



MEMORANDUM

Council Agenda
Item No. IX.D.1&2.
12/20/2016

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: James D. Couch, City Manager

1. Public hearing on the proposed Oklahoma Regional Innovation District Project Plan, amending and restating the Oklahoma Health Center Economic Development Project Plan, which includes amendments to the boundaries of existing Increment District Nos. 1 and 7, and the establishment of Increment Districts No. 11, No. "M", and No. "N" ("Proposed Increment Districts") for the purpose of allowing any interested person the opportunity to express their views on the proposed plan or amendments thereto.
2. Ordinance on final hearing (emergency), relating to the exercise of certain constitutional powers, approving and adopting the proposed Oklahoma Regional Innovation District Project Plan, amending and restating the Oklahoma Health Center Economic Development Project Plan, which includes amendments to the boundaries of existing Increment District Nos. 1 and 7, and the establishment of Increment Districts No. 11, No. "M", and No. "N" ("Proposed Increment Districts"), establishing a date for the creation of Increment District No. 11, The City of Oklahoma City; authorizing the Oklahoma City Redevelopment Authority and the Oklahoma City Urban Renewal Authority as the entities designated to carry out and administer the project plan; authorizing the Oklahoma City Redevelopment Authority 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 Redevelopment Authority; authorizing the Oklahoma City Redevelopment Authority to pledge apportioned increments to repayment of debt; establishing plan objectives and review and implementation procedures; authorizing the use of ad valorem tax increment revenues and other available resources for the payment of project costs; and ratifying and confirming the actions, recommendations and findings of the Oklahoma Health Center Economic Development Review Committee, the Oklahoma City Planning Commission, and the Capitol-Medical Center Improvement and Zoning Commission. Ward 7.

Background

On January 5, 1993, the Council adopted Ordinance No. 19,875, approving the Oklahoma Health Center Economic Development Project Plan and establishing Tax Increment District No. 1, City of Oklahoma City, pursuant to the Local Development Act, 62 Okla. Stat. § 851, *et seq.*

Ordinance No. 19,875 was subsequently amended by the Council by the adoption of Ordinance No. 21,471, Ordinance No. 21,829, and Ordinance No. 22,087, to bring it into compliance with a decision of the Oklahoma Supreme Court, and to make other minor amendments.

Ordinance No. 19,875 was subsequently amended by the Council by the adoption of Ordinance No. 22,242, to provide for the development of Phase Two of the Presbyterian Health Foundation Research Park.

On August 1, 2006, the Council adopted Ordinance No. 23,059, approving an amendment to the Oklahoma Health Center Economic Development Project Plan, increasing the area of Increment District No. 1 and established Increment District No. 7, City of Oklahoma City.

The Brookings Institution, a private nonprofit organization devoted to independent research and innovative policy solutions, has documented the activities of numerous innovation districts in various cities in the United States, which have established success by multiplying and accelerating investment, quality job creation and the stimulation of multiple interacting land uses.

The success of the developments under the Oklahoma Health Center Economic Development Project Plan and the Harrison-Walnut Urban Renewal Plan, as amended and previously approved by the City of Oklahoma City, provides an opportunity to expand the objectives of the Oklahoma Health Center Economic Development Project Plan with an innovation district strategy, under the guidance of the Brookings Institution.

The Brookings Institution has selected Oklahoma City, one of only two cities in the United States, to undertake a 24-month program which will assist The City of Oklahoma City in planning and implementing an innovation district.

The purpose of the proposed Oklahoma Regional Innovation District Project Plan (the "Project Plan") is, with the guidance of the Brookings Institution, to broaden the objectives under the existing Oklahoma Health Center Economic Development Project Plan to include an innovation district strategy with a focus on accelerating new business enterprise, generating new investment, spurring new job growth, and enhancing STEM education and skills training by creating new partnerships and relationships.

The proposed Project Plan is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.* ("Act"). The Project Plan is intended to augment achievement of the objectives of the previously approved Comprehensive (Master) Plan of The City of Oklahoma City and subsequent amendments thereto, and to implement urban renewal plans previously approved under Title 11 O.S. § 38-101, *et seq.*, within the project area. No changes are proposed to the urban renewal plans or land use provisions affecting the area.

The proposed Project Plan expands the project area boundaries, amends the boundaries of Increment Districts No. 1 and No. 7, and establishes Increment Districts No. 11, No. "M" and No. "N" ("M" and "N" to be

numbered at a later date). All changes to the existing Oklahoma Health Center Economic Development Plan relate to the objectives and financing to provide legal and financial authorizations for the new partnerships to be fostered under the Innovation District strategy.

The proposed Project Plan will stimulate an estimated \$400 Million in new public and private investment and create approximately 1,500 additional high-quality jobs.

On November 18, 2016, the Capitol-Medical Center Improvement and Zoning Commission considered and reviewed the proposed Project Plan and determined it is in conformance with the Comprehensive (Master) Plan for the Capitol-Medical Center Improvement and Zoning District and recommended the City Council approve the proposed Project Plan. On December 8, 2016, the Oklahoma City Planning Commission determined the proposed Project Plan conforms to the Comprehensive (Master) Plan of The City of Oklahoma City and made its recommendation to the City Council to approve and adopt the proposed amended Project Plan.

The Mayor convened two meetings of the Oklahoma Health Center Economic Development Review Committee (“Review Committee”) on November 22, 2016. At the first meeting, three at-large members were proposed and approved. At the second meeting, a presentation was made to the Review Committee regarding the proposed Project Plan. The Review Committee considered and discussed the proposed Project Plan, and the possible financial impacts on each taxing jurisdiction and on business activities and expressed the view that the economic benefits of the proposed Project Plan were favorable to the impacted taxing jurisdictions and the community as a whole. Based on its findings, the Review Committee unanimously adopted a resolution containing its findings wherein it was determined that the net impacts of the Project Plan are beneficial in view of the economic benefits of the project to the taxing jurisdictions and to the community as a whole, and recommended the City Council approve the proposed Project Plan dated November 22, 2016, including the amendments to the boundaries of Increment District No. 1 and Increment District No. 7, the immediate establishment and creation of Increment District No. 11, and the identification of the boundaries of Increment Districts No. “M” and “N”, each of which are to be numbered and activated at a later date by action of the City Council.

On December 6, 2016, the City Council, held the first of two public hearing required by 62 O.S. § 859(A), and by resolution, ratified and confirmed the actions taken to convene the Review Committee, approved the Review Committee’s determination that the objectives of the proposed Project Plan are not principally retail, and approved the appointment of the three at-large members, which included a representative of the business community to serve on the Review Committee.

At today's meeting, the Council is required to have a second public hearing contemporaneously with the consideration of the adoption of the Ordinance to allow any interested person the opportunity to express their views on the proposed plan or amendments thereto.

Review

City Manager's Office and Municipal Counselor's Office.

Recommendation: Public hearing be held and Ordinance be adopted with emergency

Attachment