



City of Broken Arrow
Meeting Agenda
Broken Arrow Economic Development
Authority

Chairperson Craig Thurmond

Vice Chair Scott Eudey

Trustee Johnnie Parks

Trustee Debra Wimpee

Trustee Christi Gillespie

Tuesday, October 1, 2019

Council Chambers
220 South 1st Street
Broken Arrow, OK

AMENDED AGENDA

**TIME: Follows City Council meeting which begins at 6:30 p.m. and the Broken Arrow
Municipal Authority meeting which follows City Council.**

1. Call to Order

2. Roll Call

3. Consideration of Consent Agenda

- A. [19-67](#) Approval of the Broken Arrow Economic Development Authority Meeting Minutes of September 17, 2019
- B. [18-1464](#) Ratification of the Claims list dated 09/27/2019

4. Consideration of Items Removed from Consent Agenda

5. General Authority Business

- A. [19-1243](#) Consideration, discussion, and possible approval of and authorization to execute a Second Extension to Agreement for the Purchase and Sale of Real Estate Agreement by and among the Broken Arrow Economic Development Authority and Endicott Holdings, LLC
- B. [19-1244](#) Consideration, discussion and possible approval of and authorization to execute Resolution No. 1275, a Resolution of the Broken Arrow Economic Development Authority, (Authority), an Oklahoma Public Trust of which the City of Broken Arrow is the sole beneficiary, authorizing the acceptance of a general warranty deed for approximately 1.77 acres of land situated at 2200 W. Norfolk Dr., Broken Arrow, OK 74011, in the City of Broken Arrow, Tulsa County, State of Oklahoma, from the City of Broken Arrow (City); and approving and authorizing the execution of certain documents necessary to accomplish the acceptance of the general warranty deed; and containing other provisions relating thereto

6. Remarks and Updates by City Manager and Staff

7. Executive Session

BAEDA:

Executive Session for the purpose of confidential communications between the Broken Arrow Economic Development Authority, the City Manager, and the City Attorney, and possible action in open session regarding the following:

Economic development and specifically discussing an economic development proposal involving real property located near North of the Creek Turnpike and East of Aspen Avenue (145th E. Avenue), to include the transfer of property, financing, and the creation of a proposal to entice a business to locate within the City of Broken Arrow, and taking appropriate action in open session, including direction to the City Manager and Staff to negotiate for an economic development proposal, under 25 O.S. §307(C)(10); and

In the opinion of the City Attorney, the Authority is advised that the Executive Session is necessary to discuss an economic development proposal in accordance with State Statute. After the conclusion of the confidential portion of executive session, the Authority will reconvene in open meeting, and the final decision, if any, will be put to a vote.

8. Adjournment

NOTICE:

If you wish to speak at this evening's meeting, please fill out a "Request to Speak" form. The forms are available from the City Clerk's table or at the entrance door. Please turn in your form prior to the start of the meeting. Topics are limited to items on the currently posted agenda, or relevant business.

All cell phones and pagers must be turned OFF or operated SILENTLY during meetings.

Exhibits, petitions, pictures, etc., shall be received and deposited in case files to be kept at the Broken Arrow City Hall. If you are a person with a disability and need some accommodation in order to participate in this meeting, please contact the City Clerk at 918-259-2400 Ext. 5418 to make arrangements.

POSTED this _____ day of _____, _____, at _____
a.m./p.m.

City Clerk



City of Broken Arrow

Request for Action

File #: 19-67, Version: 1

**Broken Arrow Economic Development Authority
Meeting of: 10-01-2019**

Title:

Approval of the Broken Arrow Economic Development Authority Meeting Minutes of September 17, 2019

Background:

Minutes recorded for the Broken Arrow Economic Development Authority Meeting.

Cost: 0.00

Funding Source: City Clerk Operation Fund

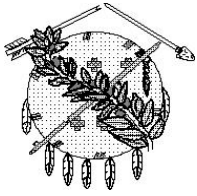
Requested By: Russell Gale, Assistant City Manager of Administration

Approved By: City Manager's Office

Attachments: 09-17-19 BAEDA Minutes

Recommendation:

Approve the minutes of September 17, 2019 for the Broken Arrow Economic Development Authority meeting.



City of Broken Arrow
Minutes
Broken Arrow Economic Development Authority

City Hall
220 S 1st Street
Broken Arrow OK
74012

Chairperson Craig Thurmond
Vice Chair Scott Eudey
Trustee Johnnie Parks
Trustee Debra Wimpee
Trustee Christi Gillespie

Tuesday, September 17, 2019

Council Chambers

1. Call to Order

Chairperson Craig Thurmond called the meeting to order at approximately 8:20 p.m.

2. Roll Call

Present: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

3. Consideration of Consent Agenda

- A. 19-66 Approval of the Broken Arrow Economic Development Authority Meeting Minutes of September 3, 2019**
- B. 18-1461 Ratification of the Claims list dated 09/13/2019**

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

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to approve the Consent Agenda

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

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

There was no General Authority Business.

6. Remarks and Updates by City Manager and Staff

City Manager Spurgeon noted a couple of Meetings ago he mentioned the possibility of a request proposal for the property on the north side of Aspen (Creek Turnpike). He reported the City was approached recently by a developer about a possible proposal for the property and a second developer approached Norm Stephens about a different type of development for this same property. He stated there was a lot of interest being shown regarding south Broken Arrow properties.

He reported Mr. Stephens was checking on the SoundMind project to ensure the closing came to fruition.

At approximately 8:22 p.m. Chairperson Thurmond stated he would entertain a motion for a brief recess to clear the room for Executive Session.

MOTION: A motion was made by Scott Eudey, seconded by Christi Gillespie.

Move for a brief recess to clear the room for the Executive Session

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

7. Executive Session

Executive Session for the purpose of confidential communications between the Broken Arrow Economic Development Authority, the City Manager, and the City Attorney, and possible action in open session regarding the following:

Economic development and specifically discussing an economic development proposal involving approximately 39 acre tract of land located west of Elm Street and East of Aspen Street, South of Albany Street and North of the Broken Arrow Expressway, and to include the transfer of property, financing, and the creation of a proposal to entice a business to locate within the City of Broken Arrow, taking appropriate action in open session, including direction for the City Manager and Staff to enter into formal negotiations for an economic development proposal under 25 O.S. §307(C)(11).

In the opinion of the City Attorney, the Authority is advised that the Executive Session is necessary to discuss an economic development proposal in accordance with State Statute. After the conclusion of the confidential portion of executive session, the Authority will reconvene in open meeting, and the final decision, if any, will be put to a vote.

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to enter into the Executive Session

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to find the Executive Session necessary

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to authorize the City Manager and staff to enter into formal negotiations for an economic development proposal located west of Elm Street and east of Aspen Street, south of Albany Street and north of the Broken Arrow Expressway.

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

8. Adjournment

The meeting adjourned at approximately 9:03 p.m.

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to adjourn

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

Chairperson

Secretary



City of Broken Arrow

Request for Action

File #: 18-1464, **Version:** 1

Broken Arrow Economic Development Authority
Meeting of: 10/01/2019

Title:

Ratification of the Claims list dated 09/27/2019

Background:

Council on September 3, 2019 approved Ordinance No. 3601 to allowing ratification of the claims list. On September 27, 2019 checks, V-Cards or ACH were processed for a total of \$2,853,976.61.

(Total Includes General Fund, BAMA and BAEDA)

A summary by fund:

Fund 87 (BAEDA) \$52,759.60

Cost: \$52,759.60

Funding Source: BAEDA operating budget

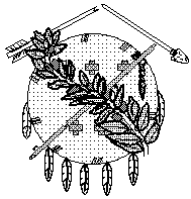
Requested By: Cynthia S. Arnold, Finance Director

Approved By: City Manager's Office

Attachments: Claims list for September 27, 2019.

Recommendation: Ratify the Claims list dated 09/27/2019

FUND 087 BAEDA	DATE DUE	VENDOR NO	VENDOR NAME	VOUCHER NO	I NVOI CE NO	ACCOUNT NO	AMOUNT
	8/22/2019	71	BROKEN ARROW ELECTRIC SUPPLY I	PI 3075	S2558815001	087-1700-419.50-70	69.53
	8/22/2019	4572	LIGHTING INC/ BROKEN ARROW ELEC	PI 3115	S2558559001	087-1700-419.50-70	43.92
						8/22/2019 TOTAL -	113.45
						CUMULATIVE TOTAL -	113.45
	9/17/2019	11842	CARLSON-MESSER WINE WORKS	003040	000001	087-1700-419.50-70	250.00
						9/17/2019 TOTAL -	250.00
						CUMULATIVE TOTAL -	363.45
	9/19/2019	11833	OKLAHOMA STATE ATHLETIC COMMISSION	002766	9-18-2019	087-1700-419.50-70	2,854.15
						9/19/2019 TOTAL -	2,854.15
						CUMULATIVE TOTAL -	3,217.60
	9/20/2019	11835	GHOST	002788	11607	087-1700-419.30-87	8,000.00
				002789	11600	087-1700-419.30-87	9,250.00
						9/20/2019 TOTAL -	17,250.00
						CUMULATIVE TOTAL -	20,467.60
	9/23/2019	7824	BROKEN ARROW ECONOMIC	002906	SEPT 2019	087-1700-419.50-70	32,292.00
						9/23/2019 TOTAL -	32,292.00
						FUND 087 TOTAL -	52,759.60



City of Broken Arrow

Request for Action

File #: 19-1243, Version: 1

Broken Arrow Economic Development Authority
Meeting of: 10/01/2019

Title:

Consideration, discussion, and possible approval of and authorization to execute a Second Extension to Agreement for the Purchase and Sale of Real Estate Agreement by and among the Broken Arrow Economic Development Authority and Endicott Holdings, LLC

Background:

The Authority owns unencumbered fee title to certain lands within the City, portions of which are suitable for construction located North of the Creek Turnpike and west of Aspen Avenue. Said lands being acquired in 2009, consisting of 25.48 acres of real property, and purchased for the sum of \$1,390,609.35. On January 2, 2018, Broken Arrow Economic Development Board unanimously approved selling 14.1569 acres located north of the Creek Turnpike and West of Aspen Avenue for the sum of \$1,000,000, said purchase price being supported by an updated appraisal dated October 28, 2017, prepared by John Story III, an Oklahoma State Certified General Appraiser, to SoundMind Behavioral Health Hospital, LLC. During negotiations, representatives of SoundMind requested the right of first refusal on 1.775 acres of Authority owed land located north of the 14.1569 acre property. Article IV, item 4.4 in Resolution NO. 1079 - Corrected, states; The Authority hereby grants SoundMind a right of first refusal to purchase Lot 1, Block 1, Aspen Creek Towne Center I for a period of ten (10) years from the effective date of the Agreement.

In October 2018, Broken Arrow Economic Development Manager Norman Stephens was contacted by Curtis Hesser, Real Estate Agent for Carr Healthcare Realty. Mr. Hesser had a client (Mr. Drew Endicott, DDS) who was interested in purchasing the 1.775 acres of Authority owned land. Mr. Stephens provided information to Mr. Hesser, including the right of first refusal controlled by SoundMind.

On April 16, 2019, Mr. Hesser provided the Economic Development Manager with a Letter of Intent to Purchase approximately 77,310 RSF for the purchase price of \$386,500.00. Included in the Letter of Intent was a Broker Commission of 4% of the total purchase price to be paid to CARR by seller at closing. After additional negotiations, Mr. Hesser provided the Economic Development Manager with a Letter of Intent to Purchase in the amount of \$416,000.00. Included in the Letter of Intent was a Broker Commission of 4% of the total purchase price to be paid to CARR by seller at closing.

It is the intent of the buyer to locate Endicott Dental Office on the property. During the negotiations, SoundMind provided written notification that they will not be pursuing their first right of refusal and thus, will not be purchasing the property.

On May 7, 2019, the Authority authorized the sale of the property to Mr. Endicott in the sum of \$416,000.00. Per the agreement, closing was to occur sixty (60) days from the date Seller and Purchaser executed the Agreement and the City Council of the City of Broken Arrow approved the Agreement, whichever occurred last. It also provides that the Purchaser shall be granted one 30-day extension of the Due Diligence Period if required by the Purchaser's lender. The Purchaser requested a 30 day extension as required by their lender and

on September 3, 2019, the Authority approved the extension.

While preparing for closing it was discovered that the Authority previously conveyed the property to the City in 2011. The land was originally a larger parcel of land that was later divided so that the City could build a firehouse on one parcel of the land. The remaining parcel is not be utilized by the City and the City is conveying the land back to the Authority. This Second Extension Agreement is extending the closing date to October 15, 2019 so that the property can be properly transferred back to the Authority to ultimately sale the property to Endicott Holdings, LLC.

Cost: None

Funding Source: None

Requested By: Norm Stephens, Economic Development Manager

Approved By: City Manager's Office

Attachments: Extension Agreement with Endicott Holdings, LLC

Recommendation:

Approve the Second Extension to Agreement for the Purchase and Sale of Real Estate and authorize its execution.

SECOND EXTENSION TO AGREEMENT
FOR THE PURCHASE AND SALE OF REAL ESTATE

The undersigned, the Broken Arrow Economic Development Authority, an Oklahoma Public Trust (together with its successors and assigns, the "Seller"), the sole beneficiary of which is The City of Broken Arrow, Oklahoma (the "City"), and Endicott Holdings LLC, an Oklahoma limited liability company (together with its successors and assigns, "Buyer"), do hereby agree to the following Extension in regard to the agreement for the Purchase and Sale of Real Estate entered into between said parties on May 21, 2019, affecting the following real property, to-wit:

Lot 1, Block 1, Aspen Creek Towne Center I, an Addition to the City of Broken Arrow, Tulsa County, State of Oklahoma, according to the recorded plat thereof.

Also known as, 2200 W. Norfolk Dr. S., Broken Arrow, OK 74011

(1) Buyer and Seller agree to extend the closing date to October 15, 2019.

All other terms of said Agreement remain as written.

The Effective Date of this agreement shall be September 25, 2019.

"Seller"
Broken Arrow Economic Development Authority

"Buyer"
Endicott Holdings LLC, an
Oklahoma limited liability company

By: _____
Chairman, Craig Thurmond

By:  _____
Drew Endicott, Manager



City of Broken Arrow

Request for Action

File #: 19-1244, **Version:** 1

Broken Arrow Economic Development Authority
Meeting of: 10/01/2019

Title:

Consideration, discussion and possible approval of and authorization to execute Resolution No. 1275, a Resolution of the Broken Arrow Economic Development Authority, (Authority), an Oklahoma Public Trust of which the City of Broken Arrow is the sole beneficiary, authorizing the acceptance of a general warranty deed for approximately 1.77 acres of land situated at 2200 W. Norfolk Dr., Broken Arrow, OK 74011, in the City of Broken Arrow, Tulsa County, State of Oklahoma, from the City of Broken Arrow (City); and approving and authorizing the execution of certain documents necessary to accomplish the acceptance of the general warranty deed; and containing other provisions relating thereto

Background:

In 2009, Broken Arrow Economic Development Authority ("Authority") purchased property legally described as Lot One (1), Block One (1), ASPEN CREEK TOWNE CENTRE I, an Addition to the City of Broken Arrow, Tulsa County, Oklahoma, according to the recorded Plat thereof, more particularly described as 2200 W. Norfolk Dr., Broken Arrow, Tulsa County. The City intended to construct a new fire station and corresponding infrastructure improvement on a parcel of the land located immediately north of the Creek Turnpike (Liberty Parkway) and west of Aspen Avenue. On May 3, 2019, BAEDA transferred the land to the City for the construction of the fire station. The City platted the land into two parcels of land and constructed a fire station on one parcel of the land. The remaining parcel of land, consisting of approximately 1.77 acres is not being utilized by the City. Pursuant to Oklahoma State Statute and the Broken Arrow Code of Ordinances, the City may declare the real property surplus and transfer to the Authority in the best interests of the citizens of Broken Arrow. The Authority has a buyer who has agreed to purchase the 1.77 acres of property.

Cost: None

Funding Source: None

Requested By: Norm Stephens, Economic Development Manager

Approved By: City Manager's Office

Attachments: None

Recommendation:

Approve and authorize execution of Resolution NO. 1275

RESOLUTION NO. 1275

A RESOLUTION OF THE BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY, (AUTHORITY), AN OKLAHOMA PUBLIC TRUST OF WHICH THE CITY OF BROKEN ARROW IS THE SOLE BENEFICIARY, AUTHORIZING THE ACCEPTANCE OF A GENERAL WARRANTY DEED FOR APPROXIMATELY 1.77 ACRES OF LAND SITUATED AT 2200 W. NORFOLK DR., BROKEN ARROW, OK 74011, IN THE CITY OF BROKEN ARROW, TULSA COUNTY, STATE OF OKLAHOMA, FROM THE CITY OF BROKEN ARROW (CITY); AND APPROVING AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS NECESSARY TO ACCOMPLISH THE ACCEPTANCE OF THE GENERAL WARRANTY DEED; AND CONTAINING OTHER PROVISIONS RELATING THERETO

WHEREAS, in 2009, Broken Arrow Economic Development Authority ("Authority") purchased real property legally described as Lot One (1), Block One (1), ASPEN CREEK TOWNE CENTRE I, an Addition to the City of Broken Arrow, Tulsa County, Oklahoma, according to the recorded Plat thereof, more particularly described as 2200 W. Norfolk Dr., Broken Arrow, Tulsa County; and

WHEREAS, the City intended to construct a new fire station and corresponding infrastructure improvements on a parcel of the land located immediately north of the Creek Turnpike (Liberty Parkway) and west of Aspen Avenue; and

WEHREAS, on May 3, 2011, BAEDA transferred the land north of the Creek Turnpike to the City for the construction of the fire station, and

WHEREAS, thereafter the City platted the land into two parcels of land and constructed a fire station on one parcel of the land; and

WHEREAS, the remaining parcel of land, consisting of approximately 1.77 acres is not being utilized by the City; and

WHEREAS, pursuant to Oklahoma State Statute and the Broken Arrow Code of Ordinances, the City finds it to be in the best interest of the citizens of Broken Arrow to declare the real property surplus; and

WHEREAS, the Authority was created under a certain Trust Indenture dated November 19, 1973, as amended March 11, 1982; August 4, 1983, and March 18, 2014 (the "Authority Trust Indenture"), as a public trust for the use and benefit of its sole beneficiary, the City, under authority of and pursuant to Title 60, Oklahoma Statutes, §§176, et seq.; and

WHEREAS, among the Authority Trust Indenture's stated purposes are those of promoting and encouraging the development of industry and commerce within and without the territorial limits of the City by instituting, furnishing, providing and supplying property, improvements and services for the City and for the inhabitants, owners and occupants of property, and governmental, industrial, commercial and mercantile entities, establishments and enterprises within and without the City; promoting the general convenience, general welfare and public safety of the residents of the City; acquiring by purchase real property useful in instituting, furnishing, providing, or supplying any of the aforementioned property, improvements and services; complying with the

terms and conditions of contracts made in connection with or for the acquisition of any of said properties; receiving funds, property and other things of value from, among others, the City; and participating in programs of the State and others which are to the advantage of the City and the Authority's undertakings; and

WHEREAS, the Broken Arrow Economic Development Authority is a Title 60 Public Trust legally authorized to own and transfer ownership in real property; and

WHEREAS, the Authority deems it appropriate to approve the execution and delivery of this Agreement and in providing for the implementation of the Tiger Hill Project and the sale and development of the property and determines that such actions are in the best interests of the City and the health, safety and welfare of the City and residents within and near the City.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BROKEN ARROW, OKLAHOMA, THAT:

1. The Broken Arrow Economic Development Authority hereby accepts all right, title and interest in the 1.77 acres of real property legally described property described as Lot One (1), Block One (1), ASPEN CREEK TOWNE CENTRE I, an Addition to the City of Broken Arrow, Tulsa County, Oklahoma, according to the recorded Plat thereof, more particularly described as 2200 W. Norfolk Dr., Broken Arrow, Tulsa County; and any and all Deeds necessary to complete this transaction.
2. The Chairman is hereby authorized to approve and accept the General Warranty Deed or other document conveying the real property legally described above.

It is the intention of the Trustees that the officers of the Authority shall, and they are hereby ex officio authorized and directed to do any and all lawful acts and deeds to effectuate and carry out the provisions and the purposes of this Resolution, including acceptance of the General Warranty Deed, and such other instruments and documents as are related thereto.

Approved and adopted by the Broken Arrow Economic Development Authority, at a regular meeting thereof, advance public notice of which was duly given and at which a majority of said Trustees were present, this 1st day of October, 2019.

BROKEN ARROW ECONOMIC
DEVELOPMENT AUTHORITY

Chairman

APPROVED AT TO FORM:

ATTEST: (SEAL)

Deputy City Attorney

Secretary