

AGENDA FOR  
REGULAR AND ANNUAL MEETING OF  
OKLAHOMA CITY REDEVELOPMENT AUTHORITY  
105 N. Hudson, Suite 101  
Wednesday, July 16, 2014  
10:00 a.m.

- I. Call to Order
- II. Statement of Compliance with the Oklahoma Open Meeting Law
- III. Roll Call
- IV. Reading and Approval of Minutes of a Special Meeting held on Thursday, March 6, 2014
- V. Election of Officers
- VI. Resolution No. \_\_\_\_\_ Authorizing Signatories for the Payment and Investment of Money on Behalf of the Oklahoma City Redevelopment Authority
- VII. Resolution No. \_\_\_\_\_ of the Oklahoma City Redevelopment Authority Approving Proposal by BKD, LLP to Provide an Audit of Accounts for the Fiscal Year Ending June 30, 2014 and Authorizing the Chairman and the Executive Director to Execute the Proposal
- VIII. Resolution No. \_\_\_\_\_ of the Oklahoma City Redevelopment Authority Authorizing the use of Advancements for Payment of Certain Costs incurred by the Oklahoma City Urban Renewal Authority in Connection with Proposed and Approved Projects and Approving and Ratifying Actions Through June 30, 2014
- IX. Resolution No. \_\_\_\_\_ of the Oklahoma City Redevelopment Authority Authorizing and Approving Memorandum of Agreement with the Oklahoma City Economic Development Trust and The City of Oklahoma City for Public and Site Improvements Related to the Contract for Sale of Land and Redevelopment Between the Oklahoma City Urban Renewal Authority and General Electric Company
- X. Presentation of Interim Financial Report for the Period Ending June 30, 2014
- XI. Unfinished Business
- XII. New Business
- XIII. Comments from Trustees
- XIV. Comments from Citizens
- XV. Adjournment

POSTED at the offices of the Oklahoma City Redevelopment Authority and the City Clerk's Office by 10:00 a.m. Tuesday, July 15, 2014 by Pam Lunnon, Administrative Assistant

MINUTES OF SPECIAL MEETING OF THE BOARD OF TRUSTEES  
OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY

A Special Meeting of the Trustees of the Oklahoma City Redevelopment Authority (“Redevelopment Authority”) was held on Thursday, March 6, 2014 in the offices of the Redevelopment Authority at 105 North Hudson, Suite 101, Oklahoma City, Oklahoma.

The Chairman, J. Larry Nichols called the meeting to order and the following Trustees were present:

Mr. J. Larry Nichols  
Mr. James R. Tolbert, III  
Ms. Mary Mélon  
Councilman Larry McAtee  
Councilman David Greenwell

Trustee Absent:

Mr. Russell M. Perry  
Mr. Mark Beffort

Staff Present:

Catherine O’Connor, Executive Director  
JoeVan Bullard, Director of Redevelopment Programs  
Dan Batchelor, OCURA General Counsel  
Leslie Batchelor, OCURA Associate General Counsel  
Emily Pomeroy, The Center for Economic Development Law  
Geri Kenfield, The Alliance for Economic Development of Oklahoma City  
Denise Balkas, The Alliance for Economic Development of Oklahoma City  
Cassi Poor, The Alliance for Economic Development of Oklahoma City  
Dustin Akers, The Alliance for Economic Development of Oklahoma City  
Pam Lunnon, The Alliance for Economic Development of Oklahoma City

Others Present:

Steve Lackmeyer, The Oklahoman  
Bud Miles, Miles Associates  
David Ferrell, GE  
Russ Fray, GE  
Jason Bradshaw, Colony Partners  
Carl Hood, M.D., PLICO  
Rand Elliott, Elliott + Associates Architects  
Stan Lingo, Lingo  
Chuck Ainsworth, Ainsworth Company  
Zac Woods, Butzer Gardner Architects

Chairman, J. Larry Nichols asked for a motion to approve, as circulated, the minutes of a Regular Meeting held on Wednesday, January 15, 2014.

Commissioner Tolbert moved the adoption of the minutes and upon second by Councilman McAtee, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Aye
Trustee Mary Mélon	Aye
Trustee Russell M. Perry	Absent
Trustee Mark Beffort	Absent
Councilman Larry McAtee	Aye
Councilman David Greenwell	Aye

Minutes Adopted.

*The Chairman introduced the following resolution:*

*Resolution No. 139 entitled:*

***“Authorizing and Approving Development Financing Assistance Agreement with General Electric Company in an Amount not to Exceed \$3,425,000 for Eligible Project Costs in the Oklahoma Health Center Economic Development Project Area”***

Resolution was amended to reflect the most recent agreement regarding ad valorem tax payments.

Commissioner Tolbert moved the adoption of this resolution as amended and upon a second by Commissioner Mélon, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Aye
Trustee Mary Mélon	Aye
Trustee Russell M. Perry	Absent
Trustee Mark Beffort	Absent
Councilman Larry McAtee	Aye
Councilman David Greenwell	Aye

Resolution Adopted.

*Resolution No. 140 entitled:*

***“Authorizing Actions in Connection with the Submission of a Grant Application to the U.S. Economic Development Administration for Assistance for the GE Global Research Center”***

Commissioner Mélon moved the adoption of this resolution and upon a second by Commissioner Tolbert, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Aye
Trustee Mary Mélon	Aye
Trustee Russell M. Perry	Absent
Trustee Mark Beffort	Absent
Councilman Larry McAtee	Aye
Councilman David Greenwell	Aye

Resolution Adopted

***Resolution No. 141 entitled:***

***“Adopting the Oklahoma City Redevelopment Authority Investment Policy and Authorizing the Executive Director to Perform Services for the Oklahoma City Redevelopment Authority as Granted by the Policy”***

Commissioner Mélon moved the adoption of this resolution and upon a second by Councilman Greenwell, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Aye
Trustee Mary Mélon	Aye
Trustee Russell M. Perry	Absent
Trustee Mark Beffort	Absent
Councilman Larry McAtee	Aye
Councilman David Greenwell	Aye

Resolution Adopted

**PRESENTATION OF INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDING JANUARY 31, 2014**

Ms. Kenfield presented a cash based financial statement for the entire period through January 31, 2014.

There being no further business to come before the Board, meeting was adjourned at 10:09 a.m.

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SECRETARY

# OKLAHOMA CITY REDEVELOPMENT AUTHORITY

**TRUSTEES**

J. Larry Nichols  
Chairman

James R. Tolbert III  
Vice Chairman

Mark Beffort

David Greenwell

Larry McAtee, Jr.

Mary Melon

Russell M. Perry

**EXECUTIVE DIRECTOR**

Catherine O'Connor

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Catherine O'Connor, Executive Director

Date: July 16, 2014

Ref: Authorized Signatories

**Background:** On July 17, 2013, the Oklahoma City Redevelopment Authority ("OCRA") approved Resolution No. 133 authorizing certain signatories on orders and checks for payment and investment of money by OCRA. Subsequent staff changes have made it necessary to update and approve a revised list of signatories.

**Summary of Agenda Item:** The resolution for consideration names those authorized to sign orders and checks on behalf of OCRA and authorizes the Executive Director to add and remove staff signatories as necessary and appropriate.

**Recommendation:** Approval of Resolution

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING SIGNATORIES FOR THE PAYMENT AND INVESTMENT OF MONEY ON BEHALF OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY**

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**BE IT RESOLVED** that all orders and checks for the payment and investment of money by the Oklahoma City Redevelopment Authority shall be signed and countersigned. The following are designated as document signers and counter-signers:

J. Larry Nichols, Chairman of the Oklahoma City Redevelopment Authority

James. R. Tolbert III, Vice Chairman of the Oklahoma City Redevelopment Authority

David Greenwell, Treasurer of the Oklahoma City Redevelopment Authority

Catherine O'Connor, Executive Director of the Oklahoma City Redevelopment Authority

Geri Kenfield, Chief Financial Officer of The Alliance for Economic Development of Oklahoma City, Inc.

Denise Balkas, Chief Operating Officer of The Alliance for Economic Development of Oklahoma City, Inc.,

The Executive Director, Legal Counsel and staff of the Oklahoma City Redevelopment Authority are authorized to furnish a copy of this Resolution to any bank with whom the Oklahoma City Redevelopment Authority deposits or invests funds and to such other persons and organizations as may be entitled thereto in the proper conduct of the business of the Oklahoma City Redevelopment Authority and from time to time furnish certificates showing the identity of the persons then occupying the positions indicated.

**BE IT FURTHER RESOLVED** that the Executive Director is authorized to add and remove staff as signatories when necessary and appropriate and that prior resolutions inconsistent with this Resolution are hereby rescinded.

I, \_\_\_\_\_, Secretary of the Oklahoma City Redevelopment Authority, a public trust, certify that the foregoing Resolution No. \_\_\_\_\_ was duly adopted at a **regular and annual** meeting of the Oklahoma City Redevelopment Authority, held at its offices at 105 North Hudson, Suite 101, Oklahoma City, Oklahoma 73102, on the **16<sup>th</sup>** day of **July, 2014**; that said meeting was held in accordance with the By-Laws of the Authority and the Oklahoma Open Meetings Act; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during said meeting; and that the Resolution was duly adopted by a majority of the Board Members present.

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SECRETARY

(SEAL)

# OKLAHOMA CITY REDEVELOPMENT AUTHORITY

## TRUSTEES

J. Larry Nichols  
Chairman

James R. Tolbert III  
Vice Chairman

Mark Beffort

David Greenwell

Larry McAtee, Jr.

Mary Melon

Russell M. Perry

## EXECUTIVE DIRECTOR

Catherine O'Connor

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Catherine O'Connor, Executive Director

Date: July 16, 2014

Ref: BKD, LLP Audit Proposal

**Background:** The City of Oklahoma City ("City") is required to include the Oklahoma City Redevelopment Authority's ("OCRA") audited financial statements in its Comprehensive Annual Financial Report. Due to current auditing standards, it is more efficient and cost-effective to use the City's auditor. BKD, LLP currently serves as the City's auditor and has submitted a proposal to audit the financial activities of OCRA for the fiscal year ending June 30, 2014. The Executive Director has reviewed the proposal by BKD, LLP to audit the activities of OCRA for the fiscal year ending June 30, 2014, for a fee of Sixteen Thousand Seven Hundred Seventy Dollars (\$16,770.00) plus travel and expenses associated with performing the audit.

**Summary of Agenda Item:** The resolution for consideration approves the proposal by BKD, LLP to audit the activities of OCRA for the fiscal year ending June 30, 2014.

**Recommendation:** Approval of Resolution

**Attachments:** BKD, LLP Engagement Letter

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY  
APPROVING PROPOSAL BY BKD, LLP TO PROVIDE AN AUDIT OF ACCOUNTS  
FOR THE FISCAL YEAR ENDING JUNE 30, 2014 AND AUTHORIZING THE  
CHAIRMAN AND THE EXECUTIVE DIRECTOR TO EXECUTE THE PROPOSAL**

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**WHEREAS**, the Oklahoma City Redevelopment Authority, a public trust (“OCRA”), was created for the purpose of assisting in the implementation of economic development and redevelopment projects and to provide financial assistance to the Oklahoma City Urban Renewal Authority (“Authority”) in connection with its proposed and approved redevelopment activities; and

**WHEREAS**, BKD, LLP is highly qualified to audit the financial activities of OCRA; and

**WHEREAS**, BKD, LLP submitted a proposal to audit the financial activities of OCRA for the fiscal year ending June 30, 2014; and

**WHEREAS**, the Executive Director and Legal Counsel have reviewed and recommend acceptance of the proposal by BKD, LLP to audit the financial activities of OCRA for the fiscal year ending June 30, 2014, for a fee of Sixteen Thousand Seven Hundred Seventy Dollars (\$16,770.00), plus travel and expenses associated with performing the audit; and

**WHEREAS**, the Board of Trustees of OCRA deems it appropriate and desirable to approve the proposal submitted by BKD, LLP and authorize the Chairman and the Executive Director to execute the proposal

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Trustees of the Oklahoma City Redevelopment Authority as follows:

1. The proposal by BKD, LLP to audit the financial activities of OCRA for the fiscal year ending June 30, 2014, for a fee of Sixteen Thousand Seven Hundred Seventy Dollars (\$16,770.00), is hereby approved.
2. The Chairman, Executive Director, and Legal Counsel of OCRA are authorized to execute such documents and take such actions as may be necessary or appropriate to implement this authorization.

I, \_\_\_\_\_, Secretary of the Oklahoma City Redevelopment Authority, a public trust, certify that the foregoing Resolution No. \_\_\_\_\_ was duly adopted at a **regular and annual** meeting of the Oklahoma City Redevelopment Authority, held at its offices at 105 North Hudson, Suite 101, Oklahoma City, Oklahoma 73102, on the **16<sup>th</sup>** day of **July, 2014**; that said meeting was held in accordance with the By-Laws of the Authority and the Oklahoma Open Meetings Act; that any notice required to



be given of such meeting was properly given; that a quorum was present at all times during said meeting; and that the Resolution was duly adopted by a majority of the Board Members present.

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SECRETARY

(SEAL)

June 12, 2014

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
105 N. Hudson Avenue, Suite 101  
Oklahoma City, OK 73102

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide to the Oklahoma City Redevelopment Authority (the Authority).

### **Engagement Objectives and Scope**

We will audit the basic financial statements of the Authority as of and for the year ended June 30, 2014, and the related notes to the financial statements.

Our audit will be conducted with the objectives of the following:

- Expressing an opinion on the financial statements
- Issuing a report on your compliance based on the audit of your financial statements
- Issuing a report on your internal control over financial reporting based on the audit of your financial statements

### **Our Responsibilities**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance having a direct and material effect may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

In making our risk assessments, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, in the future, procedures could become inadequate because of changes in conditions or deterioration in design or operation. Two or more people may also circumvent controls, or management may override the system.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate letter to be signed by you and BKD.

Chad Moore, Partner, is responsible for supervising the engagement and authorizing the signing of the report or reports.

We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to the Board of Trustees of the Authority. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph(s), or withdraw from the engagement. If we discover conditions that may prohibit us from issuing a standard report, we will notify you as well. In such circumstances, further arrangements may be necessary to continue our engagement.

We will also express an opinion on whether Management Discussion and Analysis (supplementary information) is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Your Responsibilities**

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance acknowledge and understand that they have responsibility for the following:

1. The preparation and fair presentation of the financial statements in accordance with GAAS
2. The design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
3. For identifying and ensuring compliance with the laws, regulations, contracts and grants applicable to your activities
4. To provide us with the following:
  - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters
  - b. Additional information that we may request from management for the purpose of the audit
  - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence

As part of our audit process, we will request from management and, where appropriate, those charged with governance, written confirmation acknowledging certain responsibilities outlined in this engagement letter and confirming:

- The availability of this information
- Certain representations made during the audits for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures or other engagements that satisfy relevant legal, regulatory or contractual requirements or fully meet other reasonable user needs.

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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With regard to supplementary information:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information
- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements.

### **Other Services**

We will provide you with the following nonattest services:

- Preparing a draft of the financial statements and related notes

In addition, we may perform other services for you not covered by this engagement letter. You agree to assume full responsibility for the substantive outcomes of the services described above and for any other services that we may provide, including any findings that may result. You also acknowledge that those services are adequate for your purposes and that you will establish and monitor the performance of those services to ensure that they meet management's objectives. Any and all decisions involving management functions related to those services will be made by you, and you accept full responsibility for such decisions. We understand that you will designate a management-level individual to be responsible and accountable for overseeing the performance of those services, and that you will have determined this individual is qualified to conduct such oversight.

### **Engagement Fees**

The fee for our services will be \$16,770. Our fees are based upon the understanding your personnel will be available to assist us and our work can be performed within the period June 15, 2014 to August 15, 2014. Assistance from your personnel is expected to include:

- Preparing audit schedules to support all significant balance sheet and certain other accounts
- Responding to auditor inquiries
- Preparing confirmation and other letters

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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- Pulling selected invoices and other documents from files
- Helping to resolve any differences or exceptions noted

We will provide you with a detailed list of assistance and schedules required and the date such assistance and schedules are to be provided before the audit begins. All schedules should be provided in electronic form unless indicated otherwise.

Our timely completion of the audit depends on your timely and accurate schedule and analyses preparation and on the availability of your personnel to provide other assistance. If there are inaccuracies or delays in preparing this material, or if we experience other assistance difficulties that add a significant amount of time to our work, our fees will increase. If these circumstances occur, we will promptly notify you to discuss alternative solutions and the impact on our fees.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. We will issue progress billings during the course of our engagement, and payment of our invoices is due upon receipt. Interest will be charged on any unpaid balance after 30 days at the rate of 10% per annum.

Our engagement fees do not include any time for postengagement consultation with your personnel or third parties, consent letters and related procedures for the use of our reports in offering documents, inquiries from regulators or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

Our fees may also increase if our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards. We will consult with you in the event any other regulations or standards are issued that may impact our fees.

If our invoices for this or any other engagement you may have with BKD are not paid within 30 days, we may suspend or terminate our services for this or any other engagement. In the event our work is suspended or terminated as a result of nonpayment, you agree we will not be responsible for any consequences to you.

### **Other Engagement Matters and Limitations**

Our workpapers and documentation retained in any form of media for this engagement are the property of BKD. We can be compelled to provide information under legal process. In addition, we may be requested by regulatory or enforcement bodies to make certain workpapers available to them pursuant to authority granted by law or regulation. You agree that we have no legal responsibility to you in the event we provide such documents or information.

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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You agree to indemnify and hold harmless BKD and its personnel from any claims, liabilities, costs and expenses relating to our services under this agreement attributable to false or incomplete representations by management, except to the extent determined to have resulted from the intentional or deliberate misconduct of BKD personnel.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

Either of us may terminate these services at any time. Both of us must agree, in writing, to any future modifications or extensions. If services are terminated, you agree to pay us for time expended to date. In addition, you will be billed travel costs and fees for services from other professionals, if any, as well as an administrative fee of 4% to cover items, such as copies; postage and other delivery charges; supplies; technology-related costs, such as computer processing, software licensing, research and library databases; and similar expense items.

If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on heirs, successors and assigns of you and BKD.

We may from time to time utilize third-party service providers, *e.g.*, domestic software processors or legal counsel, or disclose confidential information about you to third-party service providers in serving your account. We remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information. In the event we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

We will, at our discretion or upon your request, deliver financial or other confidential information to you electronically via email or other mechanism. You recognize and accept the risk involved, particularly in email delivery as the Internet is not necessarily a secure medium of communication as messages can be intercepted and read by those determined to do so.

Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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You agree you will not modify these documents for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.

If you intend to include these financial statements and our report in an offering document at some future date, you agree to seek our permission to do so at that time. You agree to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Any time you intend to publish or otherwise reproduce these financial statements and our report and make reference to our firm name in any manner in connection therewith, you agree to provide us with printers' proofs or masters for our review and approval before printing or other reproduction. You will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter.

You agree to notify us if you desire to place these financial statements or our report thereon along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that we have no responsibility as auditors to review information contained in electronic sites.

Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of **BKD, LLP** have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in BKD with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. If the signed copy you return to us is in electronic form, you agree that such copy shall be legally treated as a "duplicate original" of this agreement.

**BKD, LLP**

*BKD, LLP*



Board of Trustees  
Cathy O'Connor, President  
Geri Kenfield, Chief Financial Officer  
Oklahoma City Redevelopment Authority  
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Acknowledged and agreed to on behalf of Oklahoma City Redevelopment Authority

By: \_\_\_\_\_  
Name and Title – Member of Those  
Charged with Governance

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name and Title – Member of Management

Date: \_\_\_\_\_

CMM/TJL/tgm

GFR: 1139700

# OKLAHOMA CITY REDEVELOPMENT AUTHORITY

**TRUSTEES**

J. Larry Nichols  
Chairman

James R. Tolbert III  
Vice Chairman

Mark Beffort

David Greenwell

Larry McAtee, Jr.

Mary Melon

Russell M. Perry

**EXECUTIVE DIRECTOR**

Catherine O'Connor

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Catherine O'Connor, Executive Director

Date: July 16, 2014

Ref: Advancement of Funds from Oklahoma City Redevelopment Authority

**Background:** The Oklahoma City Redevelopment Authority ("OCRA"), a public trust, created by Trust Indenture dated May 7, 1985, was organized for the purpose of assisting in the implementation of economic development and redevelopment projects and aiding and providing financial assistance to the Oklahoma City Urban Renewal Authority ("Authority") in connection with its proposed and approved redevelopment activities.

**Summary of Agenda Item:** The resolution for consideration ratifies and authorizes the Authority's use of advancements from OCRA to pay costs authorized by the Board of Commissioners of the Authority in connection with planning and implementation of redevelopment project activities for which funds are available pursuant to project plans.

**Recommendation:** Approval of Resolution

**Attachments:** None

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY  
AUTHORIZING THE USE OF ADVANCEMENTS FOR PAYMENT OF CERTAIN  
COSTS INCURRED BY THE OKLAHOMA CITY URBAN RENEWAL AUTHORITY  
IN CONNECTION WITH PROPOSED AND APPROVED PROJECTS AND  
APPROVING AND RATIFYING ACTIONS THROUGH JUNE 30, 2014**

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**WHEREAS**, the Oklahoma City Redevelopment Authority, a public trust (“OCRA”), was organized for the purpose of assisting in the implementation of economic development and redevelopment projects and aiding and providing financial assistance to the Oklahoma City Urban Renewal Authority (“Authority”) in connection with its proposed and approved redevelopment activities; and

**WHEREAS**, the Authority is engaged in the planning, undertaking, and implementation of existing and proposed redevelopment projects pursuant to the Oklahoma Redevelopment Law and the Oklahoma Local Development Act; and

**WHEREAS**, such planning and implementation activities are undertaken at the request of the City of Oklahoma City and include, but are not limited to the Downtown/MAPS Economic Development Plan, the Central Business District Urban Renewal Plan, the Core to Shore Urban Renewal Plan, the Harrison-Walnut Urban Renewal Plan, the MAPS-Sports-Entertainment-Parking Support Redevelopment Plan, the Oklahoma Health Center Economic Development Plan, and other redevelopment activities; and

**WHEREAS**, it is appropriate and desirable to authorize the Authority to use advancements of funds from OCRA for payment of costs incurred in connection with proposed and approved redevelopment activities for which funds are not presently available, to confirm prior transactions, and to ratify prior transactions through June 30, 2014.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Oklahoma City Redevelopment Authority as follows:

1. Prior advancements and transfer of funds from OCRA to the Authority through June 30, 2014, in connection with planning and implementation of redevelopment projects are ratified and approved.
2. Additional advancements of funds from the OCRA to the Authority to pay costs authorized by the Board of Commissioners of the Authority in connection with planning and implementation of redevelopment project activities for which funds are available pursuant to project plans are authorized and approved.
3. To the extent that reimbursement is obtained for any advancements or loans, the Authority shall repay OCRA without interest.

4. Actions of the Officers, the Executive Director, and Legal Counsel of OCRA taken with regard to the activities described paragraphs 1, 2 and 3 above are authorized, approved, and ratified through June 30, 2014.

I, \_\_\_\_\_, Secretary of the Oklahoma City Redevelopment Authority, a public trust, certify that the foregoing Resolution No. \_\_\_\_\_ was duly adopted at a **regular and annual** meeting of the Oklahoma City Redevelopment Authority, held at its offices at 105 North Hudson, Suite 101, Oklahoma City, Oklahoma 73102, on the **16<sup>th</sup>** day of **July, 2014**; that said meeting was held in accordance with the By-Laws of the Authority and the Oklahoma Open Meetings Act; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during said meeting; and that the Resolution was duly adopted by a majority of the Board Members present.

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SECRETARY

(SEAL)

# OKLAHOMA CITY REDEVELOPMENT AUTHORITY

## TRUSTEES

J. Larry Nichols  
Chairman

James R. Tolbert III  
Vice Chairman

Mark Beffort

David Greenwell

Larry McAtee, Jr.

Mary Melon

Russell M. Perry

## EXECUTIVE DIRECTOR

Catherine O'Connor

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Catherine O'Connor, Executive Director

Date: July 16, 2014

Ref: Resolution of the Oklahoma City Redevelopment Authority Authorizing and Approving Memorandum of Agreement with the Oklahoma City Economic Development Trust and The City of Oklahoma City for Public and Site Improvements Related to the Contract For Sale of Land and Redevelopment Between The Oklahoma City Urban Renewal Authority and General Electric Company

**Background:** The Oklahoma City Urban Renewal Authority (“Authority”) entered into a Redevelopment Agreement with General Electric Company (“GE”) for the development of an Oil and Gas Technology Center located at N.W. 10<sup>th</sup> Street and Walnut Ave. The Redevelopment Agreement requires the Authority to make certain site and public improvements, including demolition of existing streets, relocation of utilities, and construction of a new median, sidewalks, and streetscape improvements on Stiles Avenue.

**Summary of Agenda Item:** The Oklahoma City Redevelopment Authority (“OCRA”) has requested an allocation of \$750,000 in funds from the Strategic Investment Program (“SIP”) from the Oklahoma City Economic Development Trust (“OCEDT”) and the City of Oklahoma City to be used to support the financing of the infrastructure improvements required under the Redevelopment Agreement between Authority and GE, and based on remaining available funds, financing assistance for structured parking on the site. The \$750,000 would only be used if assistance in project funding was required, and dispersed as reimbursements upon submittal of invoices to OCEDT. The resolution authorizes and approves the Memorandum of Agreement, which outlines the SIP allocation contents.

**Recommendation:** Approval of Resolution

**Attachments:** Memorandum of Agreement

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY  
AUTHORIZING AND APPROVING MEMORANDUM OF AGREEMENT WITH THE  
OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST AND THE CITY OF  
OKLAHOMA CITY FOR PUBLIC AND SITE IMPROVEMENTS RELATED TO THE  
CONTRACT FOR SALE OF LAND AND REDEVELOPMENT BETWEEN THE  
OKLAHOMA CITY URBAN RENEWAL AUTHORITY AND GENERAL ELECTRIC  
COMPANY**

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**WHEREAS**, The City of Oklahoma City (“City”) has heretofore approved the Harrison-Walnut Urban Renewal Plan, as amended (“Urban Renewal Plan”); and

**WHEREAS**, in furtherance of the objectives of the Urban Renewal Act, the Oklahoma City Urban Renewal Authority (“Authority”) has undertaken a program for the clearance and redevelopment or rehabilitation of slum and blighted areas in the City in connection with the Harrison-Walnut Urban Renewal Project (“Project”) in an area (“Project Area”) located in the City; and

**WHEREAS**, in furtherance of its responsibilities to carry out the Urban Renewal Plan, the Authority has approved a Contract for Sale of Land and Redevelopment Agreement with General Electric Company (the “GE Redevelopment Agreement”) for the redevelopment of a site encompassing the area generally located between N.E. 10th Street and N.E. 8th Street and between Walnut Avenue and N. Stiles Avenue (“Property”); and

**WHEREAS**, pursuant to the terms of the GE Redevelopment Agreement, GE will construct a state-of-the-art, global energy research center on the Property; and

**WHEREAS**, the GE Redevelopment Agreement requires the Authority to make certain site and public improvements, including demolition of existing streets, relocation of utilities, and construction of a new median, sidewalks, and streetscape improvements on Stiles Avenue, for which the Oklahoma City Redevelopment Authority (“OCRA”) has authorized public support; and

**WHEREAS**, OCRA has requested an allocation of \$750,000 in funds from the Strategic Investment Program (“SIP”) of the City and the Oklahoma City Economic Development Trust (“OCEDT”) to be used for the purpose of constructing the public infrastructure improvements (the “Project”) required under the GE Redevelopment Agreement; and

**WHEREAS**, the SIP authorizes the use of the bond proceeds to fund the design and construction of infrastructure improvements needed to promote, encourage, and incentivize private economic development opportunities; and

**WHEREAS**, the primary objective of the SIP is to create economic vitality by capturing the opportunity to stimulate a combination of public and private redevelopment investment

activities to enhance and maximize the investments made by the City in public infrastructure improvements; and

**WHEREAS**, the request made by OCRA is consistent with the criteria established by the City and OCEDT in the SIP; and

**WHEREAS**, the Project, as set forth in the proposed Memorandum of Agreement (“Agreement”), is in the public interest and serves an important public purpose; and

**WHEREAS**, it is appropriate, desirable, and in the public interest to authorize and approve the Agreement and to authorize and direct the Officers, the Executive Director, and Legal Counsel of OCRA to take such actions and execute such documents as are necessary or appropriate to implement the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Oklahoma City Redevelopment Authority that the proposed Memorandum of Agreement with the City of Oklahoma City and Oklahoma City Economic Development Trust is hereby authorized and approved, and the Officers, Executive Director, and Legal Counsel of OCRA are authorized and directed to take such actions and execute such documents as are necessary or appropriate to implement the Agreement.

I, \_\_\_\_\_, Secretary of the Oklahoma City Redevelopment Authority, a public trust, certify that the foregoing Resolution No. \_\_\_\_\_ was duly adopted at a **regular and annual** meeting of the Oklahoma City Redevelopment Authority held at its offices at 105 N. Hudson, Suite 101, Oklahoma City, Oklahoma, on the 16th day of July, 2014; that said meeting was held in accordance with the By-Laws of the Oklahoma City Redevelopment Authority and the Oklahoma Open Meetings Act; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during such meeting; and that said Resolution was adopted by a majority of those present.

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SECRETARY

(SEAL)

**MEMORANDUM OF AGREEMENT BETWEEN**  
**THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY,**  
**THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST**  
**AND THE CITY OF OKLAHOMA CITY**

This Memorandum of Agreement (“Agreement”) is made by and between the Oklahoma City Redevelopment Authority (“OCRA”); the Oklahoma City Economic Development Trust (“OCEDT”); and The City of Oklahoma City (“City”). This Agreement sets forth the terms and conditions by which these parties agree to provide certain public and site improvements related to the development of the GE Oil & Gas Technology Center near NE 10<sup>th</sup> Street and Central Avenue, Oklahoma City, Oklahoma.

**WITNESSETH:**

**WHEREAS**, The City and OCEDT have determined that it is in the best interest of The City and its citizens to promote, and when deemed appropriate, fund economic and community development/redevelopment through its Strategic Investment Program (“SIP”) and where possible, to make public infrastructure improvements necessary to attract new private investment and the creation of quality jobs in Oklahoma City; and

**WHEREAS**, OCEDT is a public trust whose sole beneficiary is The City of Oklahoma City, and OCEDT has a mission to promote and assist The City with economic and community development/redevelopment projects; and

**WHEREAS**, on September 2012, the City and OCEDT adopted the revised Oklahoma City Strategic Investment Program, which program sets forth the general criteria for the use of the City’s \$75,000,000 General Obligation Bond – Limited Tax authorization approved by the voters of Oklahoma City in December 2007, to fund local community and economic development incentive programs; and

**WHEREAS**, the SIP authorizes the use of the bond proceeds to fund the design and construction of infrastructure improvements needed to promote, encourage, and incentivize private economic development opportunities; and

**WHEREAS**, the primary objective of the SIP is to create economic vitality by capturing the opportunity to stimulate a combination of public and private redevelopment investment activities to enhance and maximize the investments made by the City in public infrastructure improvements; and

**WHEREAS**, the Municipal and County Industrial Development Bonds Act (“the Act”), 62 Okla.Stat. §§ 800, *et seq.*, authorizes the use of proceeds from the sale of the general obligation bonds to be used to fund public infrastructure improvements associated with economic and community development opportunities consistent with the goals of the SIP; and

**WHEREAS**, the Oklahoma City Urban Renewal Authority (“OCURA”), in accordance with the urban renewal plan, has assembled property located near NE 10<sup>th</sup> and Central Avenue,



Oklahoma City, Oklahoma that has been chosen by the General Electric Company as the site for redevelopment to be the home of the GE Oil & Gas Technology Center; and

**WHEREAS**, in order to secure the commitment of General Electric Company to locate its Technology Center on the project site currently owned by OCURA, a commitment was made to secure funding to make improvements to public infrastructure in and around the project site; and

**WHEREAS**, OCURA has advised, and the City and OCEDT have determined that the Oklahoma City Redevelopment Authority (“OCRA”) can cause the required public improvements to be designed and constructed, on behalf and with the assistance of OCURA, with support from the City and OCEDT from the funding available under the SIP; and

**WHEREAS**, OCRA has requested an allocation of \$750,000 in funds from the SIP to be used for the purpose of constructing the public infrastructure improvements (the “Project”) needed to attract General Electric Company to build its Oil & Gas Technology Center on the OCURA property near N.E.10<sup>th</sup> Street and Central Avenue in Oklahoma City, Oklahoma(the “Site”); and

**WHEREAS**, the request made by OCRA is consistent with the criteria established by the City and OCEDT in the SIP; and

**WHEREAS**, the Project presents an opportunity to promote and assist further economic and community development/redevelopment necessary for the creation of quality jobs and for the encouragement of private development in Oklahoma City; and

**WHEREAS**, the Project meets the objectives of the SIP and the commitment to incentivize measures designed to attract, locate, retain, and expand other quality investments, businesses, employers and residents to Oklahoma City; and

**WHEREAS**, The City and OCEDT find that the Project, as set forth in this Agreement, is in the public interest and serves an important public purpose.

**NOW, THEREFORE**, in consideration of the premises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

**ARTICLE I. Design and Construction of Public Infrastructure Improvements Project:**

- A. OCRA agrees that it will cause the design and construction of public infrastructure improvements to be made to the Site and surrounding public right of way and easements required to secure the commitment of General Electric Company to locate its Oil & Gas Technology Center on the Site. OCRA may work with OCURA to oversee, administer, and/or carry out the Project. The public infrastructure improvements to be made shall include, but not be limited to: demolish and remove existing streets, relocate utilities, reconstruct a two-block portion of Stiles Avenue as a boulevard, and based on available funds after construction, provide development financing assistance for structured parking

facilities on the Site.

- B. OCRA agrees that after award of a professional services contract for the design and/or engineering of the public improvements it will submit an invoice to the Economic Development Project Manager for the costs associated with the design and engineering services, OCRA will be responsible for any professional service fees owed to the selected design and engineering firm in excess of the \$750,000.
- C. OCRA further agrees that after the award of a construction contract, it will submit invoices, on a periodic basis to the Economic Development Project Manager for the construction costs incurred by OCRA. Each invoice will be accompanied by supporting documentation of the costs. OCEDT agrees to reimburse OCRA for construction costs up to an amount not to exceed \$750,000 less any amount invoiced for the professional services funded under paragraph B above.
- D. OCRA agrees to first fund the construction costs or professional service design/engineering costs from any economic development assistance grants.
- E. If any amount of the \$750,000 remains after paying for the costs associated with paragraphs B and C above, OCRA, upon submittal of supporting documentation to the Economic Development Project Manager may request that the balance of any funds be used to provide assistance in development financing for any parking structures constructed on the OCURA property, provided that such parking structures are used for the parking needs of the GE Oil and Gas Technology Center.
- E. Invoices shall meet the standards established by the City's Economic Development Project Manager. The Project Manager shall process the invoices for payment within 14 days of receipt.
- F. The parties agree that the total incentive to be provided by OCEDT for the Project will not exceed \$750,000.
- G. OCRA agrees to provide periodic updates to the Project Manager regarding the progress of the renovation project and to designate a spokesperson to attend Trust or City Council meetings, as reasonably requested by the Project Manager, and to allow the Project Manager to make inspections of the premises at reasonable times through the Project for purposes of determining compliance with this Agreement.
- E. The parties recognize and agree that the incentive provided herein is being made by OCEDT, on behalf of The City, based in part on OCURA's agreement to make certain public infrastructure improvements required to secure the commitment of General Electric Company to locate its Oil & Gas Technology Center on the Site near N.E. 10<sup>th</sup> Street and Central Avenue, as depicted in Exhibit A, and in part, on OCRA's agreement to use the incentive for the purposes stated herein.
- F. The parties hereby agree and acknowledge that Mr. Brent Bryant is designated as the

Project Manager of the Oklahoma City Economic Development Trust. The Trust Manager reserves the right to name or designate a different Project Manager upon notice to the Authority, in his or her sole discretion.

**ARTICLE II. Notices:**

Any notice required or permitted to be given hereunder shall be in writing and shall be effective when actually received if delivered by hand or overnight courier, or when confirmed by receipt if transmitted by telecopy or other form of rapid transmission if Notices given by such means of communication are capable of being confirmed upon delivery by electronic means, or three days after being sent by registered or certified mail, postage prepaid, the certification receipt therefore being deemed the date of such Notice, and addressed to the parties as follows:

OCEDT:  
Oklahoma City Economic Development Trust  
Office of City Manager  
Attention: M. Brent Bryant  
200 N. Walker, 3<sup>rd</sup> Floor  
Oklahoma City, Oklahoma 73102

with copy to: City Clerk  
200 N. Walker, 2<sup>nd</sup> Floor  
Oklahoma City, Oklahoma, 73102

OCRA:  
Oklahoma City Redevelopment Authority  
Attn: Catherine O'Connor  
105 N. Hudson, Suite 101  
Oklahoma City, Oklahoma 73102

with copy to: Leslie Batchelor, OCRA Associate General Counsel  
Center for Economic Development Law  
301 N. Harvey, Suite 200  
Oklahoma City, OK 73102

**ARTICLE III. Termination by OCEDT or City:**

In the event that:

- 1) OCRA, in violation of this Agreement:
  - a) assigns or attempts to assign this Agreement or any rights therein;  
or
  - b) after having been provided a reasonable amount of time to provide requested documentation required under this Agreement, fails to

provide such documentation; or

- c) abandons, transfers, or terminates this Project;

and, if any default or failure referred to in this Agreement shall not be cured within thirty (30) days after the date of written demand by the other parties; then this Agreement, and any rights or claims of the Authority in this Agreement, or arising thereunder, shall be considered terminated and no further reimbursements of incentive funds shall be paid by OCEDT.

**ARTICLE IV. Other Terms and Conditions:**

- A. Public Entity Representatives not Individually Liable. No member, official, or employee of OCEDT or The City shall be personally liable to OCRA or any successor in interest, in the event of any default or breach by the involved public entity or entities or for any amount which may become due to the OCRA, or any authorized successor on any obligation or commitment under the terms of this Agreement.
- B. Equal Employment Opportunity. OCRA agrees that during this Agreement:
- 1) It will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. OCRA will take necessary action to insure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. 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. OCRA agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by OCEDT setting forth the provisions of this nondiscrimination clause.
  - 2) OCRA will, in all solicitations or advertisements for construction contracts related to the Project, state that all qualified contractors will receive consideration without regard to race, color, religion, sex, or national origin.
  - 3) In the event of OCRA's noncompliance with the nondiscrimination clauses of this Section, or with any of the said rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part.
- C. No Partnership Created. The parties all expressly agree that the relationship hereby created is that of independent contractors and no other relationship is created or deemed to be created between the parties. This Agreement specifically does not create any partnership or joint venture between the parties hereto, or render any party liable for any of the debts or obligations of any other party.
- D. Compliance with Laws, Ordinances and Regulations. The parties shall comply with all

applicable existing federal, state and local laws, standards, codes, ordinances, administrative regulations and all amendments and additions thereto, pertaining in any manner to the work and/or services provided by this Agreement.

- E. No Broker Agreement. Each party hereto represents to each other party in regard to the sale or transfer of any property contemplated under the provisions of this Agreement has not involved any broker nor is any party hereto liable for the payment of a brokerage commission in connection with the negotiation of this Agreement or the sale of land pursuant to this Agreement. To the extent permitted by law, each party agrees to indemnify and hold harmless each other party from any and all liability, loss, claim or expenses arising out of any breach of their respective foregoing representations.
- F. Severability. If any provisions contained in this Agreement or any document executed in connection herewith shall be invalid, illegal or unenforceable in any respect, under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not, in any way, be affected or impaired, and such illegal, invalid or unenforceable provisions shall, at the reasonable request of OCEDT, be replaced by other provisions in accordance with the purpose and meaning of this Agreement.
- G. Captions. The table of contents and captions, articles and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.
- H. Counterparts. This Agreement may be executed in any number of counterparts, all of which, when taken together, shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterpart.
- I. Applicable Law. This Agreement shall be governed by, and shall be construed in accordance with, the laws of the state of Oklahoma without regard to any state choice-of-law statutes, and any applicable federal law. All disputes arising out of this Agreement will be resolved in a court of competent jurisdiction located in Oklahoma County, Oklahoma.
- J. Entire Agreement. This Agreement, including all Exhibits and Addenda, represents the entire agreement and understandings of the parties hereto and all prior agreements, understandings, representations and warranties, whether written or oral, in regard to the subject matter hereof are and have been merged herein.
- K. Force Majure. Neither party shall be liable for any failure to timely perform its obligations under this Agreement if prevented from doing so by a cause or causes beyond its commercially reasonable control including, but not limited to, acts of God or nature, fires, floods, storms, earthquakes, riots, strikes, wars or restraints of government.
- L. Effective Date. The Effective Date of this Agreement is the date upon which the Agreement is last executed by a party to the Agreement.

[Signature pages to follow.]

Signature Page for the Oklahoma City Economic Development Trust

APPROVED by the Chairman and Trustees of the Oklahoma City Economic Development Trust this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**OKLAHOMA CITY ECONOMIC  
DEVELOPMENT TRUST**

**ATTEST:**

\_\_\_\_\_  
SECRETARY

\_\_\_\_\_  
CHAIRMAN

Signature Page for The City of Oklahoma City

APPROVAL AND CONCURRENCE by the Mayor and City Council of the City of Oklahoma City this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**ATTEST:**

**THE CITY OF OKLAHOMA CITY**

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
MAYOR

**REVIEWED** for form and legality.

\_\_\_\_\_  
Assistant Municipal Counselor



Signature Page for the Oklahoma City Redevelopment Authority

APPROVED by the Trustees of the Oklahoma City Redevelopment Authority this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST: \_\_\_\_\_  
By: \_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Secretary

Exhibit A  
Subject Property



Oklahoma City Redevelopment Authority  
Statement of Net Position  
and Reconciliation of Net Position to Fund Balance  
as of June 30, 2014

Assets	
Current Assets	
Cash & Cash Equivalents	5,317,839
Investments	10,290,000
Due from Other Governments	6,358
Rent Receivable	321,418
Interest Receivable	26,135
Investment Income Receivable	12,031
<u>Total Current Assets</u>	<u>15,973,781</u>
Capital Assets	
Land	506,891
Building & Undivided Ownership	8,615,214
Accumulated Depreciation	(2,382,504)
<u>Total Capital Assets</u>	<u>6,739,601</u>
Other Noncurrent Assets	
Notes Receivable	10,454,000
Other Assets	300,000
<u>Total Other Noncurrent Assets</u>	<u>10,754,000</u>
<u>Total Assets</u>	<u>33,467,382</u>
Liabilities	
Current Liabilities	
Current Portion of Long-term Debt	777,754
Accounts Payable	-
Due to Urban Renewal	1,390
<u>Total Current Liabilities</u>	<u>779,144</u>
Noncurrent Liabilities	
Deferred Revenue	248,047
Long-term Debt, less current portion	5,792,529
<u>Total Noncurrent Liabilities</u>	<u>6,040,575</u>
<u>Total Liabilities</u>	<u>6,819,720</u>
<u>Net Position</u>	<u>26,647,662</u>
<u>Reconciliation of Net Position to Fund Balance</u>	
<i>Not Reported in Governmental Funds Balance Sheet</i>	
Land	(506,891)
Building & Undivided Ownership	(8,615,214)
Accumulated Depreciation	2,382,504
Notes Receivable	(10,454,000)
Long-term Debt	6,570,283
<u>Total Fund Balance</u>	<u>16,024,344</u>

Oklahoma City Redevelopment Authority  
Governmental Funds Balance Sheet  
and Statement of Revenues, Expenditures, and Changes in Fund Balance  
as of and for the Twelve Months ending June 30, 2014

	<u>TIF 1</u>	<u>Skirvin</u>	<u>Total</u>
<b>Assets</b>			
Cash & Cash Equivalents	4,258,271	1,059,568	5,317,839
Investments	5,390,000	4,900,000	10,290,000
Rent Receivable	40,587	280,831	321,418
Interest Receivable	-	26,135	26,135
Investment Income Receivable	6,480	5,551	12,031
Due From Other Governments	6,358	-	6,358
Other Assets	300,000	-	300,000
<b>Total Assets</b>	<b>10,001,696</b>	<b>6,272,085</b>	<b>16,273,781</b>
<b>Liabilities</b>			
Accounts Payable	-	-	-
Due to Urban Renewal	1,390	-	1,390
Deposit	248,047	-	248,047
<b>Total Liabilities</b>	<b>249,437</b>	<b>-</b>	<b>249,437</b>
<b>Fund Balance</b>	<b>9,752,259</b>	<b>6,272,085</b>	<b>16,024,344</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>10,001,696</b>	<b>6,272,085</b>	<b>16,273,781</b>
<b>Revenues</b>			
Apportioned Ad Valorem Taxes - TIF 1	2,741,955	-	2,741,955
Rental Income	139,805	635,063	774,868
Interest Income	438	316,120	316,558
Investment Income	27,471	25,142	52,613
Other Income	21,131	200,000	221,131
<b>Total Revenues</b>	<b>2,930,800</b>	<b>1,176,325</b>	<b>4,107,125</b>
<b>Expenditures</b>			
Bioscience Development & Improvements	355,144	-	355,144
Public Parking & Related Public Improvements	383	-	383
Implementation & Administration of Project Plan	131,196	-	131,196
Other Project Redevelopment Activity Costs	91,139	-	91,139
Debt Service - Principal	1,084,712	-	1,084,712
Debt Service - Interest	130,754	-	130,754
<b>Total Expenditures</b>	<b>1,793,327</b>	<b>-</b>	<b>1,793,327</b>
<b>Changes in Fund Balance</b>	<b>1,137,473</b>	<b>1,176,325</b>	<b>2,313,798</b>
<b>Fund Balance, Beginning of Year</b>	<b>8,614,785</b>	<b>5,095,760</b>	<b>13,710,546</b>
<b>Fund Balance, Current</b>	<b>9,752,259</b>	<b>6,272,085</b>	<b>16,024,344</b>

Unaudited - For management use only

Oklahoma City Redevelopment Authority  
Schedule of Investments  
June 30, 2014

<u>Investments</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Settlement Date</u>	<u>Amount</u>
Bank of Baroda NY	0.30%	08/22/14	08/23/13	245,000
Connectone Bank NJ	0.25%	09/18/14	09/18/13	245,000
Safra National Bank NY	0.30%	09/30/14	08/30/13	245,000
Salle Mae Bank UT	0.75%	10/17/14	10/17/12	245,000
American Express Centurion UT	0.85%	01/20/15	10/18/12	245,000
Merrick Bank S Jordan UT	0.40%	03/13/15	09/13/13	245,000
Lake Forest Bank & Trust/Wintrust	0.45%	06/29/15	06/28/13	245,000
Brand Banking Co GA	0.55%	07/17/15	07/17/13	245,000
FirstBank Puerto Rico	0.80%	07/31/15	07/31/13	245,000
GE Capital Retail Bank UT	0.70%	08/10/15	08/09/13	245,000
Compass Bank	0.70%	09/18/15	09/18/13	245,000
State Bank of India NY	0.85%	09/23/15	09/23/13	245,000
Luana Savings Bank IA	0.50%	10/09/15	10/11/13	245,000
Synovus Bank GA	0.50%	10/09/15	10/11/13	245,000
Pilot Bank FL	0.50%	10/16/15	10/17/13	245,000
Sonabank VA	0.55%	10/19/15	10/24/13	245,000
Wex Bank	0.50%	10/23/15	10/23/13	245,000
BMW Bank Salt Lake City UT	0.80%	10/26/15	10/25/13	245,000
Beal Bank USA NV	0.55%	10/28/15	10/30/13	245,000
TCF National Bank SD	0.55%	10/30/15	10/30/13	245,000
Goldman Sachs Bank NY	0.50%	04/11/16	04/09/14	245,000
Barclays Bank DE	0.55%	05/06/16	05/06/14	245,000
<b>Total TIF Investments</b>				<b>5,390,000</b>
Oriental Bank & Trust PR	0.35%	10/20/14	03/27/13	245,000
United Bankers Bank MN	0.45%	11/28/14	11/29/12	245,000
Comenity Capital Bank UT	0.40%	12/08/14	12/07/12	245,000
EverBank FL	0.70%	01/16/15	01/16/13	245,000
Enerbank USA UT	0.40%	03/05/15	03/05/13	245,000
Apple Bank for Savings NY	0.40%	03/06/15	03/06/13	245,000
Citizens State Bank Okemah OK	0.40%	03/13/15	03/13/13	245,000
First Business Bank WI	0.30%	04/06/15	04/05/13	245,000
GE Capital Financial UT	0.45%	05/11/15	05/10/13	245,000
Private Bank & Trust Co IL	0.35%	05/11/15	05/10/13	245,000
Founders Bank & Trust MI	0.30%	05/15/15	05/15/13	245,000
Sterling Savings Bank	0.40%	05/22/15	05/22/13	245,000
North Shore Comm Bk IL	0.45%	06/29/15	06/28/13	245,000
Ally Bank Midvale UT	0.65%	07/06/15	07/05/13	245,000
Bank of China	0.65%	07/10/15	07/10/13	245,000
First National Bank Omaha	0.60%	08/10/15	08/09/13	245,000
Discover Bank DE	0.70%	08/14/15	08/14/13	245,000
Standard Bank & Trust	0.45%	08/17/15	08/16/13	245,000
Quantum National Bank GA	0.40%	08/21/15	06/21/13	245,000
Doral Bank PR	0.65%	08/15/16	02/14/14	245,000
<b>Total Skirvin Investments</b>				<b>4,900,000</b>
<b>Total Investments</b>				<b>10,290,000</b>

# OKLAHOMA CITY REDEVELOPMENT AUTHORITY

## TRUSTEES

J. Larry Nichols  
Chairman

James R. Tolbert III  
Vice Chairman

Mark Beffort

David Greenwell

Larry McAtee, Jr.

Mary Melon

Russell M. Perry

## EXECUTIVE DIRECTOR

Catherine O'Connor

To: Board of Trustees of the Oklahoma City Redevelopment Authority  
From: Catherine O'Connor, Executive Director  
Date: July 16, 2014  
Ref: BKD, LLP Internal Control Testing

At the January 15, 2014 meeting, the Board of Trustees requested that testing of internal controls related to the financial reporting process be reviewed prior to June 30, 2014. BKD, LLP performed interim testing in April 2014 and provided the following updates regarding the findings noted in the 2013-2014 financial statement audit. The 2013-2014 financial statement audit is currently in progress.

The findings as noted in the GAGAS report were 2013-01 and 2013-02 (material weaknesses) and 2013-03 as a significant deficiency.

Finding 2013-01 - No review performed of journal entries made to general ledgers, failure to balance all fund ledgers and failure to record certain revenue and expense accruals.

Up-date: As of our testing date, journal entries were being reviewed under the old accounting system, however once the information was transferred to the new accounting system the entries are being posted by the CFO. Going forward the CFO will prepare the entries and have someone else post the entries to the new system. All fund ledgers are in balance. The final item from the finding, recording certain revenue and expense accruals, will have to be tested at year-end cannot be reported on at this time.

Finding 2013-02 – The Authority relies upon calculations provided by payers of certain major revenue sources, rather than performing some sort of independent verification.

Up-date: As of our testing date, this was still in process. Information is still being gathered from the third parties to verify certain attributes of calculations and obtaining audited financial statements.

Finding 2013-03 – The Authority had incompatible duties within the cash receipts cycle.

Up-date: As of our testing date, this has been remediated. The duties have been realigned to ensure proper separation and reviews are in place.