

MEMORANDUM

The City of OKLAHOMA CITY

Council Agenda
Item No. VIII. D.
10/18/05

TO: Mayor and City Council

FROM: James D. Couch, City Manager *JDC*

An Ordinance Approving and Adopting the Las Rosas Residential Development Project Plan, Appendix A to the Downtown/MAPS Economic Development Project Plan; Ratifying and Confirming the Actions, Recommendations and Findings of the Review Committee and the Planning Commission; Identifying the Increment District; Establishing a Date for the Creation of Increment District Number Six, City of Oklahoma City; Designating and Adopting the Residential Development Project Area and Increment District Boundaries; Adopting Certain Findings; Authorizing the Oklahoma City Public Property Authority, and/or the Oklahoma City Redevelopment Authority (the "Public Trust") to Carry out and Administer the Project Plan; Authorizing the Issuance of Bonds and Notes to Carry out the Project Plan; Establishing a Tax Apportionment fund and Authorizing a Continuing Direction of Apportionment for Increments Generated; Declaring the Apportionment Fund to be Funds of the Public Trust; Authorizing the Public Trust to Pledge the Apportioned Increments to Repayment of Debt; Providing for Severability; Declaring an Emergency.

Background

In 1992 the Oklahoma Legislature enacted the Local Development Act, 62 Okla. Stat. Supp. 1992 § 850, *et seq.*, which authorizes municipalities to establish Tax Increment Districts. Oklahoma City has created five other tax increment districts in the past:

- Oklahoma Health Center
- Downtown/MAPS Increment District
- Skirvin Hotel Sales Tax Increment District
- Oklahoma Riverfront Tax Increment District
- Oklahoma Riverfront Sales Tax Increment District

On August 2, 2005 (VIII. J.), the City Council approved a resolution appointing a Review Committee in order to begin the process of the development of Las Rosas Residential Development Tax Increment Financing District #6.

The proposed development is expected to bring an additional 220 single-family residential units in the area around SE 25th Street and South High. The TIF is expected to stimulate approximately \$24.0 million in private investment. The proposed project plan provides funding of up to \$2.75 million in infrastructure improvements and \$350,000 in implementation and administrative costs. A copy of the proposed Project Plan is attached for Council's' review.

Oklahoma Statutes state that a project plan may be adopted after two public hearings are held. The purpose of the first public hearing is to provide information and to answer questions. The Council cannot take final action on a proposed project plan at the first public hearing.

The purpose of the second public hearing is to give any interested persons the opportunity to express their views on the proposed plan. The Council is authorized by statute to adopt a project plan at this time.

The Las Rosas Residential Development Project Tax Increment District Review Committee, appointed by the Mayor to review and make recommendations regarding the proposed Project Plan, met on September 15, 2005, and unanimously voted to recommend approval of the Project Plan.

The Oklahoma City Planning Commission unanimously approved recommending the project plan on September 22, 2005.

Review: Finance Department, City Manager's Office and Municipal Counselor's Office.

Recommendation: Ordinance be adopted with emergency.

COC/mbb

**City Council Action
Financial Impact Report**

Title of Item: An ordinance approving and adopting the Las Rosas Residential Development Project Plan

Date for Introduction: 10/04/05

Originating Department: Finance Administration

Date for Adoption: 10/18/05

Description of Impact:

The attached Ordinance adopts the Las Rosas Residential Development Project Plan. The purpose of the TIF district is to stimulate the development of new single-family residential units in the City's urban core, located along SE 25th and South High.

On August 2, 2005, the City Council approved the representatives to serve on the Las Rosas Residential Development Tax Increment District Review Committee. As required by state law, the Review Committee is comprised of one representative from the City, one from the Planning Commission, one from each taxing jurisdiction whose ad valorem taxes might be impacted according to the plan and three at-large members. On September 15, 2005, the project plan was presented and approved by the Las Rosas Residential Development Tax Increment District Review Committee. The attached ordinance does not increase property taxes.

Increment revenue from the TIF districts will be used to fund financing costs related to the infrastructure improvements needed for the development. The following is a summary of key economic projections from the Las Rosas development:

- \$24 million in real estate investment.
- New property taxes will range from \$65,000 in the early years of the TIF and to up to \$225,000 annually after completion of phase 1 and 2 of the development.

Summary of Impact:

a. Cost to City Organization (include indirect costs): There are administrative costs associated with the implementation and monitoring of the TIF and the attached project plan allows the payment of such costs.

b. Cost to Citizens: There are no additional costs above current property tax.

c. Cost to Business: There are no additional costs above current property tax.

Source of Funds:

Fund:

Agency:

ORGN:

Department Head Signature:

Date: 9/26/05

Date Submitted to OMB:

9-27-05

OMB Review Completed by:

Date: 9-27-05

(Published in The Journal Record this _____, 2005)

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND ADOPTING THE LAS ROSAS RESIDENTIAL DEVELOPMENT PROJECT PLAN, APPENDIX A TO THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN; RATIFYING AND CONFIRMING THE ACTIONS, RECOMMENDATIONS AND FINDINGS OF THE REVIEW COMMITTEE AND THE PLANNING COMMISSION; IDENTIFYING THE INCREMENT DISTRICT; ESTABLISHING A DATE FOR THE CREATION OF INCREMENT DISTRICT NUMBER SIX, CITY OF OKLAHOMA CITY; DESIGNATING AND ADOPTING THE RESIDENTIAL DEVELOPMENT PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES; ADOPTING CERTAIN FINDINGS; AUTHORIZING THE OKLAHOMA CITY PUBLIC PROPERTY AUTHORITY, AND/OR THE OKLAHOMA CITY REDEVELOPMENT AUTHORITY (THE "PUBLIC TRUST") TO CARRY OUT AND ADMINISTER THE PROJECT PLAN; AUTHORIZING THE ISSUANCE OF BONDS AND NOTES TO CARRY OUT THE PROJECT PLAN; ESTABLISHING A TAX APPORTIONMENT FUND AND AUTHORIZING A CONTINUING DIRECTION OF APPORTIONMENT FOR INCREMENTS GENERATED; DECLARING THE APPORTIONMENT FUND TO BE FUNDS OF THE PUBLIC TRUST; AUTHORIZING THE PUBLIC TRUST TO PLEDGE THE APPORTIONED INCREMENTS TO REPAYMENT OF DEBT; PROVIDING FOR SEVERABILITY; DECLARING AN EMERGENCY.

EMERGENCY ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OKLAHOMA CITY:

WHEREAS, the Las Rosas Residential Development Project Plan, Appendix "A" to the Amended Downtown/MAPS Economic Development Project Plan ("Project Plan"), contemplates the creation of a single-family residential development of approximately 220 homes in the inner core of Oklahoma City; and

WHEREAS, the Project Plan supports goals and objectives of The City of Oklahoma City in accordance with the Downtown/MAPS Economic Development Project Plan to attract

investment in the area, to enhance or preserve the tax base and make possible investment, development, and economic growth which would otherwise be difficult or impossible without the project and the apportionment of ad valorem taxes from within the increment district; and

WHEREAS, the proposed project area (“Project Area”) contemplated by the Project Plan is underdeveloped within the meaning of Article 10, Section 6C of the Oklahoma Constitution, is a reinvestment area within the meaning of the Local Development Act, 62 O.S. § 853(17), and is located in a state designated enterprise zone and is therefore eligible for assistance under the Local Development Act, 62 O.S. §§ 851 and 853(6); and

WHEREAS, the Project Plan is an eligible project plan under the Local Development Act, 62 O.S. § 850 *et seq.*, as amended (the “Local Development Act”) and the Las Rosas Residential Development Project Tax Increment District Review Committee (the “Review Committee”), comprised of representatives of each of the taxing jurisdictions in which the proposed ad valorem increment district is located, as well as representatives of the public at large, has considered the financial impacts of the Las Rosas Residential Development Project Plan on each taxing jurisdiction and has found that any adverse impacts are offset in view of the continuation of revenues from the base assessed value of the proposed ad valorem increment district and the economic benefits of the development for the community as a whole, and has adopted a resolution recommending the approval of the Project Plan, including the proposed Increment District No. 6, Oklahoma City, to the Oklahoma City Council; and

WHEREAS, the Oklahoma City Planning Commission has adopted a resolution declaring the Project Plan conforms with the comprehensive (Master) Plan of The City of Oklahoma City and recommending approval and adoption of the Project Plan; and

WHEREAS, the Review Committee has reviewed the proposed increment district in accordance with the criteria specified in the Local Development Act and has found the proposed Increment District No. 6, City of Oklahoma City, ("Increment District") is eligible for designation as an increment district; and

WHEREAS, the Review Committee has found that approval of the Project Plan is appropriate and has recommended approval of the Las Rosas Residential Development Project Plan including Increment District No. 6; and

WHEREAS, tax apportionment financing is a necessary component in developing the Project Area; and

WHEREAS, investment, development and economic growth are difficult but possible within the proposed Project Plan Area if the Project Plan is adopted; and

WHEREAS, the establishment of the proposed Increment District No. 6, City of Oklahoma City will be used in conjunction with existing programs and other locally implemented efforts in order to encourage revitalization in the Las Rosas Project Area; and

WHEREAS, the Project Plan provides tools which will supplement and not supplant or replace normal public functions and services; and

WHEREAS, the boundaries of the proposed Increment District No. 6, City of Oklahoma City do not dissect any similar area nor create an unfair competitive advantage; and

WHEREAS, maximum effort has been made to allow full public knowledge and participation in the application of the Local Development Act in the review and approval of the Project Plan including the creation of Increment District No. 6, City of Oklahoma City; and

WHEREAS, the Constitution of the State of Oklahoma, Article 10, Section 6C provides that a direction of apportionment may be prospective and may continue for one or more years,

and apportioned tax increments may be pledged beyond the current fiscal year for the repayment of indebtedness of public entities; and

WHEREAS, implementation of the Project Plan will be facilitated by authorizing the Oklahoma Public Property Authority and/or the Oklahoma City Redevelopment Authority (the "Public Trust"), to administer and carry out the provisions of the Project Plan; to incur project costs pursuant to Section IX of the Project Plan, and to exercise all powers necessary or appropriate pursuant to 62 O.S. § 854, except those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 thereof; and

WHEREAS, the Public Trust should be authorized to issue tax apportionment bonds and notes, other bonds and notes, or both; to use the proceeds thereof to pay project costs pursuant to Section IX of the Project Plan, and incur the costs of issuance of bonds and notes and accumulate reserves, if any, in connection with them.

WHEREAS, all required notices have been given and all required hearings have been held in connection with the Project Plan, as prescribed by the Local Development Act, the Oklahoma Open Meeting Act, and other applicable law; and

WHEREAS, it is in the public interest of The City of Oklahoma City and its citizens to approve the Project Plan and Increment District.

NOW, THEREFORE, BE IT ENACTED by the City Council of The City of Oklahoma City:

SECTION 1. In order to redevelop the eligible Project Area, The City of Oklahoma City (the "City") elects to utilize Article 10, Section 6C of the Constitution of the State of Oklahoma and the Local Development Act, which authorizes the use of local taxes for specific public investments, assistance in development financing, and as a revenue source for other public

entities in the area, and which provides for the direction of apportionment of local taxes to plan, finance, and carry out development of unproductive, undeveloped, underdeveloped or blighted areas as determined by the governing body of a city, town or county.

SECTION 2. The Las Rosas Residential Development Project Plan, Appendix A to the Downtown/MAPS Economic Development Project Plan is hereby approved, as recommended by the Las Rosas Residential Development Project Tax Increment District Review Committee. As used herein, "Project Plan" shall mean the document dated September 13, 2005, comprised of one cover sheet, six (6) pages of text, five (5) exhibits labeled "A", "B", "C", "D" and "E" and titled "Las Rosas Residential Development Project Plan, Appendix A to the Amended Downtown/MAPS Economic Development Project Plan.

SECTION 3. All actions taken and all recommendations and findings made in connection with the Project Plan by The City of Oklahoma City Planning Commission and the Review Committee are hereby ratified and confirmed including, but not limited to, designation and selection of representatives to the Review Committee from the taxing jurisdictions and the public at large, recommendations for approval, findings of conformance with the Comprehensive (Master) Plan, eligibility of the increment district and financial impacts upon the taxing jurisdictions.

SECTION 4. For identification purposes, the name of the increment district shall be Increment District No. 6, City of Oklahoma City.

SECTION 5. Increment District No. 6, City of Oklahoma City, is hereby created as of the date of the adoption of this ordinance.

SECTION 6. The boundaries of the Las Rosas Residential Development Project Area and the boundaries of Increment District No. 6, City of Oklahoma City are identical and are hereby designated and adopted as follows:

**LAS ROSAS PROJECT AREA AND INCREMENT
DISTRICT BOUNDARIES DESCRIPTION**

The Las Rosas Project Area and Increment District boundaries are identical and are shown on Exhibit A, "Las Rosas Project Area and Increment District Boundaries." The Project Area and Increment District boundaries are described as follows:

A tract of land being a part of the Southeast Quarter (SE/4) of Section 10, Township 11 North Range 3 West of the Indian Meridian, Oklahoma County, Oklahoma. Said tract of land being more particularly described as follows: BEGINNING at the Northeast Corner of said Southeast Quarter (SE/4); Thence South 00° 01' 00" East along the East line of said Southeast Quarter (SE/4), a distance of 1232.08 feet to a point on the North right-of-way line of Southeast 25th Street (as recorded In Book 1823, Page 198); Thence Westerly along said North right-of-way line for the following 4 courses:

- (1) South 89° 17' 15" West, a distance of 33.55 feet;
- (2) On a curve to the right, having a radius of 517.84 feet for an arc distance of 259.09 feet;
- (3) On a reverse curve to the left, having a radius of 607.84 feet for an arc distance of 304.11 feet;
- (4) South 89° 17' 15" West, a distance of 453.21 feet to a point on the East right-of-way line of Phillips Avenue (as recorded In Book 1877, Page 586);

Thence North 00° 01' 00" West along said East right-of-way line, a distance of 1089.38 feet to a point on the North line of said Southeast Quarter (SE/4); Thence North 89° 01' 29" East along the North line of said Southeast Quarter (SE/4), a distance of 1028.50 feet to the POINT OF BEGINNING.

AND

Commencing at the Northeast Corner of said Southeast Quarter (SE/4); Thence South 89° 01' 29" West along the North line of said Southeast Quarter (SE/4), a distance of 1088.50 feet to the POINT OF BEGINNING, said point being on the West right-of-way line of Phillips Avenue (as recorded in Book 1877, Page 586); Thence South 00° 01' 00" East along said West right-of-way line a distance of

1089.11 feet to a point on the North right-of-way line of Southeast 25th Street (as recorded in Book 1823, Page 198); Thence South $89^{\circ} 17' 15''$ West along said North right-of-way line, a distance of 366.52 feet; Thence North $00^{\circ} 06' 01''$ East being parallel to the West line of said Southeast Quarter (SE/4), a distance of 902.19 feet; Thence North $89^{\circ} 01' 29''$ East and parallel to the North line of said Southeast Quarter (SE/4), a distance of 95.00 feet; Thence North $00^{\circ} 06' 01''$ East and parallel to the West line of said Southeast Quarter (SE/4), a distance of 185.27 feet to a point on the North line of said Southeast Quarter (SE/4); Thence North $89^{\circ} 01' 29''$ East along the North line of said Southeast Quarter (SE/4), a distance of 269.32 feet to the POINT OF BEGINNING.

AND

Commencing at the Southwest Corner of said Southeast Quarter (SE/4); Thence North $00^{\circ} 06' 01''$ East along the West line of said Southeast Quarter (SE/4), a distance of 976.22 feet; Thence North $89^{\circ} 14' 26''$ East, a distance of 60.01 feet to a point on the East right-of-way line of South Byers Avenue (as recorded in Book 169, Page 174), said point also being the POINT OF BEGINNING; Thence North $00^{\circ} 06' 01''$ East along said East right-of-way line a distance of 356.73 feet; Thence North $89^{\circ} 17' 15''$ East a distance of 240.00 feet; Thence North $00^{\circ} 06' 01''$ East and parallel to the West line of said Southeast Quarter (SE/4), a distance of 95.00 feet to a point on the South right-of-way line of Southeast 25th Street (as recorded in Book 1383, Page 582); Thence North $89^{\circ} 17' 15''$ East along said South right-of-way line, a distance of 1313.82 feet; Thence South $00^{\circ} 03' 22''$ West, a distance of 107.26 feet to a point on the North line of Block 2 of the FROST HEIGHTS Addition; Thence South $89^{\circ} 19' 14''$ West along said North line, a distance of 294.40 feet to the Northwest Corner of said FROST HEIGHTS Addition, said point also being on the centerline of Lindsay Avenue; Thence South $00^{\circ} 16' 16''$ West along the West line of said FROST HEIGHTS Addition, a distance of 343.62 feet to the Northeast Corner of the VIEW POINT Addition, said point also being on the centerline of Lindsay Avenue; Thence South $89^{\circ} 14' 26''$ West along the North line of said VIEW POINT Addition, a distance of 1258.48 feet to the POINT OF BEGINNING.

SECTION 7. The City Council of The City of Oklahoma City hereby finds:

- (a) that the Las Rosas Project Area and the Increment District, which are co-extensive, are also located within a state designated enterprise zone, and, as such, are deemed unproductive, undeveloped, underdeveloped or blighted areas pursuant to Article X, Section 6C of the Oklahoma

Constitution and, therefore, eligible for development and redevelopment through tax increment apportionment.

- (b) that the improvement of the Las Rosas Project Area is likely to enhance the value of other real property in the area and to promote the general public interest.
- (c) that the guidelines of paragraphs 1 and 2 of Section 3 of the Local Development Act (62 O. S. § 852) shall be followed.
- (d) that the aggregate net assessed value of the taxable property in all increment districts, as determined pursuant to the Local Development Act, within the City of Oklahoma City does not exceed 25% of the total net assessed value of taxable property within The City of Oklahoma City.
- (e) that the aggregate net assessed value of the taxable property in all increment districts, as determined pursuant to the Local Development Act, within The City of Oklahoma City does not exceed 25% of the total assessed net value of any affected school districts located within The City of Oklahoma City.
- (f) that the land area of all increment districts within The City of Oklahoma City does not exceed 25% of the total land area of The City of Oklahoma City.
- (g) that the Las Rosas Residential Development Project Plan is feasible and conforms to the Master or Comprehensive Plan of The City of Oklahoma City.

SECTION 8. The Oklahoma City Public Property Authority and/or The Oklahoma City Redevelopment Authority (the "Public Trust") shall have the authority to administer and carry out the provisions of the Project Plan, to incur project costs pursuant to Section IX of the Project Plan, and to exercise all powers necessary or appropriate thereto pursuant to 62 O.S. §854, except those powers enumerated in paragraphs 1, 3, 4, 7, 13, and 16 thereof.

SECTION 9. The Public Trust shall have the authority to issue tax apportionment bonds and notes, other bonds and notes, or both; to use the proceeds thereof to pay project costs pursuant to Section IX of the Project Plan; and incur the costs of issuance of bonds and notes and accumulate reserves, if any, in connection with them.

SECTION 10. *The increment of ad valorem taxes, from Increment District No.6, City of Oklahoma City, in excess of ad valorem taxes generated by the base assessed value of the increment district, shall be apportioned and paid into an apportionment fund and may be pledged in accordance with Section 6C, paragraph B of Article X of the Constitution of the State of Oklahoma, for a period not to exceed 25 years, as provided by law, or, if less, the period required to for the payment of authorized project costs and /or indebtedness incurred by the Public Trust in carrying out the provisions of the Project Plan.*

SECTION 11. During the period of apportionment, the apportionment fund shall constitute funds of the Public Trust and shall not constitute a part of the general fund to be appropriated annually by the governing body of the City.

SECTION 12. The Public Trust is authorized to pledge the apportioned increments to repayment of debt.

SECTION 13. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional, such portion shall not affect the validity of the remaining portions of this ordinance.

SECTION 14. EMERGENCY. WHEREAS, it being immediately necessary for the preservation of the peace, health, safety, and the public good of The City of Oklahoma City, and the inhabitants thereof, that the provisions of this Ordinance be put into full force and effect, an emergency is hereby declared to exist, by reason whereof this Ordinance shall take effect and be put in full force from and after the date of its passage as provided by law.

INTRODUCED and **CONSIDERED** in open meeting of The Oklahoma City Council on this 4th day of October, 2005.

PASSED by the Council of The City of Oklahoma City this ___ day of _____, 2005.

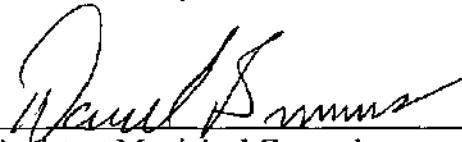
SIGNED by the Mayor of The City of Oklahoma City on the ___ day of _____, 2005.

MAYOR

ATTEST:

CITY CLERK

REVIEWED for form and legality this 28th day of Sept, 2005.


Assistant Municipal Counselor

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DRAFT

LAS ROSAS RESIDENTIAL DEVELOPMENT PROJECT PLAN

**APPENDIX A TO THE
DOWNTOWN/MAPS ECONOMIC DEVELOPMENT
PROJECT PLAN**

PREPARED BY:

THE CITY OF OKLAHOMA CITY, OKLAHOMA

MICK CORNETT, MAYOR

COUNCIL MEMBERS:

GARY MARRS - WARD 1

SAM BOWMAN - WARD 2

LARRY MCATEE - WARD 3

PETE WHITE - WARD 4

JERRY FOSHEE - WARD 5

ANN SIMANK - WARD 6

WILLA JOHNSON - WARD 7

PAT RYAN - WARD 8

JAMES D. COUCH, CITY MANAGER

September 13, 2005

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LAS ROSAS RESIDENTIAL DEVELOPMENT PROJECT PLAN

APPENDIX A OF THE DOWNTOWN/MAPS ECONOMIC DEVELOPMENT PROJECT PLAN

I. DESCRIPTION OF PROJECT

The proposed Las Rosas Residential Development Project Plan, Appendix A to the Amended Downtown/MAPS Economic Development Project Plan, dated June 2004, (hereinafter referred to as the "Project Plan Addendum" or "Appendix A") contemplates the creation of a residential development in the inner core of The City of Oklahoma City (the "City"). The Las Rosas Residential Development (also referred to as the "Residential Development") is a single-family housing development to be located within the Downtown/MAPS project area. The establishment of the Las Rosas Residential Development advances the goals and objectives of the Amended Downtown/MAPS Economic Development Project Plan, dated June 2004 (the "Downtown/MAPS Project Plan").

The Las Rosas Residential Development will establish a neighborhood of 220 single-family homes in the historic Capitol Hill District of Oklahoma City. The proposed Residential Development will be in close proximity to the downtown Oklahoma City business district, the arts district and the Bricktown Entertainment Center. The Residential Development will create a consumer base of over 200 families permanently residing in the core of the City, which will promote and stimulate additional redevelopment and investment activities in the Downtown/MAPS project area.

The construction and development of the Las Rosas Residential Development will be performed by a redeveloper to be selected by the Oklahoma City Redevelopment Authority, the Oklahoma City Public Property Authority or another public trust of which The City of Oklahoma City is the sole beneficiary, designated by ordinance by the City Council (hereinafter referred to as "Public Trust"). The Residential Development will be adjacent to Wheeler Elementary School, which is the only bilingual school in Oklahoma City. The neighboring Schilling Park and Community Center will provide the proposed Residential Development with close public amenities, including a swimming pool, recreational facilities, and open spaces.

The single-family housing designed for the Residential Development will include several distinctive floor plans ranging approximately from 1050 sq. ft. to 1600 sq. ft. with a variety of exterior designs. The Las Rosas Residential Development will offer amenities such as landscaping, a security fence surrounding the neighborhood, water fountains and other decorative features.

II. PROJECT AREA AND INCREMENT DISTRICT BOUNDARIES

The proposed Las Rosas Residential Development Project Area (the "Project Area") and Increment District No. 6, City of Oklahoma City (the "Increment District") are coextensive and will be located in the project area as described in the Downtown/MAPS Project Plan and shown on Exhibit A. A description of the boundaries for the proposed Project Area and the Increment District are contained in Exhibit B. A map depicting the Project Area and the Increment District is shown on Exhibit C. The Increment District is the area in which the tax increment will be generated and where the Residential Development, including improvements described in Section IX herein, will be located.

III. ELIGIBILITY OF RESIDENTIAL DEVELOPMENT PROJECT

The area of the Increment District is underdeveloped within the meaning of Article 10, § 6C of the Oklahoma Constitution and is a reinvestment area within the meaning of the Local Development Act, 62 O.S. § 853(17). Additionally, Increment District No. 6 is located in a state enterprise zone and is, therefore, eligible for assistance under the Local Development Act, pursuant to 62 O.S. §§ 851 and 853(6).

IV. OBJECTIVES

The purpose of the Residential Development and Increment District No. 6, City of Oklahoma City, is to support the achievement of the residential development objectives of The City of Oklahoma City in order to:

- A. Serve the demand for market rate development and housing within the Downtown/MAPS project area;
- B. Provide a single-family housing development to support the housing needs of the inner City's diverse population;
- C. Promote economic development to increase tax revenues, raise property values, and improve economic stability;
- D. Preserve and enhance the tax base; and
- E. Make possible investment, development and economic growth which would otherwise be difficult or impossible without the apportionment of ad valorem taxes from within the Increment District.

V. FINANCIAL IMPACTS

The proposed Las Rosas Residential Development will generate tax increments necessary to pay authorized public costs of the residential development project. Without the proposed development, a significant residential development project within the Downtown/Maps project area would not occur, making it more difficult to achieve the goals and objectives of the Downtown/MAPS Project Plan. Without creating the Las Rosas Residential Development, which is estimated to cover approximately 50 acres, an increase in ad valorem taxes is unlikely and the creation of a consumer market made up of over 200 families in the inner core of the City becomes extremely improbable.

The proposed Residential Development does not create a significant increase in demand for services or costs to the affected taxing entities other than The City of Oklahoma City, whose public sector costs will be offset by apportioned tax increments as provided in this Project Plan.

VI. STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for the Residential Development, including all necessary, appropriate and supportive steps, will consist of the following:

- A. Negotiation, preparation, execution, and implementation of a development agreement and agreements for financing and construction by a private developer as authorized by the Local Development Act, 62 O.S. § 850, *et seq.*; and
- B. Site preparation, planning and construction of public improvements necessary to support the Residential Development; and
- C. All other actions necessary and appropriate to carry out the Residential Development project as authorized by the Local Development Act, 62 O.S. § 850, *et seq.*

VII. ESTABLISHMENT OF INCREMENT DISTRICT NO. 6, CITY OF OKLAHOMA CITY

- A. The increment of ad valorem taxes, which may be apportioned from time to time, from Increment District No. 6, City of Oklahoma City, in excess of the base assessed value of the increment district, may be used to pay project costs authorized pursuant to Section IX of this Project Plan Addendum for a period not to exceed 25 years, or the period required for the payment of the authorized project costs, whichever is less.

- B. *During the period of apportionment, the apportionment fund shall constitute funds of the Public Trust and shall not constitute a part of the general fund to be appropriated annually by the governing body of The City of Oklahoma City.*
- C. The Public Trust is authorized to: (1) issue tax apportionment bonds or notes, or both; (2) incur project costs, pursuant to Section IX of this Project Plan Addendum; and (3) incur the cost of issuance of such bonds or notes and to accumulate appropriate reserves, if any, in connection with them.

VIII. PROJECT AND INCREMENT DISTRICT AUTHORIZATIONS

- A. The Public Trust will be designated by The City of Oklahoma City to carry out and administer the provisions of this Appendix A. The Public Trust is authorized to enter into a redevelopment agreement with a redeveloper pursuant to the Public Trust's trust indenture and by-laws, as amended, and to exercise all powers necessary or appropriate thereto pursuant to 62 O.S. § 854, except for approval of this Appendix A and those powers enumerated in paragraphs 1, 3, 4, 7, 13 and 16 of Section 854.
- B. The person in charge of implementation of the Residential Development project in accordance with the provisions, authorizations and respective delegations of responsibilities contained herein is Catherine O'Connor, Assistant City Manager of The City of Oklahoma City, or her successor in office. Ms. O'Connor, or her successor in office, is authorized to empower one or more designees to exercise responsibilities in connection with project implementation.

IX. BUDGET OF ESTIMATED PROJECT COSTS TO BE FINANCED FROM INCREMENT DISTRICT NO. 6

Project costs to be financed by the apportionment of tax increments from Increment District No. 6 are:

- A. The planning, site preparation and construction of site improvements pursuant to development agreements; and
- B. The costs incurred or to be incurred by The City and the Public Trust in implementing and administering the provisions contained in this Project Plan Addendum, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of this Project Plan Addendum to the Amended Downtown/Maps Project Plan, administrative costs, organizational costs, professional service costs, and financing costs and fees.

Estimated Project Costs

Site Preparation and Improvements	\$2,750,000
Project Planning, Approval and Implementation	\$100,000
Aggregated Annual Administrative Allowance	\$200,000
Contingency	<u>\$50,000</u>
Total	\$3,100,000

Plus financing costs and interest on repayment of project costs

X. FINANCING REVENUE SOURCES

The revenue source expected to finance project costs authorized by Section IX is the increment generated by values in excess of the base assessed value within the proposed Increment District No. 6. It is estimated that between \$65,000 annually in the near term and \$225,000 annually over the longer term will be generated by the incremental increase in ad valorem tax revenue.

Authorized project costs will be paid by the Public Trust. Other supporting public improvements may be provided by The City of Oklahoma City. The financing of the projected private development in the area will be provided by private equity and private mortgage financing, secured by the private developer.

XI. PUBLIC REVENUE ESTIMATED TO ACCRUE FROM THE PROJECT

The estimated incremental increases in ad valorem tax revenue, which will serve as the revenue source for financing the Residential Development project costs authorized by Section IX of this Appendix A, are the public revenues directly attributable to the Residential Development Project.

XII. PRIVATE AND PUBLIC INVESTMENTS EXPECTED FOR THE PROJECT

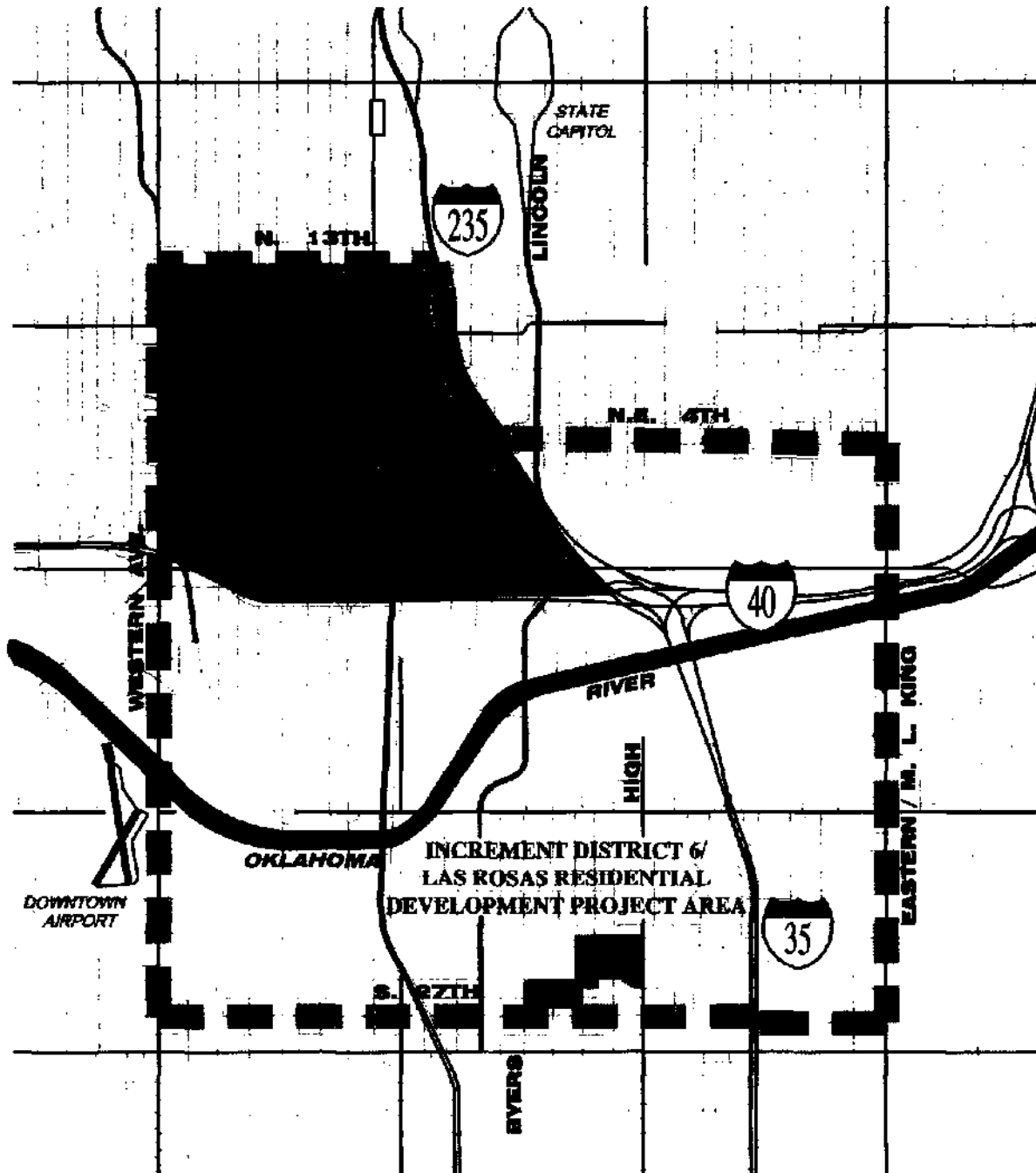
It is estimated that the total public and private investment for the project will exceed \$20 million, of which approximately ninety percent (90%) is estimated to be privately financed and approximately ten percent (10%) is estimated to be publicly financed.

XIII. LAND USE PROVISIONS

The property within the Increment District No. 6 is vacant and there has been no significant recent use of the property. Current zoning is R-1 Single Family Residential, and no zoning changes appear to be necessary to accommodate the Residential Development. The proposed Residential Development conforms to the comprehensive plan for The City of Oklahoma City, as amended. A map depicting current uses and conditions of the property is contained in Exhibit D and a map showing the proposed use of the property is contained in Exhibit E.

Exhibit A
APPENDIX A
to the
Downtown/MAPS Economic Development
Project Plan

Las Rosas Residential Development Project Area







-  Downtown/MAPS Economic Development Project Area
-  Increment District No. 2
-  Increment District No. 3/Skirvin Sales Tax Increment
-  Increment District No. 6/Las Rosas Residential Development Project Area

EXHIBIT B

**Boundary Descriptions – Las Rosas Residential Development Project Area
and
Increment District No. 6, City of Oklahoma City**

A tract of land being a part of the Southeast Quarter (SE/4) of Section 10, Township 11 North Range 3 West of the Indian Meridian, Oklahoma County, Oklahoma. Said tract of land being more particularly described as follows:

BEGINNING at the Northeast Corner of said Southeast Quarter (SE/4);

Thence South 00°01'00" East along the East line of said Southeast Quarter (SE/4), a distance of 1232.08 feet to a point on the North Right-of-Way line of Southeast 25th Street (as recorded in Book 1823, Page 198);

Thence Westerly along said North Right-of-Way line for the following 4 courses:

- (1) South 89°17'15" West, a distance of 33.55 feet;
- (2) On a curve to the Right, having a radius of 517.84 feet for an arc distance of 259.09 feet;
- (3) On a reverse curve to the Left, having a radius of 607.84 feet for an arc distance of 304.11 feet;
- (4) South 89°17'15" West, a distance of 453.21 feet to a point on the East Right-of-Way line of Phillips Avenue (as recorded In Book 1877, Page 586);

Thence North 00°01'00" West along said East Right-of-Way line, a distance of 1089.38 feet to a point on the North line of said Southeast Quarter (SE/4);

Thence North 89°01'29" East along the North line of said Southeast Quarter (SE/4), a distance of 1028.50 feet to the POINT OF BEGINNING.

AND

Commencing at the Northeast Corner of said Southeast Quarter (SE/4);

Thence South 89°01'29" West along the North line of said Southeast Quarter (SE/4), a distance of 1088.50 feet to the POINT OF BEGINNING, said point being on the West Right-of-Way line of Phillips Avenue (as recorded in Book 1877, Page 586);

Thence South 00°01'00" East along said West Right-of-Way line a distance of 1089.11 feet to a point on the North Right-of-Way line of Southeast 25th Street (as recorded in Book 1823, Page 198);

Thence South 89°17'15" West along said North Right-of-Way line, a distance of 366.52 feet;

Thence North 00°06'01" East being parallel to the West line of said Southeast Quarter (SE/4), a distance of 902.19 feet;

Thence North 89°01'29" East and parallel to the North line of said Southeast Quarter (SE/4), a distance of 95.00 feet;

Thence North 00°06'01" East and parallel to the West line of said Southeast Quarter (SE/4), a distance of 185.27 feet to a point on the North line of said Southeast Quarter (SE/4);

Thence North 89°01'29" East along the North line of said Southeast Quarter (SE/4), a distance of 269.32 feet to the POINT OF BEGINNING.

AND

Commencing at the Southwest Corner of said Southeast Quarter (SE/4);

Thence North 00°06'01" East along the West line of said Southeast Quarter (SE/4), a distance of 976.22 feet;

Thence North 89°14'26" East, a distance of 60.01 feet to a point on the East Right-of-Way line of South Byers Avenue (as recorded in Book 169, Page 174), said point also being the POINT OF BEGINNING;

Thence North 00°06'01" East along said East Right-of-Way line a distance of 356.73 feet;

Thence North 89°17'15" East a distance of 240.00 feet;

Thence North 00°06'01" East and parallel to the West line of said Southeast Quarter (SE/4), a distance of 95.00 feet to a point on the South Right-of-Way line of Southeast 25th Street (as recorded in Book 1383, Page 582);

Thence North 89°17'15" East along said South Right-of-Way line, a distance of 1313.82 feet;

Thence South 00°03'22" West, a distance of 107.26 feet to a point on the North line of Block 2 of the FROST HEIGHTS ADDITION;

Thence South $89^{\circ}19'14''$ West along said North line, a distance of 294.40 feet to the Northwest Corner of said FROST HEIGHTS ADDITION, said point also being on the centerline of Lindsay Avenue;

Thence South $00^{\circ}16'16''$ West along the West line of said FROST HEIGHTS ADDITION, a distance of 343.62 feet to the Northeast Corner of the VIEW POINT ADDITION, said point also being on the centerline of Lindsay Avenue;

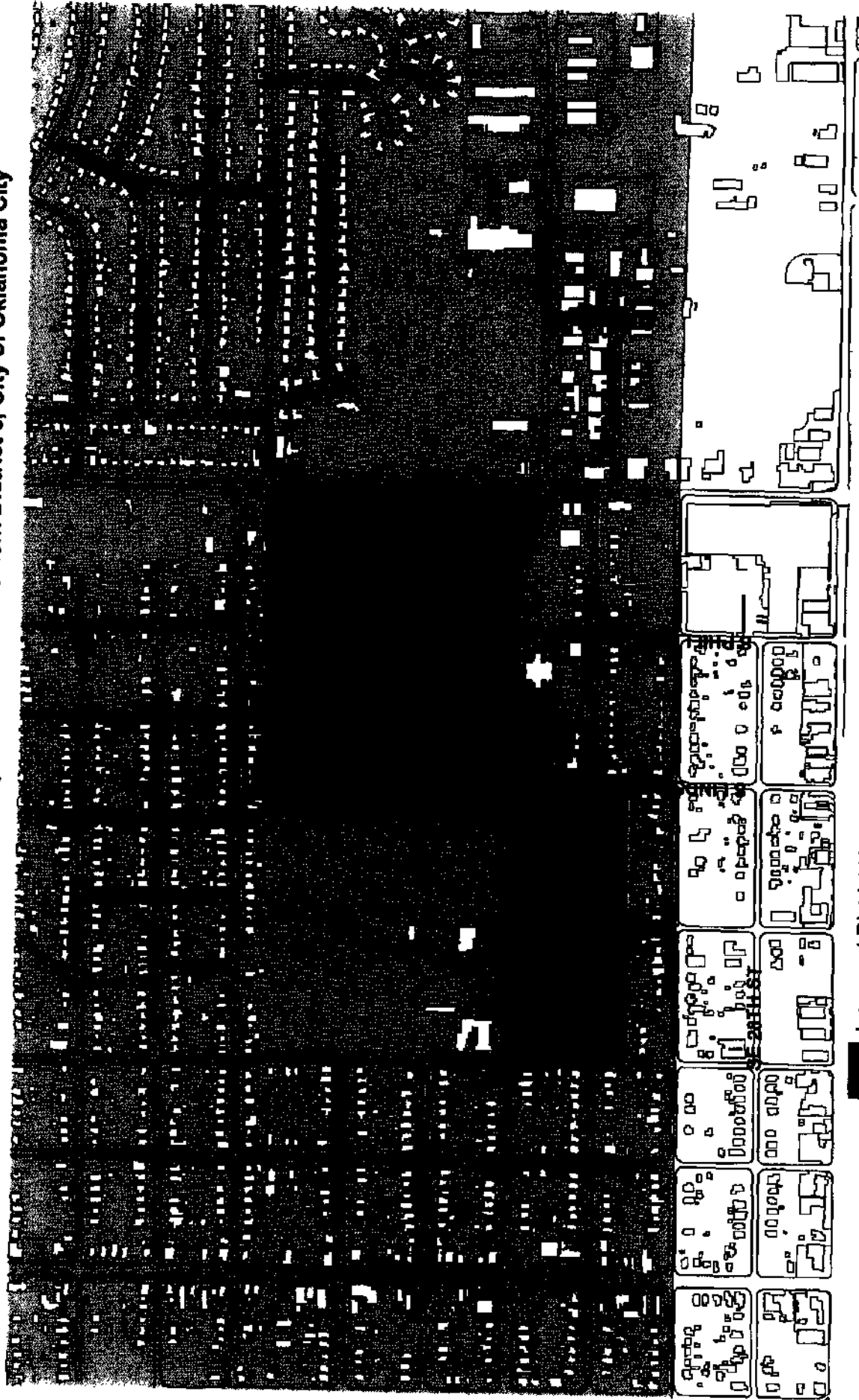
Thence South $89^{\circ}14'26''$ West along the North line of said VIEW POINT ADDITION, a distance of 1258.48 feet to the POINT OF BEGINNING.

Exhibit C

APPENDIX A

to the

Downtown/MAPS Economic Development Project Plan
Las Rosas Residential Development Project Area and Increment District 6, City of Oklahoma City



Increment District No. 6/Las Rosas Residential Development Project Area

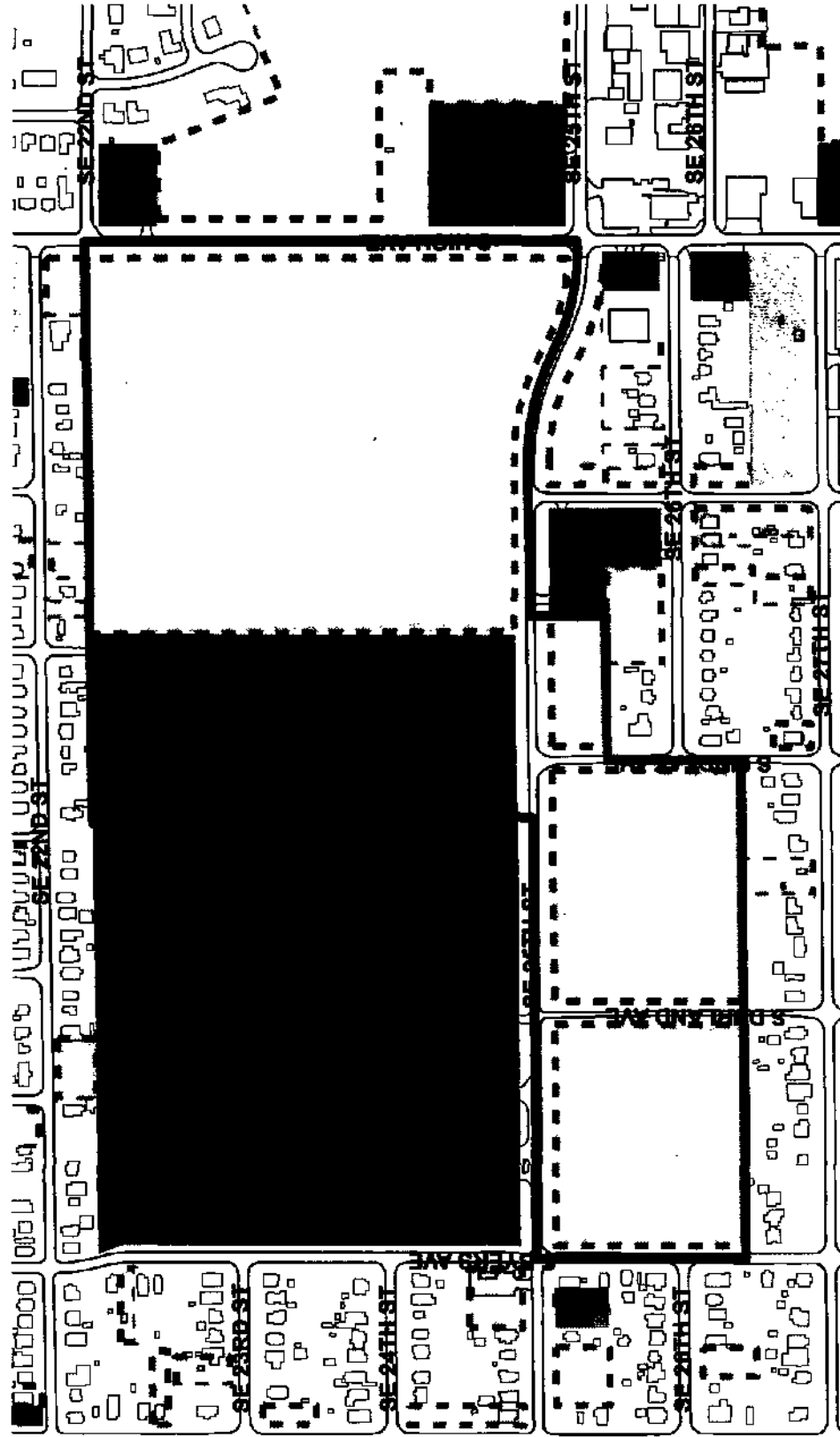
Downtown/MAPS Economic Development Project Area

Exhibit D

APPENDIX A

to the
Downtown/MAPS Economic Development Project Plan
Las Rosas Residential Development Project Area and Increment District 6, City of Oklahoma City

Current Uses and Conditions




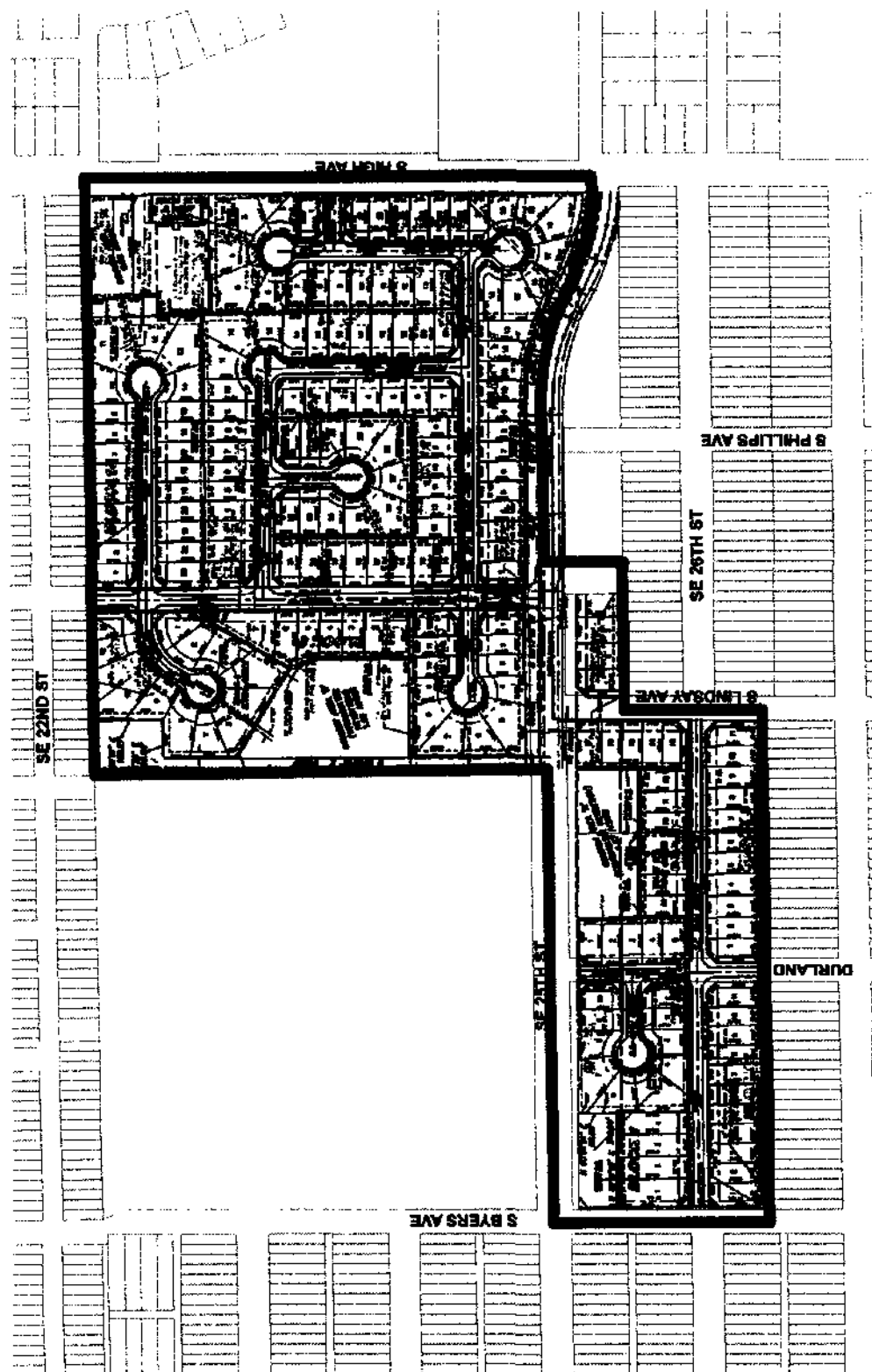
 Increment District No. 6/Las Rosas Residential Development Project Area

Exhibit E

APPENDIX A

**Downtown/MAPS Economic Development Project Plan
to the
Las Rosas Residential Development Project Area and Increment District 6, City of Oklahoma City**

Proposed Uses



- Proposed development
- Existing plating
- Increment District No. 6/Las Rosas Residential Development Project Area