



# MEMORANDUM

Council Agenda  
Item No. IX.M.  
10/13/2015

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: James D. Couch, City Manager

Resolution approving a \$2,060,000 allocation of Northeast Renaissance Project Increment District No. 9 funds (Retail/Commercial Development) for the Northeast Shopping Center Project, 1148 NE 36th Street. Ward 7.

Location 1148 NE 36th Street

Purpose To allocate a portion of the Northeast Renaissance Project Increment District retail/commercial budget to support the Northeast Shopping Center Project

Background On January 1, 2015, the City enacted Ordinance No. 25,081 adopting the Northeast Renaissance Project Plan ("Project Plan") and creating Increment District No. 9, City of Oklahoma City. The Project Plan provides for a review and recommendation to the City Council by the Review Committee of the Staff Advisory Committee's recommendation in respect to a particular proposed development and budgetary allocation, with said review to be made in light of the project objectives, feasibility, priorities, and funding availability.

Charles A Shadid, LLC has proposed redevelopment of 96,000 square feet of commercial space located at 1148 NE 36th Street in order to create the Northeast Shopping Center at an estimated cost of \$10,907,535. The TIF Funding Advisory Panel met with representatives concerning the proposed redevelopment of the Northeast Shopping Center and found it to be consistent with the Project Plan's objectives, feasibility, and priorities.

On August 31, 2015, the Northeast Renaissance Project Increment District Review Committee convened and approved a resolution recommending that The City approve a budget allocation of \$2,060,000 in TIF assistance be provided for the Northeast Shopping Center Project as "assistance in development financing." The assistance in development financing will be performance based with up to \$910,000 provided from sales taxes generated from the development over a 15 year period, and up to \$1,150,000 provided from the increase in ad valorem taxes generated over a 20 year period. The TIF allocation will be provided in annual installments, with both the sales tax and ad valorem portions each having

an annual cap of \$80,000. As a condition to the assistance in development financing, the property will also be subject to an annual minimum ad valorem covenant of \$81,000 per tax year for the life of the TIF district.

Approval of the resolution will allocate \$2,060,000 from the Northeast Renaissance Project Increment District's Retail/Commercial Development budget for the Northeast Shopping Center Project.

Previous Action Northeast Renaissance Project Increment District Review Committee adopted resolution on August 31, 2015 (Item No. IV.)

Review City Manager's Office - Economic Development

Recommendation: Resolution be adopted.