said works of art.

**SECTION 23. COUNTERPARTS**

This Contract is executed in three (3) counterparts, each of which shall constitute one and the same instrument.

**IN WITNESS WHEREOF,** the TDA has caused this Contract to be duly executed in its name and behalf by its Chairman and its seal to be hereunder duly affixed and attested by its Secretary, and the Purchaser has signed and sealed, if applicable, the same on or as of the day and year first above written.

**TULSA DEVELOPMENT AUTHORITY**

By: __________________________

**NANCY ROBERTS, CHAIRWOMAN**

“TDA”

Date: _________________________

**APPROVED:**

__________________________

Jot Hartley, General Counsel

Tulsa Development Authority
VEP, III, LLC
an Oklahoma limited liability company

By: TULSA PROPERTY GROUP, LLC
   an Oklahoma limited liability company,
   its Manager

By: ____________________________________________
    Nathan Garrett, Manager

Date: ____________________

“PURCHASER”

THE VILLAGE AT CENTRAL PARK, L.L.C.
an Oklahoma limited liability company

By: ____________________________________________
    ROBIN M. JAMIESON, MANAGER

Date: ____________________

“SELLER”
Attachment “A”
To Contract for Sale of Land for Private Redevelopment

TDA – TULSA DEVELOPMENT AUTHORITY
SELLER – THE VILLAGE AT CENTRAL PARK, L.L.C.
PURCHASER- VEP, III, LLC

Dated February 4, 2021

LEGAL DESCRIPTION

Lots 70, 71, 72, 73, 74, 75, 76, 77, 78 and 79; in Block 1, The Village at Central Park, an Addition to the CITY OF TULSA, Tulsa County, State of Oklahoma, according to the recorded plat #5478 thereof
December 3, 2020

Dear Casey,

**The Village At Central Park: Supplement to Nov. 9 Request for Consent for Sale**

Thank you for your time at our Nov 19 zoom meeting, which followed my letter of Nov. 9 to Chairwoman Roberts requesting the TDA’s consent to our forthcoming sale of ten lots to VEP III, LLC. I appreciate your support for the project. This note supplements the Nov. 9 letter, adding more detail as you requested.

I understand the request will now be heard at the February 4 meeting, since there is no January meeting.

I would ask that the contract between our company and the TDA be amended to encompass the period between the non-consummation of our earlier contract with VEP II, LLC, and the closing on this new contract with VEP III, scheduled for Feb. 26, 2021. I suggest the contract be extended to to March 30, 2021.

The earlier plan approved by the TDA in January, 2020 was for a sizeable number of flats/apartments. This new project matches the original Village plan: ten townhomes with garage parking - the same as existing village homes. It resolves all the (mis-placed) design objections raised by some owners.

**Leasing**

You asked us about the buyer’s plan to lease the homes, at least for the mid-term, noting that this played a part in the unrest about the earlier project.

First, to be clear: leasing is permitted (i) by the Village at Central Park’s covenants, (ii) by the ‘MPD-FBC’ zoning to which the Village is subject, and (iii) by the Downtown Neighborhood Urban Renewal Plan. Goal III of that Plan is “To repopulate the neighborhood by creating diverse housing options for people of various incomes.”

Ten homes at the Village are already, currently leased out by individual owners. Until a few weeks ago that number was twelve.

Individual village homes have been leased for at least a decade, with zero complaints.
Both Nathan Garrett and I have separately discussed the revised project with individual villagers and it seems clear that it excites little-to-none of the reservations among some residents about the earlier project. Those to whom I’ve spoken are enthusiastic.

The villager who spearheaded the campaign against the earlier project has, I understand, endorsed the new project.

The HOA has circulated information about the project to all villagers, and VEP III plans to invite villagers to a presentation of its schematic designs in early January.

You emphasized that the TDA seeks input from the surrounding neighborhood and, ideally, support when evaluating projects that come within its purview. Great. But the Village is not some suburban sub-division into which a new project is being crammed: the entire village is an incomplete TDA project, intended since the outset to be part of a wider, diverse, urban Pearl District. In the event of any resistance to this substantively modified project, I would accordingly recommend the board continue to avoid discriminating in favor of the proclivities of a few, current owner-residents, to the disadvantage of people who might wish to lease Village town-homes in the future.

US demand for leased/rented accommodation has grown twice as fast as the owner population in the past decade\(^1\). The trend applies across the socio-economic spectrum and therefore benefits relatively expensive projects like the one under discussion. It is where the market is taking us, whether we like it or not. The suburban, home ownership paradigm and biases of the 1950s onwards are outdated. They also have no place in decision-making about a TDA-sponsored project.

With best regards,

\[\text{Jamie Jamieson}\]

R.M. Jamieson

Manager, The Village At Central Park, LLC

cc. Nancy Roberts, Jot Hartley, Wade Houser

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\(^1\) Source: US Census data reported by RENTcafé: ‘The Decade in Housing Trends’, 2020
Mr. Casey Stowe, Development Manager  
Tulsa Development Authority  
1216 N. Lansing Ave. Suite D  
Tulsa, OK 74106

January 14th, 2021

Re: Request for Approval of TDA Contract, Partial Assignment, and Schematic Drawings for Lots 70-79, Block 1, The Village at Central Park

Dear Mr. Stowe,

On behalf of VEP III, LLC, we are pleased to present the schematic drawings for our proposed development of Lots 70-79, Block 1, The Village at Central Park.

I am confident you will find these development plans reflect the comprehensive and collaborative development process that has taken place over the last year and that the plans incorporate the feedback received over many months of collaboration with all relevant stakeholders. We are excited to move forward on this development as soon as possible.

We respectfully request consideration and approval of the Lot 70-79 Schematic Drawings by the Tulsa Development Authority during the February 4th, 2021 regular meeting.

We understand that the draft TDA Contract and Partial Assignment for this development are currently being reviewed by TDA Counsel and are subject to further discussions and modification. We respectfully ask for consideration and approval of the final, TDA reviewed / approved TDA Contract and Partial Assignment agreements during the February 4th, 2021 TDA meeting so we may adhere to our timelines.

Yours Very Truly,

Nathan Garrett  
Manager, Tulsa Property Group  
As Manager of VEP III, LLC

Attachments:
   1.) Schematic Drawings for Lots 70-79 Redevelopment  
   2.) Conceptual Perspectives for Lots 70-79 Redevelopment