



MEMORANDUM

Council Agenda
Item No. IX.E.1&2.
1/31/2017

The City of OKLAHOMA CITY

PUBLIC HEARING HELD.

TO: Mayor and City Council

FROM: James D. Couch, City Manager

1. Public hearing of the proposed Western Gateway Project Plan, which provides for the establishment of Increment Districts "A" and "B" ("Proposed Increment Districts"), for the purpose of providing information and an opportunity for questions and answers regarding the proposed project plan.
2. Ordinance on final hearing, relating to the exercise of certain Constitutional powers, approving and adopting the Western Gateway Project Plan, identifying and establishing two new Increment Districts temporarily identified as Increment Districts "A" and "B"; deferring the naming and the date for the creation for each of the two new Increment Districts; designating and adopting the Project Area and Increment District boundaries; designating and authorizing the Oklahoma City Economic Development Trust as the entity 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 special funds of the Oklahoma City Economic Development Trust; authorizing the Oklahoma City Economic Development Trust to pledge the apportioned increments to repayment of debt; authorizing the use of ad valorem tax increment revenues and other available resources for the payment of project costs and to pay debt issued to finance project costs; providing that the apportioned ad valorem tax increment revenues from each of the increment districts may be allocated to fund assistance in development financing and specific revenue streams to affected taxing entities; and ratifying and confirming the actions, recommendations and findings of the Wheeler Development District Review Committee and the Oklahoma City Planning Commission. Wards 4 and 6.

Background

The City Council of The City of Oklahoma City may consider the creation of tax increment districts to facilitate, support, encourage, and incentivize public and private economic development to carry out the development or redevelopment of areas that are determinate to be unproductive, underdeveloped, or blighted, pursuant to the Oklahoma Local Development Act, 62 O.S. §850, et seq. ("Act").

On August 16, 2016, the City Council adopted a resolution appointing the Wheeler Development District Review Committee ("Review Committee") to consider, pursuant to the Act, the creation and adoption of the Western Gateway Project Plan ("Project Plan"), consisting of two tax increment districts.

The purpose of the Project Plan and the supporting increment districts is to transform a 150-acre inner-city area, which used to house the Downtown

Oklahoma City Airpark, into a mixed-use, urban neighborhood with about 2.5 million square feet of developed area and 2,000 new housing units, as well as office, retail, and other commercial spaces appropriate to a main street-style, urban mixed use environment.

The authorized project costs to be funded by the Project Plan total \$120 million (“Project Costs”), and implementation of the Project Plan is expected to result in an increase in investment and development in the range of \$576 million to over \$1 billion.

The Review Committee, comprised of representatives of each of the taxing jurisdictions in which the proposed increment districts are located, as well as representatives of the public at large, met in a series of open meetings to discuss and consider the Project Plan.

The Review Committee was provided with copies of the Project Plan in final draft form, an Analysis of the Financial Impacts of the Project Plan (“Financial Impacts Analysis”), and an Analysis of the Statutory Eligibility of the Project Plan (“Eligibility Report”) in a timely manner so as to allow the Committee opportunity to read, review and analyze the documents.

The Review Committee considered and reviewed the Project Plan and the possible financial impacts on each taxing jurisdiction and on business activities, and has found that any adverse impacts are offset in view of the continuation of revenues from the base assessed value of the ad valorem increment district, the allocation of specific revenue sources to certain taxing entities (specifically, the Oklahoma City Public School District), and the economic benefits of the development for the community as a whole.

The Review Committee studied the proposed Project Plan and the proposed creation of two new Increment Districts in accordance with the criteria specified in the Act and determined that the proposed Increment Districts are eligible for designation as Increment Districts and that the Project Area is eligible for development under the Act.

The Oklahoma City Planning Commission was provided advance copies of the Project Plan in final draft form, the Financial Impacts Analysis, and the Eligibility Report, and received a presentation regarding the proposed Project Plan.

On January 12, 2017, the Oklahoma City Planning Commission at a regular scheduled public meeting determined that the Project Plan is in conformance with planokc, the comprehensive (master) plan of The City of Oklahoma City, and recommended that the City Council approve and adopt the Project Plan.

The City Council has been provided advance copies of the Project Plan in final form, the Financial Impacts Analysis, and the Eligibility Report, and has received briefings regarding the proposed creation, designation and establishment of the two proposed Increment Districts within the Project Area covered by Project Plan.

The proposed Project Plan is a project plan as defined under the Local Development Act, which provides that a Project Plan may only be approved after two public hearings are held. A presentation of the proposed Western Gateway Project Plan will be made by Cathy O' Connor, President of the Alliance for Economic Development, and the Council and public will be afforded the opportunity to ask questions.

A second public hearing to consider the proposed Project Plan and the adoption of the Ordinance is set on January 31, 2017, at which time the Council would be authorized to take final action on the proposed Project Plan and adopt the proposed Ordinance.

Review City Manager's Office - Economic Development

Recommendation: Public hearing be held and Ordinance be adopted..

Attachment