



City of Broken Arrow

City Hall
220 S 1st Street
Broken Arrow OK
74012

Minutes Broken Arrow Economic Development Authority

Chairperson Craig Thurmond
Vice Chair Scott Eudey
Trustee Mike Lester
Trustee Johnnie Parks
Trustee Debra Wimpee

Tuesday, February 19, 2019

Council Chambers

1. Call to Order

Vice Chairperson Scott Eudey called the meeting to order at approximately 7:11 p.m.

2. Roll Call

Present: 4 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey
Absent: 1 - Craig Thurmond

3. Consideration of Consent Agenda

Vice Chairperson Eudey asked if there were any items to be removed from the Consent Agenda. There were none.

MOTION: A motion was made by Mike Lester, seconded by Johnnie Parks.

Move to approve the Consent Agenda

The motion carried by the following vote:

Aye: 4 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey

- A. 19-52 **Approval of Broken Arrow Economic Development Authority Meeting Minutes of February 5, 2019**
- B. 18-1419 **Approval of the Broken Arrow Economic Development Authority Claims List for February 19, 2019**

4. Consideration of Items Removed from Consent Agenda

There were no items removed from the Consent Agenda. No action was required or taken.

5. General Authority Business

- A. 19-273 **Consideration, discussion, and possible approval of and authorization to execute a Third Extension to Agreement for the Purchase and Sale of Real Estate by and among the Broken Arrow Economic Development Authority and SoundMind Behavioral Health Hospital, LLC**

Economic Development Manager, Norm Stephens, reported January 2, 2019 he requested the second extension for the land sale to SoundMind Behavioral Hospital. He noted at that time SoundMind was negotiating with CenterPoint to handle hospital daily operations and requested a 60 day extension which would have ended March 1, 2019. He explained SoundMind's negotiations with CenterPoint were unsuccessful and SoundMind was attempting to find a new provider to handle daily operations of the hospital. He noted SoundMind acquired a Certificate of Need with the State of Oklahoma which could be extended once for a period of six months. He noted SoundMind was in the process of getting the six month extension from the State and now requested a six month extension from the City of Broken Arrow. He stated on January 2, 2019 he had assured BAEDA that the second extension to the SoundMind agreement would be the last. He stated Mr. Masood Kasim was present representing SoundMind and wished to address the Authority.

Trustee Mike Lester asked if there were funds in escrow for this project. Mr. Stephens responded in the affirmative; there were \$50,000 dollars in escrow. He noted the fact sheet indicated SoundMind was extremely motivated to close on the Authority controlled land "no

later than April 22, 2019.” He explained this was an error and should have read “no later than August 22, 2019.”

Mr. Masood Kasim explained SoundMind requested an extension from the State, and once approved, would begin the design stage of the project. He noted SoundMind was searching for an entity to partner with on the construction portion of the project, as well as operational management. He explained this was a unique situation in that the physicians for SoundMind could not be directly involved in hospital operations due to government regulations. He noted he was conversing with different hospitals and operational management companies to provide a service. He stated he was working with Dewberry regarding design development.

Trustee Lester asked if Dewberry was developing a full set of plans. Mr. Kasim responded in the affirmative; SoundMind had a contract with Dewberry for the entire project. Mr. Stephens noted Mr. Kasim and the SoundMind investors had \$1.2 million dollars currently invested in this project.

Vice Chairperson Eudey asked how the negotiations were proceeding with the new provider. Mr. Kasim responded he felt negotiations were going very well; however, it was important to be cautious until all contracts were finalized. He stated he was working with Signature Health Care Group who had 16 facilities and were looking to expand up to 25 facilities. He stated he hoped SoundMind would be able to partner with Signature Health Care Group in this manner.

Trustee Lester asked if SoundMind intended to acquire the property east of the Fire Station. Mr. Stephens responded SoundMind had right of first refusal on this property. He explained he received a phone call from an interested party who would submit a bid to purchase this property, once the bid was received he would approach SoundMind, inform SoundMind of the bid to purchase, and SoundMind would be required to purchase the land immediately, or the land could be sold to the other applicant (if approved by BAEDA). Mr. Stephens noted he had received no interest from other parties regarding the 14.2 acres of land SoundMind was actively interested in purchasing.

MOTION: A motion was made by Mike Lester, seconded by Debra Wimpee.

Move to approve the Third Extension to the Agreement for the Purchase and Sale of Real Estate by and among the Broken Arrow Economic Development Authority and SoundMind Behavioral Health Hospital, LLC and authorize its execution

The motion carried by the following vote:

Aye: 4 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey

6. Executive Session

There was no Executive Session.

7. Adjournment

The meeting adjourned at approximately 7:21 p.m.

MOTION: A motion was made by Johnnie Parks, seconded by Debra Wimpee.

Move to adjourn

The motion carried by the following vote:

Aye: 4 - Debra Wimpee, Johnnie Parks, Mike Lester, Scott Eudey

Attest:

Vice Chairman

Secretary