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

Relevant Info:
The Mayor’s Office of Economic Development is requesting approval of a Special Projects Agreement to govern the use of over-collected sales tax funds from the former Central Park TIF.

TDA Board of Commissioners took a vote at the December 2020 Regular meeting by approving Resolution No. 6754 that authorized a budget amendment to reclassify Central Park TIF District No. 2 funds in the amount of One-Million, Six-Hundred Six Thousand, Nine-Hundred Eighteen and 99/100 Dollars ($1,606,918.99) to be given unobligated cash status and approved to transfer and return of such funds, including interest earned.

To facilitate the approval of the transfer of funds back to TDA for the Village Flats project and administrative fees, the City of Tulsa has constructed a Special Projects Agreement that specifies the use of the funds.

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

Attachments:
- Memorandum – VEP Sales Tax Agreement
- Special Projects Agreement

Recommendations: Staff recommends this item be approved as presented.

Reviewed By: Casey Stowe, Project Manager
Memorandum

Date: January 22, 2021

To: Tulsa Development Authority Board of Commissioners

From: Kian Kamas, Chief of Economic Development

Subject: Special Projects Agreement with the City of Tulsa for Sales Tax Funding for public improvements related to the development of the Village Flats - Phase II Apartments

Requested Action

The Mayor’s Office of Economic Development is requesting approval of a Special Projects Agreement to govern the use of over-collected sales tax funds from the former Central Park TIF.

Background and Overview

- In December 2020, the Tulsa Development Authority Board of Commissioners took action to return funds collected in excess of the Central Park TIF Project Plan to the City of Tulsa.

- The City of Tulsa is pursuing approval of a budget amendment to appropriate the returned, excess sales tax funds from the former Central Park TIF to support a series of projects in the area of the former TIF. These include:
  - Funding for public improvements to support the Village Flats Phase II Apartments, to be administered by TDA.
  - Funding for administrative expenses related to TDA’s historic administration of the Central Park TIF.
  - Funding to support the further rehabilitation of The Wrench facility at 11th and Peoria, to be administered by Asset Management.
  - Funding to support new lighting and landscaping at the 11th and Elgin traffic circle, to be administered by the Downtown Coordinating Council.
  - Funding to support excavation and related efforts related to the 1921 Race Massacre graves search.

- To facilitate the transfer of funds back to TDA for the Village Flats project and administrative fees, the City of Tulsa developed a simple agreement specifying the intended use of these funds.

Attachments

Special Projects Agreement.

Staff Recommendation

Staff recommends approval of the agreement between the City of Tulsa and Tulsa Development Authority.
SPECIAL PROJECTS AGREEMENT FOR SALES TAX FUNDING
FOR PUBLIC IMPROVEMENTS RELATED TO
VILLAGE FLATS PHASE II APARTMENTS

Agreement Between the City of Tulsa and Tulsa Development Authority

The purpose of this agreement effective the -______ day _________ of
________________, 2021 ("Agreement") is to outline roles and responsibilities
of each the City of Tulsa (City) and Tulsa Development Authority (TDA) for the
use of returned sales tax funds over collected from Central Park Tax Increment
Financing District Number Two. These funds will be used for the execution of
the specific project detailed herein. Rates and services associated with this
Special Project Agreement shall be as specifically outlined and agreed to in this
document. In the event of a conflict between this Special Project Agreement and
the Services Agreement, the terms of this Special Project Agreement shall
control.

Project Title: Village Flats Phase II Apartments

Project Location: West side of Peoria, south of 6th Street, Tulsa, OK.

Property Legal Description: All of Block 2, The Village at Central Park, an
Addition to the CITY OF TULSA, Tulsa County, State of Oklahoma, according to
the recorded plat #5478 thereof and including without limitation Lots 1-8 and
Reserve “T” in said Block 2.

Current Property Owner: VEP II, LLC

Description: Located on the west side of Peoria, south of 6th Street, the Village
Flats Phase II Apartments is a mixed-use development that will complete the
transformation of an area initially revitalized through the City’s stormwater
planning efforts and development of Central Park. The complex will consist of a
mixed-use project composed of a four story building or buildings, a restaurant
facility of not less than 2,500 SF, retail, commercial and/or residential use of not
less than 5,000 SF, and a proposed patio space to integrate the development into
the surrounding park land substantially similar in location, use, scale, area and
appearance as contained in the conceptual plans submitted by the Developer to
TDA’s Board of Commissioners at its May 7, 2020 board meeting. Additionally,
the project is located immediately adjacent to a BRT stop and aligns with the City’s
broader efforts to encourage increased density and mixed uses along the Peoria
BRT corridor.
Services to be provided: Funding will be used to negotiate, prepare and execute a development agreement to support and to fund project costs related to streetscaping and construction of the patio adjacent to Central Park, and relocation of a sewer line.

The preparation and adoption of the project shall be administered by the TDA with all actions and services devoted to the project to be subject to the direction and approval of the Board of Commissioners of the TDA. The City of Tulsa Mayor's Office of Economic Development will provide such additional services and assistance as requested by TDA.

Term: Until completion of the Project unless terminated by either party upon sixty days advance written notice.

Compensation Structure: Compensation to TDA for services rendered shall be computed and payable as follows:

**PAYMENT FOR SERVICES PROVIDED BY TDA WITH RESPECT TO CITY OWNED AND/OR FUNDED PROJECTS AND PROPERTIES**

1.1 TDA shall provide services to City of Tulsa (City), under the terms of this Special Projects Agreement. Each TDA employee, agent and contractor (TDA staff) providing services to City on behalf of TDA under this Agreement, including, but not limited to, administrative personnel, legal, engineering and accounting, shall provide to City on a quarterly basis reports of performance and activity achieved and an evaluation of the extent to which this performance and activity has achieved the goals and objectives of this Agreement. Such reports may be provided through the regular Operational or Project Development updates provided to the Board at Regular or Special Meetings.

1.2 City will provide TDA with funding in the amount of $320,540.00 for Special Project costs and $39,158.63 will be transferred from the Central Park TIF fund to the TDA Operating fund for administrative costs.

1.3 City shall review provided reports and in the event that City has questions regarding any reported use of funds, the Director, or designee, of the department for which services have been provided funds used by TDA shall contact the Executive Director of TDA. If, upon City’s review, it is determined that funds provided by the City have been utilized other than as provided and specified in this Agreement, TDA shall reimburse City all such funds and any costs for City’s review.

1.4 In the event that the Project as described above changes in nature or scope, TDA staff shall notify City of such changes immediately. City reserves the right to accept or reject proposed changes and withhold funding allocated through this
agreement based upon rejection of proposed changes.

1.5 TDA shall make payments to the developer of the Project based upon a percentage of completion model, wherein the developer must submit certified evidence of advancing completion of the project for review and approval by the Board prior to receiving payments.

1.6 In the event that charges for services provided by TDA staff for the Project are payable from another dedicated funding source(s) for this Special Project, TDA shall be paid for services rendered from such other dedicated funding source(s) instead of from the general funds account.

Changes to this agreement must be in the form of a written contract amendment executed by both parties.

This agreement was approved by the Tulsa Development Authority Board of Directors by Resolution on the ____ day of __________ 2021 (attached).

APPROVALS:

TULSA DEVELOPMENT AUTHORITY

________________________________________
Steven R. Mitchell, Chairman

________________________
Date

Approved as to form:

________________________________________
Jot Hartley, General Counsel
Tulsa Development Authority
CITY OF TULSA, A MUNICIPAL CORPORATION,

G. T. Bynum, Mayor

Date

Attest:

City Clerk

Approved as to form:

Assistant City Attorney

Approved:

Chief of Economic Development, City of Tulsa