

AGENDA
SPECIAL MEETING OF
OKLAHOMA CITY REDEVELOPMENT AUTHORITY
THURSDAY, MAY 4, 2023
431 W. MAIN STREET, SUITE B
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 Tuesday, March 7, 2023
- V. Resolution No. _____ of the Oklahoma City Redevelopment Authority Approving Proposal by Allen, Gibbs & Houlik, L.C., to Provide an Audit of Accounts for the Fiscal Year Ending June 30, 2023, and Authorizing the Chairman and the Executive Director to Execute the Proposal
- VI. Resolution No. _____ Approving Revised Design Development Documents for Innovation Hall; Authorizing Executive Director to Consider any Additional Material Changes to Design Development Documents or Landscaping Plans for Innovation Hall; Oklahoma Regional Innovation District Project Plan
- VII. Presentation of Interim Financial Report for the Period Ending March 31, 2023
- VIII. New Business
- IX. Comments from Trustees
- X. Comments from Citizens
- XI. Adjournment

Official action can only be taken on items which appear on the Agenda. The OCRA Board of Trustees may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the Trustees may refer the matter to the Executive Director or Legal Counsel. The Board may also refer items to staff or committees for additional study. Under certain circumstances, items are deferred to a specific later date or stricken from the agenda entirely.

POSTED at the offices of the City Clerk and at 431 W. Main Street, Suite B by 10:00 a.m. on Wednesday, May 3, 2023, by Pam Lunnon, Accounting & Administrative Coordinator

MINUTES OF SPECIAL MEETING
OF THE
OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY
TUESDAY, MARCH 7, 2023

A Special Meeting of the Trustees of the Oklahoma City Redevelopment Authority (“Redevelopment Authority”) was held on Tuesday, March 7, 2023, at 4:00 p.m. in the Conference Room at 105 N. Hudson, Suite 101; Oklahoma City, OK.

The Chairman called the meeting to order and stated that the meeting was being held in compliance with the Oklahoma Open Meeting Law. Upon roll call the following Trustees were present:

Mr. J. Larry Nichols
Ms. Judy Hatfield
Mr. Russell M. Perry
Mr. Lee E. Cooper, Jr.
Councilman David Greenwell

Trustees Absent:

Mr. James R. Tolbert, III
Mayor David Holt

Staff Present:

Kenton Tsoodle, Executive Director
Leslie Batchelor, OCURA General Counsel, CEDL
Emily Pomeroy, OCURA Associate General Counsel, CEDL
Cassi Poor, Shira Lucky, Leana Dozier, Geri Harlan, Kimberly Francisco, Jose Becerril,
John Kim, and Keith Kuhlman, The Alliance for Economic Dev. of OKC

Others:

Rochell Alexander, MCDC
Michael Madsen, FORVIS
Tim Strange, Rose Rock Development Partners
Shawn Smith, Belmont
DeAndre Martin and Katy Boren, OKC Innovation District
Anne-Marie Hogan, UCO Student

The Chairman asked for a motion to approve, as circulated, the minutes of a Special Meeting held on Wednesday, December 7, 2022.

Ms. Hatfield moved the adoption of the minutes and upon second by Mr. Perry, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

Minutes Adopted

The Chairman introduced the following resolutions:

Resolution No. 245 entitled:

“Receiving and Accepting an Audit of Accounts by FORVIS, LLP, for the Fiscal Year Ending June 30, 2022”

Michael Madsen gave a presentation on the audits.

Mr. Perry moved the adoption of this resolution and upon a second by Ms. Hatfield, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

Resolution Adopted

Resolution No. 246 entitled:

“Amending the Bylaws of the Oklahoma City Redevelopment Authority”

Ms. Hatfield moved the adoption of this resolution and upon a second by Mr. Greenwell, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye

Mayor David Holt

Absent

Resolution Adopted

Resolution No. 247 entitled:

“Authorizing and Approving First Amended and Restated Master Development Agreement for the MAPS 4 Innovation Hall, Oklahoma Regional Innovation District Project Plan”

Mr. Perry moved the adoption of this resolution and upon a second by Mr. Cooper, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

Resolution Adopted

Resolution No. 248 entitled:

“Approving First Amendment to the Foundation Lease between the Presbyterian Health Foundation and the Oklahoma City Redevelopment Authority”

Mr. Greenwell moved the adoption of this resolution and upon a second by Mr. Cooper, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

Resolution Adopted

Resolution No. 249 entitled:

“Authorizing Tax Increment Funding in an Amount Not to Exceed \$350,000 for Certain Enhanced Education Priorities Pursuant to the Oklahoma Regional Innovation District Project Plan; Authorizing and Directing the Executive Director and Legal Counsel to Prepare One or More Agreements with the Oklahoma City Innovation District, Inc.,

Public Entities, or Service Providers to Provide Enhanced Education, Skills Training Programs, and Internships; Authorizing the Execution of Such Agreements by the Executive Director”

Mr. Cooper moved the adoption of this resolution and upon a second by Mr. Greenwell, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

Resolution Adopted

Presentation of Interim Financial Reports for the Period Ending December 31, 2022

Geri Harlan presented the financial statements for the period ending December 31, 2022.

Ms. Hatfield moved to receive financials and upon a second by Mr. Cooper, the vote was as follows:

Trustee J. Larry Nichols	Aye
Trustee James R. Tolbert, III	Absent
Trustee Judy Hatfield	Aye
Trustee Russell M. Perry	Aye
Trustee Mr. Lee Cooper, Jr.	Aye
Councilman David Greenwell	Aye
Mayor David Holt	Absent

FFinancials Received

There being no further business to come before the Board, meeting was adjourned by the Chairman at 4:18 p.m.

SECRETARY

OCRA Board of Trustees, Tuesday, March 7, 2023

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OKLAHOMA CITY REDEVELOPMENT AUTHORITY

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Kenton Tsoodle, Executive Director

Date: May 4, 2023

Ref: Resolution of the Oklahoma City Redevelopment Authority Approving Proposal by Allen, Gibbs & Houlik, L.C. to Provide an Audit of Accounts for the Fiscal Year Ending June 30, 2023, and Authorizing the Chairman and the Executive Director to Execute the Proposal

TRUSTEES

J. Larry Nichols
Chairman

James R. Tolbert III
Vice Chairman

Lee E. Cooper, Jr.

David Greenwell

Judy J. Hatfield

David Holt

Russell M. Perry

EXECUTIVE DIRECTOR

Kenton Tsoodle

Background: Forvis, LLP, formerly BKD, LLP, has served as OCRA's auditor for the past 10 years. In an effort to more efficiently coordinate with the City's Comprehensive Annual Financial Report, they have requested that OCRA use the City's auditors Allen, Gibbs & Houlik, L.C. (AGH). AGH has submitted a proposal to audit the financial activities for the fiscal year ending June 30, 2023, for a fee of Thirty-four Thousand Five Hundred Dollars (\$34,500) plus travel and administrative expenses associated with performing the audit. The cost increase from the previous year's base proposal is \$5,500. The Executive Director and staff would like to retain AGH's services for the audit of fiscal year 2023 activities.

Summary of Agenda Item: The resolution for consideration approves the proposal by AGH to audit the activities of OCRA for the fiscal year ending June 30, 2023.

Recommendation: Approval of Resolution

Attachments: Allen, Gibbs & Houlik, L.C. Engagement Letter and Peer Review Report

RESOLUTION NO. _____

**RESOLUTION OF THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY
APPROVING PROPOSAL BY ALLEN, GIBBS & HOULIK, L.C., TO PROVIDE AN
AUDIT OF ACCOUNTS FOR THE FISCAL YEAR ENDING JUNE 30, 2023, AND
AUTHORIZING THE CHAIRMAN AND THE EXECUTIVE DIRECTOR TO EXECUTE
THE PROPOSAL**

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, Allen, Gibbs & Houlik, L.C. (“AGH”), is highly qualified to audit the financial activities of OCRA; and

WHEREAS, AGH submitted a proposal to audit the financial activities of OCRA for the fiscal year ending June 30, 2023; and

WHEREAS, the Executive Director and Legal Counsel have reviewed and recommend acceptance of the proposal by AGH to audit the financial activities of OCRA for the fiscal year ending June 30, 2023, for a fee of \$34,500, plus out-of-pocket 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 AGH 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 Allen, Gibbs & Houlik, L.C., to audit the financial activities of OCRA for the fiscal year ending June 30, 2023, for a fee of \$34,500, plus out-of-pocket expenses associated with performing the audit, is hereby approved.
2. The Chair, 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 **special** meeting of the Oklahoma City Redevelopment Authority, held at the Arts District Garage Conference Room, 431 West Main Street, Suite B, Oklahoma City, Oklahoma, on the **4th** day of **May, 2023**; 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 said meeting; and that the Resolution was duly adopted by a majority of the Board Members present.

SECRETARY

(SEAL)

April 19, 2023

Board of Trustees
Oklahoma City Redevelopment Authority
105 N. Hudson Avenue, Suite 101
Oklahoma City, OK 73102

Attention: Board of Trustees

The Objective and Scope of the Audit of the Financial Statements

You have requested that AGH (“AGH”, “we”, “us”, or “our”) audit Oklahoma City Redevelopment Authority’s (Authority) governmental activities and each major fund as of and for the year ending June 30, 2023, which collectively comprise the basic financial statements. We will also apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. We are pleased to confirm our understanding of this audit engagement by means of this letter (“Arrangement Letter”). Our acceptance of this engagement is subject to our satisfactorily completing our normal engagement acceptance procedures, including inquiry of your previous auditors. We will notify you promptly if we become aware of anything during our acceptance procedures that results in our not being able to continue this engagement.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls.

Fees and Costs

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement plus expenses, including report processing, travel, meals, fees for services from other professionals, if applicable, and technology, photocopying, postage and clerical assistance. The aggregate professional fees for the services discussed above, excluding out-of-pocket, will be \$34,500. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from Authority personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests

- 4. Timely communication of all significant accounting and financial reporting matters
- 5. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred with a final billing upon completion. Billings are due upon submission.

All matters related to the Authority’s adoption of any new standard pursuant to accounting or auditing matters will be accounted for and billed separately.

Other Information

We previously have had discussions with you and/or your management team about the importance of information security governance; information and IT security and vulnerability; and comprehensive policy and procedure reviews. We feel very strongly these topics should be discussed with you and your management team again and we will arrange a pre-audit planning meeting with you to accomplish this.

As part of AGH’s ongoing commitment to serve as a trusted advisor, we offer several other resources that provide additional value beyond this engagement itself. AGHUniversity.com offers a full schedule of complimentary education and other updates to clients throughout the year. AGH alerts and newsletters also include periodic mailings or emails to alert clients to new accounting, audit and tax standards or regulations. We appreciate our relationship with Oklahoma City Redevelopment Authority and look forward to serving you in the future.

Acknowledgment and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

ALLEN, GIBBS & HOULIK, L.C.



Tara J. Laughlin
Vice President, Assurance Services

Confirmed on behalf of Oklahoma City Redevelopment Authority:

Audit Committee or Board Chair

Date

Chief Executive Officer

Date

Chief Financial Officer

Date

TERMS AND CONDITIONS

In the course of providing attest services, Allen, Gibbs & Houlik, L.C. (AGH) applies customary practices intended to fulfill our professional responsibilities in a cost effective manner. These terms and conditions define our professional responsibilities and the standards that we employ in providing you with our attest services. We find that by more clearly defining our professional service responsibilities, and your responsibilities as a client of AGH, we can prevent any uncertainties in providing our attest services. By signing the preceding Arrangement Letter, you are agreeing to the conditions and limitations described below.

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS and GAS. Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, and GAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, based on an understanding of the entity and its environment, the applicable financial reporting framework, and the entity's system of internal control, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider the entity's system of internal control 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 Authority'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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAS. Because the determination of waste or abuse is subjective, GAS does not require auditors to perform specific procedures to detect waste or abuse in financial statement audits.

We will communicate to the Board of Trustees (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report on internal control over financial reporting will include any significant deficiencies and material weaknesses in internal control over financial reporting of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control over financial reporting consistent with requirements of the standards and regulations identified above. Our report on compliance matters will address material errors, fraud, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants and GAS.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the Authority complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Authority involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Authority received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the required supplementary information (RSI) which accounting principles generally accepted in the United States of America (U.S. GAAP) require to be presented to supplement the basic financial statements.

The Board of Trustees is responsible for informing us of its views about the risks of fraud, waste or abuse within the Authority, and its knowledge of any fraud, waste or abuse or suspected fraud, waste or abuse affecting the Authority.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledges and understands that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP);
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For 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;
4. For report distribution; and
5. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - c. Additional information that we may request from management for the purpose of the audit; and
 - d. Unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements 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.

Reporting

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. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the Authority's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the Authority's financial statements, we will also issue the following reports:

1. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS; and
2. An accompanying schedule of findings and questioned costs.

In our connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the Authority's books and records. The Authority will determine that all such data, if necessary, will be so reflected. Accordingly, the Authority will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Authority personnel, including the preparation of schedules and analyses of accounts, has been or will be discussed and coordinated with Geri Harlan, CFO. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Nonaudit Services

In connection with our audit, you have requested us to perform certain nonaudit services:

1. Preparation of the annual financial report.

GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Authority, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit services to be performed. The Authority has agreed that Geri Harlan, CFO possesses suitable skill, knowledge or experience and that the individual understands the preparation of the annual financial report services to be performed sufficiently to oversee them. Accordingly, the management of the Authority agrees to the following:

1. The Authority has designated Geri Harlan, CFO as a senior member of management who possesses suitable skill, knowledge and experience to oversee the services;
2. Geri Harlan, CFO will assume all management responsibilities for subject matter and scope of the preparation of the annual financial report services;
3. The Authority will evaluate the adequacy and results of the services performed; and
4. The Authority accepts responsibility for the results and ultimate use of the services.

GAS further requires that we establish an understanding with the Authority's management and those charged with governance of the objectives of the non-audit services, the services to be performed, the Authority's acceptance of its responsibilities, the auditor's responsibilities and any limitations of the non-audit services. We believe this Arrangement Letter documents that understanding.

Parties' Understandings Concerning Situation Around COVID-19

AGH and the Authority acknowledge that, at the time of the execution of this Arrangement Letter, federal, state and local governments, both domestic and foreign, have imposed certain restrictions on travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, AGH has restricted its employees from certain travel and onsite work, whether at a client facility or AGH facility, to protect the health of both AGH's and its clients' employees. Accordingly, to the extent that any of the services described in this Arrangement Letter requires or relies on AGH or Authority personnel to travel and/or perform work onsite, either at the Authority's or AGH's facilities, including, but not limited to, maintaining business operations and/or IT infrastructure, AGH and the Authority acknowledge and agree that the performance of such work may be delayed, significantly or indefinitely, and thus certain services described herein may need to be rescheduled and/or suspended at either AGH's or the Authority's sole discretion. AGH and the Authority agree to provide the other with prompt written notice (email will be sufficient) in the event any of the services described herein will need to be rescheduled and/or suspended. AGH and the Authority also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. Costs also may increase if services provided include matters such as consideration of going concern, impairment analysis, debt forgiveness or lease concessions, not already considered within the stated fees. AGH will obtain the Authority's prior written approval (email will be sufficient) for any increase in the cost of AGH services that may result from the situation surrounding COVID-19.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use affiliates of ours or qualified third-party service providers, located within or outside the United States, to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Confidential Information (as such term is defined below) to them. Those third-party service providers, affiliates of AGH, and AGH International Network Firms we use to assist us in providing services to you are collectively referred to herein as "Subcontractors." You hereby consent to us sharing your information, including Confidential Information, with our Subcontractors on the same basis as we would be permitted to share information with one of our employees; provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information as the confidentiality terms set forth herein. You acknowledge and agree that: (i) our use of Subcontractors may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, "Third-Party Products"). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of AGH. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of AGH's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by AGH for the Authority under this Arrangement Letter, or any documents belonging to the Authority or furnished to AGH by the Authority.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable AGH policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in AGH's form. AGH reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Authority, the Authority will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of AGH audit personnel and at a location designated by our firm.

Indemnification, Limitation of Liability, and Claim Resolution

Because AGH will rely on the Authority and its management and Board of Trustees to discharge the foregoing responsibilities, the Authority agrees to indemnify, hold harmless and release AGH and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Authority's management.

THE AUTHORITY AND AGH AGREE THAT NO CLAIM ARISING OUT OF, FROM, OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS ARRANGEMENT LETTER SHALL BE FILED MORE THAN TWO YEARS AFTER THE DATE OF THE AUDIT REPORT ISSUED BY AGH OR THE DATE OF THIS ARRANGEMENT LETTER IF NO REPORT HAS BEEN ISSUED. IN NO EVENT SHALL AGH OR THE AUTHORITY, OR ANY OF THEIR RESPECTIVE PARTNERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, AGENTS, REPRESENTATIVES, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE "COVERED PARTIES" AND EACH INDIVIDUALLY, A "COVERED PARTY"), BE LIABLE FOR THE INTERRUPTION OR LOSS OF BUSINESS, ANY LOST PROFITS, SAVINGS, REVENUE, GOODWILL, SOFTWARE, HARDWARE, OR DATA, OR THE LOSS OF USE THEREOF (REGARDLESS OF WHETHER SUCH LOSSES ARE DEEMED DIRECT DAMAGES), OR INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR SIMILAR SUCH DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE COVERED PARTIES ARISING OUT OF, FROM, OR RELATING TO THIS ARRANGEMENT LETTER, OR THE REPORT ISSUED OR SERVICES PROVIDED HEREUNDER, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM A COVERED PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, WILL NOT EXCEED THE TOTAL AMOUNT OF THE FEES PAID BY THE AUTHORITY TO AGH UNDER THIS ARRANGEMENT LETTER. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS LIMITATION OF LIABILITY PROVISION SHALL, OR SHALL BE INTERPRETED OR CONSTRUED TO, RELIEVE THE AUTHORITY OF ITS PAYMENT OBLIGATIONS TO AGH UNDER THIS ARRANGEMENT LETTER.

Confidentiality

AGH and the Authority may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, AGH and the Authority agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its

rights under this Arrangement Letter. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, AGH is permitted to disclose the Authority's Confidential Information to AGH's personnel, agents, and representatives to provide the services or exercise its rights under this Arrangement Letter or for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Data Protection Compliance

We take reasonable steps to comply with privacy, cybersecurity, and data protection laws that may apply to Personal Information and Confidential Information we process on behalf of our clients.

AGH and the Authority acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP and cloud-based sharing and hosting applications (e.g., portals, data analytics tools, and helpdesk and support ticketing applications), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure, or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

Personal Information

As used herein, the term "Personal Information" means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers,

driver's license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number or passwords, health information, and other personal information as defined by applicable laws, whether of the Authority or the Authority's customers or other third parties.

Each party to transmit Personal Information consistent with applicable laws and any other obligations which the respective party may have. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We are permitted to use all such Personal Information to perform our obligations and exercise our rights under this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may use the Personal Information to improve and develop services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of Authority-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable law and/or professional standards or to exercise our rights under this Arrangement Letter. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at our sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will require additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new Arrangement

Letter will be required. We may terminate this Arrangement Letter upon written notice if we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

You have informed us that you may issue public debt in the future and that you may include our report on your financial statements in the offering statement. You have further informed us that you do not intend for us to be associated with the proposed offering.

We agree that our association with any proposed offering is not necessary, providing the Authority agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The Authority agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Allen, Gibbs & Houlik, L.C., our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Allen, Gibbs & Houlik, L.C. also has not performed any procedures relating to this [official statement] [memorandum].

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agree to compensate us for any additional costs incurred as a result of your employment of one of our partners, principals or employees.

Both parties to this agreement have made a substantial investment in their respective employees and depend upon them to generate future profits. Because of this, we agree that neither party (including related affiliates) shall hire, nor solicit for hire, any person employed by the other during the term of the service relationship and for a period of one year after the termination of services. Since our professional standards require that we perform certain additional procedures, on current and previous years engagements, whenever a shareholder or professional employee leaves AGH and is subsequently employed by or associated with the Authority, the Authority agrees it will compensate AGH for any additional costs incurred as a result of the Authority's employment of a shareholder or professional employee of AGH.

Dispute Resolution

We agree that any dispute arising out of, or relating to, this agreement or an interpretation of this agreement that we are not able to resolve ourselves shall be submitted to mediation under the American Arbitration Association's ("AAA") *Accounting and Related Services Arbitration Rules and Mediation Procedures* before resorting to arbitration, litigation or some other dispute resolution procedure. The mediator will be selected by mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. The mediation will be conducted in the State of Kansas. The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. Costs and expenses of the mediation shall be borne equally by each of us. Any costs of legal representation shall be borne by the hiring party. If the mediation does not result in an agreement acceptable to all sides, any party may take such other further action as he, she, or it deems advisable under law or equity.

Governing Law

This Arrangement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Arrangement Letter, any provisions herein, a report issued or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Kansas, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between AGH and the Authority, and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Arrangement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (a) to be "written" or "in writing," (b) to have been signed and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (a) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (b) an electronic copy of a traditional signature affixed to a document, (c) a signature incorporated into a document utilizing touchscreen capabilities or (d) a digital signature. This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.



Baker Tilly US, LLP
101 Washington Street, East
P.O. Box 2629
Charleston, WV 25329
United States of America

T: +1 (304) 346 0441
F: +1 (304) 346 8333
bakertilly.com

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

December 6, 2022

To the Shareholders and Officers of Allen, Gibbs & Houlik, L.C.
and the Peer Review Committee of the Oklahoma Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Allen, Gibbs & Houlik, L.C. (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and an examination of a service organization (SOC 2 engagement).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Shareholders and Officers of Allen, Gibbs & Houlik, L.C.
and the Peer Review Committee of the Oklahoma Society of CPAs

December 6, 2022

Page 2

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Allen, Gibbs & Houlik, L.C. in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Allen, Gibbs & Houlik, L.C. has received a peer review rating of *pass*.

Baker Tilly US, LLP

OKLAHOMA CITY REDEVELOPMENT AUTHORITY

TRUSTEES

J. Larry Nichols
Chairman

James R. Tolbert III
Vice Chairman

Lee E. Cooper, Jr.

David Greenwell

Judy J. Hatfield

David Holt

Russell M. Perry

EXECUTIVE DIRECTOR
Kenton Tsoodle

To: Board of Trustees of the Oklahoma City Redevelopment Authority

From: Kenton Tsoodle, Executive Director

Date: May 4, 2023

Ref: Resolution Approving Revised Design Development Documents for Innovation Hall; Authorizing Executive Director to Consider any Additional Material Changes to Design Development Documents or Landscaping Plans for Innovation Hall, Oklahoma Regional Innovation District Project Plan

Background: The City of Oklahoma City designated OCRA as the primary public entity responsible for carrying out and administering the Oklahoma Regional Innovation District Project Plan (“Project Plan”).

The primary objective of the Project Plan is to build on the success of the Oklahoma Health Center by providing a legal and financing framework to create and support an innovation district, which can be an even stronger economic development driver for Oklahoma City and a vibrant and inclusive place that brings jobs and amenities to the area, including the adjacent underserved neighborhoods.

BT Development, L.L.C. (“Developer”) and OCRA have entered into an Economic Agreement approved on December 15, 2021 to tax increment financing for the project and an amended agreement on December 7, 2022. Design Development Documents were approved on December 7, 2022, however, material changes have been made reducing the building from 2-stories to 1-story. The agreements also authorizes the Executive Director approve any future material changes in the documents.

Recommendation: Approval of Resolution.

RESOLUTION NO. _____

RESOLUTION APPROVING REVISED DESIGN DEVELOPMENT DOCUMENTS FOR INNOVATION HALL; AUTHORIZING EXECUTIVE DIRECTOR TO CONSIDER ANY ADDITIONAL MATERIAL CHANGES TO DESIGN DEVELOPMENT DOCUMENTS OR LANDSCAPING PLANS FOR INNOVATION HALL; OKLAHOMA REGIONAL INNOVATION DISTRICT PROJECT PLAN

WHEREAS, on December 20, 2016, The City of Oklahoma City (“City”) adopted Ordinance No. 25,531, approving the Oklahoma Regional Innovation District Project Plan, an Amended Oklahoma Health Center Economic Development Project Plan (“Project Plan”), pursuant to the Oklahoma Local Development Act, 62 O.S. §850, *et seq.* (“Act”); and

WHEREAS, the City has designated the Oklahoma City Redevelopment Authority (“OCRA”), a public trust whose purposes include assisting its sole beneficiary, the City, to stimulate economic growth and development, as the public entity responsible for implementing Project Plan in an area of the City (“Project Area”); and

WHEREAS, BT Development, L.L.C. (together with affiliates, “Developer”), an Oklahoma limited liability company, purchased land near N.E. 8th Street and I-235 in the Project Area, in the core of the Innovation District, and is undertaking a major mixed-use project that includes an office tower building for research labs and office space, a parking garage, hotel, and public realm open-air community environment, as well as a proposed building for Innovation Hall (collectively, “Project”), which is consistent with the City’s objectives for the Project Area; and

WHEREAS, OCRA and the Developer have entered into the First Amended and Restated Economic Development Agreement, dated effective as of December 7, 2022, which sets forth the terms and conditions under which OCRA will provide the public assistance in development financing to the Project and the Project will be developed and constructed; and

WHEREAS, OCRA, the Developer, and the City have entered into the First Amended and Restated Master Development Agreement for the Development of MAPS 4 Innovation Hall, which sets forth the terms and conditions under which OCRA will provide the MAPS 4 funding to the Developer for the development and construction of Innovation Hall; and

WHEREAS, on June 15, 2022, pursuant to the Economic Development Agreement, OCRA approved Design Development Documents and Landscaping Plans for the Project, subject to the subsequent submission and approval of the Design Development Documents for Innovation Hall; and

WHEREAS, on December 7, 2022, OCRA approved the Design Development Documents for Innovation Hall;

WHEREAS, since then, there have been material changes to the Design Development Documents for Innovation Hall, including reducing it from two stories to one story; and

WHEREAS, it is appropriate and desirable to approve the revised Design Development Documents and Landscaping Plans for Innovation Hall, subject to such additional conditions and exceptions, if any, contained in the approval letter issued pursuant to this resolution; and

WHEREAS, it is appropriate and desirable to authorize the Executive Director, in the event of any other material changes in the approved Design Development Documents or Landscaping Plans, to consider and, if appropriate, approve, disapprove, or impose further reasonable requirements on any revised Design Development Documents.

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

1. The revised Design Development Documents and Landscaping Plans for Innovation Hall are hereby authorized and approved for the Project, subject to such additional conditions and exceptions, if any, contained in the approval letter issued pursuant to this resolution.
2. The Executive Director is hereby authorized to consider and, if appropriate, approve, disapprove, or impose further reasonable requirements on any material changes in the approved Design Development Documents or Landscaping Plans for Innovation Hall.

I, _____, Secretary of the Board of Commissioners of the Oklahoma City Urban Renewal Authority, certify the foregoing resolution was duly adopted at a **special** meeting of the Board of Commissioners of the Oklahoma City Urban Renewal Authority, held the Arts District Garage Conference Room, 431 West Main Street, Suite B, Oklahoma City, Oklahoma, on the **4th** day of **May, 2023**; that said meeting was held in accordance with the By-Laws of the Authority and the Oklahoma Open Meetings Act; that a quorum was present at all times during said meeting; and that the resolution was duly adopted by a majority of those Commissioners present.

Secretary

OKLAHOMA CITY REDEVELOPMENT AUTHORITY

To: Board of Trustees of the Oklahoma City Redevelopment Authority
From: Kenton Tsoodle, Executive Director
Date: May 4, 2023
Ref: Financial Statements as of March 31, 2023

TRUSTEES

J. Larry Nichols
Chairman

James R. Tolbert III
Vice Chairman

Lee E. Cooper, Jr.

David Greenwell

Judy J. Hatfield

David Holt

Russell M. Perry

EXECUTIVE DIRECTOR
Kenton Tsoodle

Background: The Oklahoma City Redevelopment Authority prepares quarterly year-to-date financial statements for review and acceptance by the Board of Trustees. The following are highlights of the financial statements through March 31, 2023.

Current Assets were \$51,556,631 at the end of March 2023 and primarily held in cash and investments. \$28,750,000 of cash and investments held in the TIF Fund are reserved for project development assistance and all of the funds held in the Skirvin Fund are reserved and will be returned to the City of Oklahoma City. Due from Other Governments includes amounts due from OCURA for property purchases and Oklahoma County for accrued TIF revenues.

Capital Assets net of depreciation totaled \$3,528,193.

Other Noncurrent Assets of \$5,650,000 is a loan for the Page Woodson project.

Liabilities totaled \$16,183,335. This includes \$11,003,000 received from the City of Oklahoma City for the development of the MAPS 4 Innovation Hall which will be paid by OCRA to the project's developer, BT Development, LLC and \$5,000,000 for the Innovation District Convergence Project. All liabilities at March 31st were current and due within the next year.

OCRA had a net position of \$44,551,489 at March 31, 2023.

Revenues recorded through March 31st were \$16,435,220. Rental Income of \$5,040,403 and Other Income of \$9,116,745 were from the sale of the Skirvin property in December 2022, Apportioned Ad Valorem Taxes/PILOT-TIF receipts were \$1,724,983, and Investment Income was \$416,894.

Expenditures were \$775,868. Major expense categories include Other Project Redevelopment Costs, Administrative costs, and payoff of the TIF loans related to the Cytovance and Dean A McGee construction projects. Other Project Redevelopment Costs include \$274,115 for payments made to contractors for the enhanced education priorities under the Oklahoma Regional Innovation District Project Plan approved at the April 20, 2022, meeting.

OCRA had a positive change in fund balance of \$15,659,352 year-to-date, and fund balance of \$35,373,296 as of March 31, 2023.

Recommendation: Acceptance of the March 31, 2023, financial statements.

Oklahoma City Redevelopment Authority
Statement of Net Position
and Reconciliation of Net Position to Fund Balance
as of March 31, 2023

Assets	
Current Assets	
Cash & Cash Equivalents	1,611,726
Cash & Cash Equivalents - Reserved	18,963,261
Investments - Reserved	24,907,965
Accounts Receivable	1,003,300
Interest Receivable	70,959
PILOT Receivable	203,947
Due from Other Governments	4,795,472
<u>Total Current Assets</u>	<u>51,556,631</u>
Capital Assets	
Land	506,891
Buildings (1)	7,679,106
Accumulated Depreciation	(4,657,804)
<u>Total Capital Assets</u>	<u>3,528,193</u>
Other Noncurrent Assets	
Notes Receivable	5,650,000
<u>Total Other Noncurrent Assets</u>	<u>5,650,000</u>
<u>Total Assets</u>	<u>60,734,824</u>
Liabilities	
Current Liabilities	
Accounts Payable	16,003,138
Due to Urban Renewal	180,197
<u>Total Current Liabilities</u>	<u>16,183,335</u>
<u>Total Noncurrent Liabilities</u>	<u>-</u>
<u>Total Liabilities</u>	<u>16,183,335</u>
<u>Net Position</u>	<u>44,551,489</u>
Reconciliation of Net Position to Fund Balance	
<i>Not Reported in Governmental Funds Balance Sheet</i>	
Land	(506,891)
Buildings (1)	(7,679,106)
Accumulated Depreciation	4,657,804
Notes Receivable	(5,650,000)
<u>Total Fund Balance</u>	<u>35,373,296</u>

(1) Cytovance and Brockway Center

Oklahoma City Redevelopment Authority
Governmental Funds Balance Sheet and Statement of Revenues
as of and for the Nine Months ending March 31, 2023

	<u>TIF</u>	<u>Skirvin</u>	<u>Total</u>
Assets			
Cash & Cash Equivalents	1,611,726	-	1,611,726
Cash & Cash Equivalents - Reserved	3,842,035	15,121,227	18,963,261
Investments - Reserved	24,907,965	-	24,907,965
Accounts Receivable	1,003,300	-	1,003,300
Interest Receivable	70,959	-	70,959
PILOT Receivable	203,947	-	203,947
Due From Other Governments	4,795,472	-	4,795,472
Other Assets	-	-	-
Total Assets	36,435,405	15,121,227	51,556,631
Liabilities			
Accounts Payable	16,003,138	-	16,003,138
Due to Urban Renewal	180,197	-	180,197
Total Liabilities	16,183,335	-	16,183,335
Fund Balance	20,252,069	15,121,227	35,373,296
Total Liabilities & Fund Balance	36,435,405	15,121,227	51,556,631
Revenues			
Apportioned Ad Valorem Taxes/PILOT - TIF	1,724,983	-	1,724,983
Rental Income	-	5,040,403	5,040,403
Interest Income	10,593	125,602	136,195
Investment Income	357,606	59,288	416,894
Other Income	-	9,116,745	9,116,745
Total Revenues	2,093,183	14,342,038	16,435,220
Expenditures			
Commercialization of Research & Technology	87,062	-	87,062
Placemaking	46,562	-	46,562
Implementation & Administration of Project Plan	278,783	-	278,783
Other Project Redevelopment Activity Costs	290,508	-	290,508
Payments to City of OKC	-	-	-
Debt Service - Principal	72,887	-	72,887
Debt Service - Interest	67	-	67
Total Expenditures	775,868	-	775,868
Changes in Fund Balance	1,317,315	14,342,038	15,659,352
Fund Balance, Beginning of Year	18,934,755	779,189	19,713,943
Fund Balance, Current	20,252,069	15,121,227	35,373,296

Unaudited - For management use only