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-SPECIAL MEETING-

**DOWNTOWN/MAPS TAX INCREMENT
REVIEW COMMITTEE**

CITY OF
OKLAHOMA CITY OKLA
OFFICE OF
CITY CLERK

AGENDA

(TELECONFERENCE ONLY)

Thursday, May 21, 2020
11:00 PM

COMMITTEE MEMBERS:

Ronald J. Norick, Chairman
Butch Freeman, Vice Chairman
Scott Randall, Oklahoma City Public Schools
Hugh Rice, Metropolitan Library
Myron Coleman, Oklahoma City/County Health
Bob Parrish, Metro Technology Center
Nick Gales, Planning Commission
Chris Kauffman, At-Large Member
Dick Stubbs, At-Large Member
Bill Warren, At-Large Member

Teleconference No: 405-534-4946

Conference ID: 865 301 726#

All members will be attending via Teleconference

PARTICIPANT INSTRUCTIONS

TELECONFERENCE MEETING

The City encourages participation in the public meeting from the residents of Oklahoma City. City Hall will be closed and the only alternative to participate in the meeting will be by teleconference. Below are instructions on how to listen to the meeting, request to speak on certain agenda items and how to request to speak under Comments from Citizens.

- To listen to the meeting, call **(405) 534-4946**. When prompted, enter Conference ID: **865 301 726#**.
- To sign up to speak on an agenda item or “Comments from Citizens,” or ask questions about the meeting, call (405) 297-2245 or email lacy.kelly@okc.gov.

Participants who wish to speak on items on the agenda will be placed on mute until the Chair recognizes the caller to speak. Citizens will be limited to 3 minutes to speak to the Committee.

To speak on a certain agenda item, please call 405-297-2245 or email lacy.kelly@okc.gov, please include the agenda item number and the reason you would like to speak (protest, representing applicant, request continuance, i.e.) Please submit your request prior to the beginning of the meeting to avoid receiving your request after your item has been considered. The Economic Development Office will attempt to submit requests received during the meeting to process them to the Chair.

To speak under “Comments from Citizens” please call 405-297-2245 or email lacy.kelly@okc.gov; please provide your name, address, phone number and the subject on which you wish to address the Committee.

The Chairman will announce at the beginning of the meeting that if connections are lost, the City will attempt to restore communications for a maximum of 15 minutes and if communications cannot be restored, the meeting will reconvene at 3:00 on May 21, 2020. If you are disconnected, please try again before calling 405-297-2245.

-SPECIAL MEETING AGENDA-

DOWNTOWN/MAPS TAX INCREMENT REVIEW COMMITTEE

**May 21, 2020
11:00 a.m.
Teleconference**

AGENDA

- I. Call to Order
- II. Approval of May 6, 2020 Meeting Minutes
- III. TIF Districts #2, #3, #8 & #10 Project and Financial Status Report
- IV. Resolution of the Downtown/MAPS Tax Increment District Review Committee recommending approval of the proposed minor amendment to the Downtown/MAPS Economic Development Project Plan, amending the section titled: "Estimated Project Costs" by adjusting certain budget line items for Increment District Number Eight, City of Oklahoma City, which amendments will result in a net zero change to the total project costs for Increment District Number Eight.
- VI. Comments from Committee Members, Staff and Citizens
- VII. Adjournment

MEETING MINUTES

DOWNTOWN/MAPS TAX INCREMENT FINANCING REVIEW COMMITTEE

May 6, 2020
2:00 p.m.
Teleconference Meeting

The special meeting notice was posted on okc.gov at 1:25 p.m. on April 30, 2020. The special meeting agenda was posted on okc.gov at 1:07 p.m. on May 4, 2020. The Chairman announced if the teleconference is disconnected any time during the meeting, the meeting shall be stopped and reconvened once the connection is restored. If communication is unable to be restored with 15 minutes, the meeting will reconvene on May 6, 2020 at 5:00 P.M.

- I. Call to Order –Ron Norick called the meeting to order at 2:00 p.m. The Secretary called roll.

Members Present

Ron Norick - Chairman
Butch Freeman – Oklahoma County
Hugh Rice – Metropolitan Library System
Bob Parrish - Metro Technology Centers
Myron Coleman – City/County Health Department
Nick Gales- Planning Commission
Chris Kauffman – At-Large
Dick Stubbs – At-Large
Bill Warren – At-Large

Members Absent

Scott Randall – Oklahoma City Public Schools

- II. Approval of February 14, 2020, 2020 Meeting Minutes
Approved
Motion by Butch Freeman, second by Dick Stubbs. ROLL CALL VOTE: Ayes: Norick, Freeman, Rice, Parrish, Coleman, Gales, Kauffman, Stubbs, Warren.
- III. TIF Districts #2, #3, #8 & #10 Project and Financial Status Report
Joanna McSpadden reviewed the report.
Received
Motion by Nick Gales, second by Myron Coleman. ROLL CALL VOTE: Ayes: Norick, Freeman, Rice, Parrish, Coleman, Gales, Kauffman, Stubbs, Warren.

- IV. Resolution of the Downtown/MAPS Tax Increment Review Committee recommending approval of an allocation not to exceed \$982,501 from the Increment District No. 2, City of Oklahoma City, Hotels/Commercial Development Costs and the Residential Development Costs Categories established in the Amended and Restated Downtown/MAPS Economic Development Project Plan (“Project Plan”) for assistance in development financing in support of the Villa Teresa Hotel and Residences Redevelopment Project (“Villa Teresa Project”) located on and near the site of the former Villa Teresa School, located at 1216 N. Classen Drive, which project consists of the acquisition of the property and the investment of approximately \$39,200,000 toward the construction and redevelopment of historical buildings on the property into a 66 room hotel project with certain amenities and the construction of seventeen (17) residential units by the developers, a joint project of Villa Teresa Investments, L.P. whose principal partners are Marva Ellard and C. Jarrod Rogers and Villa Teresa Residences, L.P. whose principal partners are Marva Ellard and Billy Woodring.

Approved as amended

Motion by Nick Gales, second by Bob Parrish. ROLL CALL VOTE: Ayes: Norick, Freeman, Rice, Parrish, Coleman, Gales, Kauffman, Stubbs, Warren.

- V. Resolution of the Downtown/MAPS Tax Increment Review Committee recommending approval of an allocation not to exceed \$2,155,000, from the Increment District No. 2, City of Oklahoma City, Residential Development Costs Category established in the Amended and Restated Downtown/MAPS Economic Development Project Plan (“Project Plan”) for assistance in development financing in support of the 700 West 4th Residential Project (“700 West Project”); and further recommending an allocation of an amount not to exceed \$2,000,000 from the Oklahoma City Affordable Housing Funds allocated from the 2017 General Obligation-Limited Tax Bonds for the 700 West Project to be constructed on a tract of land currently owned by OCURA located on at the southwest corner of Shartel Avenue and N.W. 4th Street, which project consists of the acquisition of the property and the investment of approximately \$52,606,000 in the construction of 300 hundred apartment units with 72 apartment units being designated as affordable housing units by the Developer, 700 West 4th, LLC, whose principal partner is Ronald Bradshaw.

Approved

Motion by Butch Freeman, second by Nick Gales. ROLL CALL VOTE: Ayes: Norick, Freeman, Rice, Parrish, Coleman, Gales, Kauffman, Stubbs, Warren.

- VI. Comments from Committee Members, Staff and Citizens

- VII. Adjournment at 3:37 p.m.

TAX INCREMENT DISTRICTS

#2, #3, #8 & #10

DATE: May 21, 2020
TO: Downtown/MAPS TIF Review Committee
SUBJECT TIF Districts #2, #3, #8 & #10 Project and Financial Status Report

TIF # 2 currently has numerous projects that are under construction. Current projects are as follows:

Projects Under Construction

1. Downtown Sidewalks
2. Bricktown Infrastructure
3. Oklahoma County Capital Project
4. West Village (The Residences)
5. Metro Tech South Bryant Campus
6. Southern Oaks Learning and Wellness Project
7. I-89 Administration Building and Emerson School
8. I-89 Oklahoma City Public Schools Capital Project
9. Convention Center Hotel
10. Underground HVAC

Projects On Hold

1. OCCC Capitol Hill Phase Three

Financial Highlights

The Oklahoma City Economic Development Trust borrowed \$67,355,000 through TIF #2 Tax Increment Revenue Bonds in January 2018 in order to repay the Trust's 2008 Private Placement Tax Anticipation Note with a balance of \$25,000,000 and the Trust's 2014 Private Placement Tax Anticipation note that was being utilized as a line of credit with a balance of \$17,830,430. The remaining bond proceeds of \$26,340,707.40 after issuance costs shall be used for future project costs. The unaudited financials for the period ending April 30, 2020 are attached. The projected increment for FY20 is \$15,162,367.

OTHER INFORMATION

Increment District #2 Creation Date March 7, 2000
Increment District #2 Expiration Date June 30, 2027

Increment District #3 Creation Date July 7, 2004
Increment District #3 Expiration Date June 30, 2030

Plan Implementation – Oklahoma City Economic Development Trust, Craig Freeman – General Manager

TAX INCREMENT DISTRICT #8

Devon World Headquarters District

TIF # 8 finished FY19 with over forty-five projects that were complete. The following contracts or allocations are currently under construction:

1. Project 180 Streetscape Package 6B – PC-0394(16B), E.K. Gaylord from Reno Avenue to Sheridan Avenue; Signing and Striping from Sheridan Avenue to NW 4th Street. RDNJ, LLC dba A-Tech Paving (Awarded July 5, 2016)
2. Streetscape Package 8 (North Broadway Avenue from West Main Street to Robert S. Kerr Avenue, West Main Street from North Broadway Avenue to North Robinson Avenue and Robert S. Kerr Avenue from North Walker Avenue to North Hudson Avenue) – RDNJ, LLC dba A-Tech Paving (Awarded July 5, 2017)
3. Convention Center Hotel

The Crystal Bridge Renovation Phase II project is currently under design.

Financial Highlights

The Oklahoma City Economic Development Trust entered into a loan agreement with Devon Energy Corporation on October 1, 2009 to fund the priority projects identified in the implementation agreement. On April 17, 2013, the Trust closed on a \$147.7 million bond financing that refunded the loan and provided funding for the remaining projects. The unaudited financials ending April 30, 2020 are attached.

TAX INCREMENT DISTRICT #8

Devon World Headquarters District

FINANCIAL REPORT AS OF APRIL 30, 2020

	<u>April-20</u>	<u>Fiscal Year to Date</u>	<u>Total to Date</u>
Revenues			
Ad Valorem Taxes	\$0.00	\$11,336,973.78	\$80,234,912.75
Devon Construction Sales Taxes	\$0.00	\$0.00	\$4,712,292.35
Devon Construction Sales Taxes - State Match	\$0.00	\$0.00	\$4,712,292.35
TIF # 8 Apportionment Bonds - Series 2013A*	\$0.00	\$0.00	\$116,445,000.00
TIF # 8 Apportionment Bonds - Series 2013B*	\$0.00	\$0.00	\$23,840,000.00
Reimbursement - Myriad Gardens Foundation	\$0.00	\$0.00	\$50,000.00
Miscellaneous	\$0.00	\$0.00	\$2,529.96
Internet Sale of Surplus Property	\$0.00	\$0.00	\$900.00
Investment Income	\$17,824.77	\$317,166.61	\$3,777,408.18
Devon Interim Loan	\$0.00	\$0.00	\$82,650,000.00
Transfer from OCEDT	<u>\$0.00</u>	<u>\$22,806,962.67</u>	<u>\$160,733,756.12</u>
Total Revenues	\$17,824.77	\$34,461,103.06	\$477,159,091.71

* Amount includes gross bond proceeds that include funds for capitalized interest and bond reserve funds.

Expenditures

Administration - ED0800	\$28,736.12	\$97,183.20	\$3,884,036.24
Refunding of Interim Note - ED0800	\$0.00	\$11,336,973.78	\$172,131,054.22
Bond Issue/Debt Service Costs - ED0800	\$2,850.00	\$9,838,365.16	\$69,289,107.09
Completed Projects	\$0.00	\$0.00	\$97,306,538.80
Streetscape - Package # 6 - ED0830	\$0.00	\$10,815.00	\$1,802,257.99
Streetscape - Package # 7 - ED0831	\$0.00	\$0.00	\$5,416,501.18
Pedestrian Linkage (External) - ED0836	\$0.00	\$0.00	\$4,743,417.01
Streetscape - Package #6B - ED0844	\$0.00	\$19,045.60	\$3,650,878.52
Streetscape - Package #7B - ED0849	\$0.00	\$0.00	\$5,771,281.58
Oklahoma County Annex - ED0851	\$0.00	\$680,268.00	\$3,754,902.00
Project 180 Miscellaneous - ED0857	\$0.00	\$7,045.00	\$807,703.93
Streetscape Ancillary Components - ED0858	\$0.00	\$0.00	\$160,474.00
Streetscape - Package #8 - ED0859	\$0.00	\$334,717.64	\$2,153,096.32
Convention Center Hotel - ED0990	\$0.00	\$950,000.00	\$1,900,000.00
Transfer to OCEDT	<u>\$0.00</u>	<u>\$11,469,988.89</u>	<u>\$81,507,624.66</u>
Total Expenditures	\$31,586.12	\$34,744,402.27	\$454,278,873.54

Funds Available

\$21,375,034.62*

Outstanding Contract Amounts

\$1,505,183.55

Outstanding Debt as of April 30, 2020

\$109,005,085.86

*Amount includes debt services reserves of \$11,895,416.48 that are not available for projects.

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification.

OTHER INFORMATION

Increment District #8 Ad Valorem Creation Date	December 16, 2008
Increment District #8 Ad Valorem Expiration Date	June 30, 2034
Increment District #8 Sales Tax Creation Date	December 16, 2008
Increment District #8 Sales Tax Expiration Date	June 30, 2013

Plan Implementation – Oklahoma City Economic Development Trust, Craig Freeman – General Manager

TAX INCREMENT DISTRICT #10

First National Center

TIF #10 has a projected increment of \$299,386 for FY20.

Projects Under Construction

1. First National Center Garage
2. First National Center Apartments
3. First National Center Hotel

FINANCIAL REPORT AS OF APRIL 30, 2020

	<u>April-20</u>	<u>Fiscal Year to Date</u>	<u>Total to Date</u>
Revenues			
Ad Valorem Taxes	\$0.00	\$617.58	\$261,626.86
Investment Income	<u>\$186.27</u>	<u>\$2,464.35</u>	<u>\$3,813.41</u>
Total Revenues	\$186.27	\$3,081.93	\$265,440.27
Expenditures			
Administration - ED0510	\$5,805.36	\$11,610.72	\$11,610.72
FNC Project Expenses	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Expenditures	\$5,805.36	\$11,610.72	\$11,610.72
Outstanding Encumbrances			\$0.00
Funds Available			\$253,829.55

NOTE: Amounts are unaudited and subject to adjustment and/or reclassification.

OTHER INFORMATION

Increment District #10 Ad Valorem Creation Date March 24, 2016
Increment District #10 Ad Valorem Expiration Date June 30, 2042

Increment District #10 Sales Tax Creation Date March 24, 2016
Increment District #10 Sales Tax Expiration Date June 30, 2042

Plan Implementation – Oklahoma City Economic Development Trust, Craig Freeman – General Manager

RESOLUTION OF THE DOWNTOWN/MAPS TAX INCREMENT DISTRICT REVIEW COMMITTEE RECOMMENDING APPROVAL OF THE PROPOSED MINOR AMENDMENT TO THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN, AMENDING THE SECTION TITLED: "ESTIMATED PROJECT COSTS" BY ADJUSTING CERTAIN BUDGET LINE ITEMS FOR INCREMENT DISTRICT NUMBER EIGHT, CITY OF OKLAHOMA CITY, WHICH AMENDMENTS WILL RESULT IN A NET ZERO CHANGE TO THE TOTAL PROJECT COSTS FOR INCREMENT DISTRICT NUMBER EIGHT.

WHEREAS, on March 7, 2000, The City of Oklahoma City ("City") adopted Ordinance No. 21,431, approving the Downtown/MAPS Economic Development Project Plan, which has been amended from time to time, most recently on November 20, 2018 by Ordinance 26,084 (the "Project Plan"); and

WHEREAS, the Project Plan as adopted and amended, established several Increment Districts including Increment District Number Eight, City of Oklahoma City, ("Increment District No. 8) and a Project Area, wherein increment generated in the established Increment Districts can be spent per the applicable provisions of the Local Development Act, 62 Okla.Stat. § 801, *et seq.* (the "Local Development Act"); and

WHEREAS, the Project Plan, as amended from time to time, requires that the Downtown/MAPS Tax Increment Review Committee ("Review Committee") review any proposed amendments to the Project Plan in light of the Project Plan's stated objectives, feasibility, priorities, and funding availability and submit its recommendation to the City Council of The City of Oklahoma City ("City Council") and the Oklahoma City Economic Development Trust ("OCEDT" or "Trust"); and

WHEREAS, the Project Plan, as required by the Local Development Act, provided for and established a Review Committee comprised of representatives of each of the taxing jurisdictions located within the boundaries of the Increment District from which the increment is generated, as well as the required representatives of the public at large; and

WHEREAS, The City of Oklahoma City ("City") and OCEDT, the City's designated administrator of the Project Plan, desire to promote and assist economic development and community development projects which involve substantial investments in the Project Area and which support tourism opportunities throughout the City; and

WHEREAS, the Local Development Act provides at 62 O.S. § 858(D):

The governing body may grant the department, agency or public entity in charge of the implementation of the project plan the authority to make minor amendments to the plan. An amendment is considered to be minor if such amendment does not change the character or purpose of the plan; does not add more than five percent (5%) to the district's area; or does not add more than five percent (5%) to the public costs of the plan to be financed by apportioned tax increments. All amendments made pursuant to the provisions of this subsection shall be considered on a cumulative basis.

WHEREAS, the Review Committee has received information from City staff regarding a proposed "minor amendment" (as defined under the Local Development Act) to the Project Plan in regard to Increment District No. 8, by amending line items in the Increment District No. 8's budget, which amendment results in a net zero change to the total budget; and

WHEREAS, the proposed amendment makes no change to the character or purpose of the Project Plan, makes no changes to Increment District No. 8's increment area, nor does it add more than five (5%) percent to the public costs of the plan to be financed by apportioned tax increments, and therefore should be considered a minor amendment to plan as defined in the Local Development Act; and

WHEREAS, City Staff proposes that the "ESTIMATED PROJECT COSTS" for Increment District No. 8 be amended to read as follows:

3. Increment District Number Eight

Ad Valorem Funded Costs

Devon Development Conditions

Redevelopment Framework (See Sec. VII.B.)	\$126,000,000.00	<u>\$ 128,000,000.00</u>
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Other Economic Developments	\$19,000,000.00	<u>\$ 17,000,000.00</u>
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Public Developments for Affected Taxing Jurisdictions		\$ 12,000,000.00
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Plus interest and costs of issuance of bonds to finance the authorized project activities, and in addition thereto, general administrative costs in an amount up to 5% of the annual tax increment revenues.

"Other Economic Developments" as used in Increment District Number Eight are herein defined as projects that promote job growth and new investment in the Project Area through the creation of new jobs in Oklahoma and/or the relocation of existing Oklahoma-based jobs into the Project Area or to support the development of the Omni Convention Center Hotel, all in an effort to further enhance and develop the Project Area.

Authorized project costs include, but are not limited in any manner, assistance in development financing and any capital costs including reimbursement of capital investment or expenditures made by a respective company, developer, or tenant in the alteration, remodeling, repair, or reconstruction of existing public or private buildings, structures, and fixtures.

WHEREAS, the purpose of the Project Plan is to stimulate a combination of public and private redevelopment investment to match or exceed the investment of the City in the MAPS program, giving priority to investment activities which bring residents and visitors to the Downtown/MAPS Project Area, in order to revitalize downtown Oklahoma City; and

WHEREAS, the purpose of the proposed amendment to Increment District No. 8 is to strengthen the ability of the Project Plan to achieve its development objectives, which were previously approved in accordance with 62 O.S. § 858; and

WHEREAS, it is appropriate and desirable to amend the estimated budget for Increment District No. 8 as recommended by City staff; and

WHEREAS, the Review Committee finds it appropriate and desirable to recommend that the Oklahoma City Economic Development Trust adopt a minor amendment to the Project Plan as authorized under 62 Okla.Stat. § 858(D) to reflect a change in the Estimated Project Costs for Increment District No. 8 as shown above.

NOW, THEREFORE, BE IT RESOLVED by the Downtown/MAPS Tax Increment District Review Committee that:

1. The Review Committee hereby recommends that the Oklahoma City Economic Development Trust be authorized to and directed to make minor amendments to the Project Plan by revising the Estimated Project Costs for Increment District No. 8 to reflect a \$2,000,000 decrease to Other Economic Developments Costs, and a corresponding increase of \$2,000,000 to Redevelopment Framework Costs.

ADOPTED by the Downtown/MAPS Tax Increment District Review Committee on this ____ day _____, 2020, as evidenced by the signature of the Chairman.

RONALD J. NORICK
CHAIRMAN

REVIEWED as to form and legality.

Assistant Municipal Counselor