

GROVES & ASSOCIATES
ATTORNEYS & COUNSELORS AT LAW

THE ATRIUM BUILDING
3601 NORTH CLASSEN BOULEVARD, SUITE 207
OKLAHOMA CITY, OKLAHOMA 73118

(405) 236-5303
FAX (405) 236-5309
EMAIL: EJG777@AOL.COM

ERIC J. GROVES

AMI SWANK

May 22, 2017

Daniel T. Brummitt
Assistant Municipal Counselor
Chief, Land Use Division
City of Oklahoma City
200 North Walker, 4th Floor
Oklahoma City, OK 73102

Via Email: daniel.brummitt@okc.gov

Re: Lost Lakes Development, LLC v. City of Oklahoma City, et al.; Our File No. 6834.00

Dear Mr. Brummitt:

We are attorneys for Lost Lakes Development, LLC, an Oklahoma limited liability company ("Lost Lakes"). We write in connection with an ordinance proposed by Ward 7 City Councilman John Pettis ("the Pettis Ordinance") introduced at Council meeting on May 16, 2017, which would, if enacted, amend the Design Statement of PUD 1631 with an emergency provision. The revision would, among other things, restrict the number of concerts which could occur on Tract 3 of PUD 1631 to three (3) annually and allow such concerts only on Fridays, Saturdays and legal holidays. PUD 1631 was approved by City Council on April 11, 2017.

As you are aware, Lost Lakes is party to a Lease Agreement ("the Lease") with the City of Oklahoma City ("the City") and the Oklahoma City Riverfront Redevelopment Authority ("the River Trust") effective April 20, 2016. The land subject to the Lease is owned by the City and leased to the River Trust. The property covered by PUD 1631 includes the land in the Lease and the adjacent private property owned by Lost Lakes.

In reliance on the Lease and PUD 1631, Lost Lakes has invested substantial amounts of money in the land subject to the PUD. Among these investments is the outdoor amphitheater situated on Tract 3, designed and constructed at a cost in excess of \$300,000. Further, Lost Lakes has entered into several contracts with musical performers which contracts obligate Lost Lakes to pay amounts approximating \$1,000,000. Concerts produce the most revenue for Lost Lakes. A limitation of three (3) concerts annually would result in enormous financial injury to Lost Lakes and its principals as well as damage to the reputation and good will of its entertainment complex.

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The totality of the circumstances surrounding introduction of the Pettis Ordinance lead us to the conclusions which follow. We believe that enactment of the Pettis Ordinance would, under color of law, work a deprivation of rights guaranteed to Lost Lakes by the United States Constitution and the Constitution of the State of Oklahoma, giving rise to actionable claims under 42 U.S.C. §1983. Chief among these claims would be deprivation of rights secured by the Fourteenth Amendment, including the right to substantive due process. The Pettis Ordinance, introduced less than 6 weeks following enactment of PUD 1631, would be indisputably arbitrary and capricious. The Fourteenth Amendment also ensures equal protection of the laws. Placing limitations on concerts at Lost Lakes, which is similar to unrestricted venues such as Frontier City and the Zoo Amphitheater, denies Lost Lakes equal protection. Closely related to these infringements is deprivation of Lost Lakes' Fourteenth Amendment liberty interest in the protection of its reputation and good will, which would be irreparably harmed and stigmatized by enactment of the Pettis Ordinance. There is also the potential for deprivation of the right to free expression guaranteed by the First Amendment. There is the possibility of liability for tortious interference with Lost Lakes' existing and prospective economic relationships, depending, to some extent, on whether Councilman Pettis is acting in his official capacity or outside it, as to which we have not yet formed an opinion.

As is our custom, we inform the City of relevant facts, and of our views of applicable law, in advance of filing suit. We are hopeful that your office will take our thoughts into account when advising the Mayor and Council so that litigation may be avoided. As always, we are available to discuss these issues with you and other City officials, at your convenience.

Yours very truly,


Eric J. Groves

EJG/cm

cc: Brad White
Lost Lakes Development, LLC
3520 Charleston Road
Norman, OK 73069