



# MEMORANDUM

Council Agenda  
Item No. IX.D.  
2/9/2016

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: James D. Couch, City Manager

Ordinance to be introduced and set for final hearing February 23, 2016; relating to the exercise of certain constitutional powers, approving and adopting the Core to Shore Reinvestment Area Project Plan; identifying and establishing six new increment districts temporarily identified as Increment Districts "A" (South Central Business District/Central Park), "B" (Cox Convention Center), "C" (Park View/Lower Classen), "D" (North Shore), "E" (Producers Cooperative), and "F" (Bridgewater), deferring the naming and the date for the creation for each of the six new increment districts; designating and adopting the project area and increment district boundaries; designating and authorizing The City of Oklahoma City, the Oklahoma City Economic Development Trust, and the Oklahoma City Urban Renewal Authority as the entities to carry out and administer the Project Plan; authorizing the Oklahoma City Economic Development Trust to issue bonds and notes to carry out provisions of the Project Plan; establishing a tax apportionment fund; declaring apportioned funds to be funds of the Oklahoma City Economic Development Trust or alternate public entity; authorizing the Oklahoma City Economic Development Trust to pledge the apportioned increments to repayment of debt; establishing plan objectives and review and implementation procedures; authorizing the use of ad valorem tax increment revenues, sales tax increment revenues, and other available resources for the payment of project costs and to pay debt issued to finance project costs; providing that adjustments to certain project costs do not require a plan amendment; providing that the apportioned ad valorem tax increment revenues from each of the increment districts may be allocated to fund assistance in development financing; providing for the establishment of a sales tax increment for one or more of the increment districts; establishing a project budget for each increment district; providing that certain levies made pursuant to Okla. Const. Art. 10, §9(b) as the revenue entirely of I-89 School District; ratifying and confirming the actions, recommendations and findings of the Core to Shore Reinvestment Area Review Committee and the Oklahoma City Planning Commission; and providing for severability. Wards 4, 6 and 7

### Background

In 1992, the Oklahoma Legislature enacted the Local Development Act, Title 62, Section 850, et. seq. ("Act"), authorizing municipalities to establish tax increment financing districts. On September 15, 2015, City Council adopted a resolution appointing the Core to Shore Reinvestment Area Review Committee and requesting the Review Committee to consider and make recommendation concerning the eligibility of a proposed Core to Shore Reinvestment Area Project Plan ("Project Plan") and increment districts and the appropriateness of a plan, project, and increment districts for augmenting economic development in the proposed project area, as well as authorizing the Mayor to make Review Committee appointments (Item No. X. M.).

The Review Committee convened on October 14, 2015, at which meeting three at-large members were proposed and approved, as well as discussion regarding the proposed reinvestment area. On October 27, 2015, City Council adopted a resolution appointing three at-large members selected by the Core to Shore Reinvestment Area Review Committee to serve on the committee (Item No. IX. L.). The Review Committee subsequently convened on November 9, 2015, at which time a presentation was made regarding the Project Plan and the Review Committee had the opportunity to make comments and suggest revisions to the Project Plan.

The Review Committee convened on December 21, 2015, found the project area and increment districts eligible under the Act, made findings regarding the financial impacts on the affected taxing jurisdictions and on business activities within the project area and increment districts, and ultimately recommended approval and adoption of the Project Plan which includes provisions for the establishment of six new increment districts by the City Council over the next ten years.

The proposed has been developed to achieve economic development in accordance with the Act. The purpose of the Project Plan is to stimulate a combination of public and private redevelopment, and that private investment in the project area match or exceed the public investment in order to revitalize vacant, abandoned, dilapidated, underutilized, blighted, and/or historic commercial properties in Oklahoma City south of the Central Business District (CBD). The Project Plan provides for a review and recommendation by the Review Committee of proposed developments and budgetary allocations in light of Project Plan objectives, feasibility, priorities, and funding availability, and to the City Council of The City of Oklahoma City.

Th redevelopment contemplated in the Project Plan is estimated to stimulate new development of \$2.25 to \$4.8 billion. The proposed budget for project costs pursuant to the Project Plan is \$395,000,000. The proposed budget for each of the increment districts is as follows:

Increment District A	\$167,000,000
Increment District B	\$102,000,000
Increment District C	\$ 34,000,000
Increment District D	\$ 41,000,000
Increment District E	\$ 45,000,000
Increment District F	<u>\$ 6,000,000</u>
Total	\$395,000,000

The Oklahoma City Planning Commission deemed the Project Plan was in conformance with the Comprehensive (Master) Plan of The City of Oklahoma City and further recommended City Council approval on January 28, 2016.

Review

City Manager's Office - Economic Development

Recommendation: Ordinance be introduced and set final hearing on February 23, 2016.

Attachment